



Agenda

San Miguel Community Services District

BOARD OF DIRECTORS

Anthony Kalvans, President
John Green, Director

Gib Buckman, Director

Larry Reuck, Vice President
Joe Parent, Director

THURSDAY, JUNE 29, 2017
4:00 P.M.

BOARD OF DIRECTORS SPECIAL MEETING AGENDA

SMCSD Boardroom
1150 Mission St.
San Miguel, CA 93451

Cell Phones: As a courtesy to others, please silence your cell phone or pager during the meeting and engage in conversations outside the Boardroom.

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the CSD Clerk at (805) 467-3388. Notification 48 hours in advance will enable the CSD to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are available for the hearing impaired.

Public Comment: Please complete a "Request to Speak" form located at the podium in the boardroom in order to address the Board of Directors on any agenda item. Comments are limited to three minutes, unless you have registered your organization with CSD Clerk prior to the meeting. If you wish to speak on an item not on the agenda, you may do so under "Oral Communications." Any member of the public may address the Board of Directors on items on the Consent Calendar. Please complete a "Request to Speak" form as noted above and mark which item number you wish to address.

Meeting Schedule: Regular Board of Director meetings are generally held in the SMCSD Boardroom on the fourth Thursday of each month at 7:00 P.M. Agendas are also posted at: www.sanmiguelcsd.org

Agendas: Agenda packets are available for public inspection 72 hours prior to the regularly scheduled meeting at the Counter/ San Miguel CSD office located at 1150 Mission St., San Miguel, during normal business hours. Any agenda-related writings or documents provided to a majority of the Board of Directors after distribution of the agenda packet are available for public inspection at the same time at the counter/ San Miguel CSD office at 1150 Mission St., San Miguel, during normal business hours.

I. Call to Order: 4:00 P.M.

II. Pledge of Allegiance:

III. Roll Call:

IV. Adoption Special Meeting Agenda

V. Public Comment and Communications (for items not on the agenda):

Persons wishing to speak on a matter not on the agenda may be heard at this time; however, no action will be taken until placed on a future agenda. Speakers are limited to three minutes. Please complete a "Request to Speak" form and place in basket provided.

VI. ADJOURN TO CLOSED SESSION:

A. CLOSED SESSION AGENDA:

1. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency Designated Representatives: District General Counsel, President Kalvans and Director Green

Employee Organization: San Luis Obispo County Employees Association

Title: Memorandum of Understanding Negotiations with the Association

2. CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9: (17 cases)

3. PUBLIC EMPLOYMENT

Title: Director of Utilities

Pursuant to Government Code Section 54954.5

4. PUBLIC EMPLOYMENT

Title: Board Clerk/Account Clerk Manager

Pursuant to Government Code Section 54954.5

5. PUBLIC EMPLOYMENT

Title: Account Clerk I

Pursuant to Government Code Section 54954.5

B. RECONVENE TO OPEN SESSION

C. REPORT OUT OF CLOSED SESSION

1. Report out of Closed Session by District General Counsel

VII. Call to Order for Open Board Meeting (estimated to be 5:30 p.m.)

VIII. Public Comment and Communications:

Persons wishing to speak on a matter not on the agenda may be heard at this time; however, no action will be taken until placed on a future agenda. Speakers are limited to three minutes. Please complete a "Request to Speak" form and place in basket provided.

IX. PRESENTATION BY SAN MIGUEL GARBAGE

X. Staff & Committee Reports – Receive & File:

Non-District Reports:

- | | |
|--|-----------|
| 1. San Luis Obispo County Sheriff | No Report |
| 2. San Luis Obispo County Board of Supervisors | No Report |
| 3. San Luis Obispo County Planning and/or Public Works | No Report |
| 4. San Miguel Area Advisory Council | No Report |
| 5. Camp Roberts—Army National Guard | No Report |

District Staff & Committee Reports:

- | | | |
|------------------------------------|------------------------|-----------|
| 6. Interim General Manager | (Chief Roberson) | Verbal |
| 7. District General Counsel | (Mr. White) | No Report |
| 8. Dist. Eng./Utility Service Mgr. | (Mr. Reely) | Written |
| 9. Utility Supervisor | (Mr. Dodds) | Verbal |
| 10. Fire Chief | (Chief Roberson) | Written |
| 11. Finance & Budget Committee | (Director Reuck-Chair) | No Report |

XI. CONSENT ITEMS:

The items listed below are scheduled for consideration as a group and one vote. Any Director or a member of the public may request an item be withdrawn from the Consent Agenda to discuss or to change the recommended course of action. Unless an item is pulled for separate consideration by the Board, the following items are recommended for approval without further discussion.

- 1. Public Surplus Items.

XII. BOARD ACTION ITEMS:

- 1. Review and Approve Resolution 2017-___ Creating a Board Clerk/Account Clerk Manager and Authorizing the Interim General Manager to Hire an Individual to Fill the Board Clerk/Account Clerk Manager Position.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-___ creating the position of Board Clerk/Account Clerk Manager and authorizing the Interim General Manager to hire an individual to fill the Board Clerk/Account Clerk Manager position.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

2. Review and Approve Resolution 2017-___ Approving the Interim General Manager’s Appointment of Tamara Parent as the District’s Board Clerk/Account Clerk Manager and approving an Employment Agreement.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-___ approving the Interim General Manager’s appointment of Tamara Parent as the District’s Board Clerk/Account Clerk Manager and approving an Employment Agreement.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

3. Review and Approve Resolution 2017-___ Creating the Director of Utilities Position and Authorizing the Interim General Manager to Hire an Individual to Fill the Director of Utilities Position.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-___ creating the Director of Utilities position and authorizing the Interim General Manager to hire an individual to fill the Director of Utilities Position.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

4. Review and Approve Resolution 2017-___ Approving the Interim General Manager’s Appointment of Kelly Dodds as the Director of Utilities and Approving the Employment Agreement.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-___ approving the Interim General Manager’s appointment of Kelly Dodds as the Director of Utilities and approving the Employment Agreement.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

5. Review and Approve Resolution 2017-___ Authorizing the Interim General Manager to Recruit and Hire an Account Clerk I.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-___ authorizing the Interim General Manager to recruit and hire an Account Clerk I.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

6. Review and Approve Resolution 2017-___ Revising the District's Compensation Step Schedule for the Utility Operator I, Utility Operator II, and Utility Operator III Positions and Authorizing Staff to Recruit a Utility Operator.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution No. 2017___ revising the District's compensation step schedule for the Utility Operator I, Utility Operator II, and Utility Operator III positions and authorizing staff to recruit a Utility Operator.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

7. Authorize Staff to Release the San Lawrence Terrace Arsenic Blending Pipeline and Tank Improvements Project Plans & Specifications and Authorize the Interim General Manager to Direct Staff to Advertise for Bids.

STAFF RECOMMENDATION:

Authorize staff to release the Plans & Specifications for the San Lawrence Terrace Arsenic Blending Pipeline and Tank Improvements project and authorize the Interim General Manager to direct the staff to advertise for bids from qualified contractors to complete the construction phase of the project.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

8. Discuss and Adopt Resolution 2017-___ Approving the Subrecipient Agreement for 2015 Community Development Block Grant Funds in the Amount of \$150,000 Between the County of San Luis Obispo and the San Miguel Community Services District and Directing the President of the Board of Directors to Execute the Agreement.

STAFF RECOMMENDATION:

Discuss and adopt Resolution 2017-___ of the Board of Directors approving the Subrecipient Agreement for 2015 Community Development Block Grant Funds in the amount of \$150,000 between the County of San Luis Obispo and the San Miguel Community Services District and directing the President of the Board of Directors to execute the agreement.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

9. Review and Approve Resolution 2017-__ Approving Monsoon Consulting’s Proposal to Provide Plans, Specifications, and Support Services for the Replacement of the 11th and 10th Street Waterlines at a Cost not to Exceed \$25,000.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-__ approving the proposal by Monsoon Consulting to provide plans, specifications, and support services for the replacement of the 11th and 10th street waterlines at a cost not to exceed \$25,000.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

10. Review and approve Resolution 2017-__ Authorizing the Interim General Manager to Enter an Agreement with Monsoon Consulting to Update the Water and Wastewater Master Plans at a Cost not to Exceed \$43,300.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-__ authorizing the Interim General Manager to enter an agreement with Monsoon Consulting to update the Water and Wastewater Master plans at a cost not to exceed \$43,300.

Public Comments: (Hear public comments prior to Board Action)

M _____ S _____ V _____

11. Consider Adoption of Resolution 2017-___ Authorizing Continuing Appropriations to Pay Normal Operational Costs for SMCSO and Authorizing Preparation of the Final Budget Document.

STAFF RECOMMENDATION:

Staff recommends that the Board approve Resolution No. 2017-___ authorizing continuing appropriations to pay normal operational costs for the District and Board authorization to prepare the Final Budget Document.

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

12. Review and Discuss Annual Vehicle Replacement Evaluation Report and Recommendations.

STAFF RECOMMENDATION:

Staff recommends that the Board review and discuss the assessment of current District vehicles and review recommendations for replacement and new vehicles.

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

13. Discuss Options for Temporary Operator Services to Relieve the Utility Supervisor from 24/7 on Call Status.

STAFF RECOMMENDATION:

Discuss options for temporary Operator Services to Relieve the Utility Supervisor from 24/7 on Call Status and provide necessary direction to staff for acquiring temporary Operator services.

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

XIII. BOARD COMMENT:

This section is intended as an opportunity for Board members to make brief announcements, request information from staff, request future agenda item(s) and/or report on their own activities related to District business. No action is to be taken until an item is placed on a future agenda.

XIV. ADJOURNMENT

Time:_____

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO) ss.

COMMUNITY OF SAN MIGUEL)

I, Tamara Parent, Account Clerk of San Miguel Community Services District, hereby certify that I caused the posting of this agenda at the SMCS D office on June 28, 2017.

Date: June 28, 2017

Tamara Parent, Account Clerk II/Operations Coordinator

San Miguel Garbage Co Inc.

6625 Benton Rd

Paso Robles, CA 93446

805-467-9283

5/30/17

Dear Helane Seikaly and San Miguel CSD Board Members,

San Miguel Garbage Co Inc. (SMGC) is pleased to inform the SMCS D that we will be able to extend the free white good removal program through the end 2017, continue donating the uncolored woodchips to the Machado Sewer Plant to help with water conservation and weed abatement and continue supporting the Neighborhood Clean Up Program with a 40-yard roll-off box on clean up days.

San Miguel Garbage Co. Inc. has been able to control cost throughout the last 4 years without requiring an increase in rates other than interim CPI of less than 1% and a landfill increase pass-through. The franchise agreement between the San Miguel Community Services District and San Miguel Garbage Co Inc permits an annual increase if needed for solid waste collection rates based on a reasonable return on investment with a target of 8%. For 2017 we are not proposing the CPI increase for any residential customers however we are asking that the commercial solid waste rates are increased by 8.91%. The increase in rates is a direct relation to the loss of commercial accounts in San Miguel and our expenses continuing to increase. This proposed rate increase will bring our statement of income from 2016 to a zero percent in profit however we are projecting that the completion of the dollar general will generate enough revenue to bring us within a reasonable rate of return.

Attached is a rate sheet calculation, new proposed commercial rates, rate comparisons, and our statement of income for 2016.

San Miguel Garbage Co Inc. truly appreciates your business.

Aron Kardashian

Operations Manager

San Miguel CSD commercial rate increase

Proposed Increase for Commercial Customers	8.2000%
Adjust increase for 8% Franchise Fee	1.087 Adjust for franchise fee = 8 / 92
Calculated increase	8.9134%
Rounded % Increase	8.91%
Current Solid Waste Fee (3 yard container as an example) with IWMA 2% AB939 fee	\$127.73
Current Solid Waste Fee (3 yard container as an example) without IWMA 2% AB939 fee	\$125.23
New 3 yard solid waste rate without IWMA	\$136.39
2% AB939 IWMA Fee	\$2.73
New Solid Waste Fee	\$139.12
Total customer Increase in Rates and Fees	\$11.39

The solid waste increase is calculated without IWMA fees so that neither the district nor the franchised hauler receives any revenue from the 2% fee that is added for AB939

San Miguel Garbage Co, Inc.
6625 Benton Rd.
Paso Robles, CA 93446

San Miguel District
2017 Waste Collection Price List
Effective Date: July 1, 2017

		<u>RATE</u>	<u>AB939</u>	=	<u>NO CHANGE CURRENT CUST RATE</u>
RESIDENTIAL CAN SERVICE					
35 GAL	monthly	\$28.03	\$0.30	=	\$28.33
64 GAL	monthly	\$44.18	\$0.30	=	\$44.48
96 GAL	monthly	\$59.86	\$1.20	=	\$61.06

*All can rates based on standard garbage cans 35 gallon or smaller with 50-pound weight limit.
Cans must be readily accessible.*

CAN SERVICE MISCELLANEOUS

Stickers	per sticker	\$2.67		=	\$2.67
Re-Delivery Cans	per occurrence	\$28.48		=	\$28.48
Go Back Residential	per occurrence	\$0.00		=	\$5.94
plus add additional mileage fee per mile					
Walk-In Fee Service - Truck does not leave road & worker must walk in yard	per occurrence	\$0.00		=	\$0.00
2nd Recycle or Greenwaste Cart per Month	per cart monthly	\$5.77		=	\$5.77

*Carts are the property of the garbage company & must be returned when service is stopped or cancelled.
If cart is not returned the company may impose the appropriate fee to the customer for each cart not returned.*

Missing Cart - 35 GAL	per cart	\$44.86		=	\$44.86
Missing Cart - 64 GAL	per cart	\$59.01		=	\$59.01
Missing Cart - 96 GAL	per cart	\$80.26		=	\$80.26

		<u>OLD CUST RATE</u>	<u>RATE</u>	<u>AB939</u>	=	<u>PROPOSED CUST RATE</u>
COMMERCIAL CONTAINER SERVICE						
1 YARD	1X WK	monthly	\$77.52	\$82.77	\$1.66	= \$84.43
	2X WK	monthly	\$114.97	\$122.76	\$2.46	= \$125.22
1.5 YARD	1X WK	monthly	\$86.73	\$92.61	\$1.85	= \$94.46
	2X WK	monthly	\$148.18	\$158.21	\$3.16	= \$161.38
2 YARD	1X WK	monthly	\$95.47	\$101.94	\$2.04	= \$103.98
	2X WK	monthly	\$168.53	\$179.95	\$3.60	= \$183.55
3 YARD	1X WK	monthly	\$127.73	\$136.39	\$2.73	= \$139.12
	2X WK	monthly	\$216.42	\$231.09	\$4.62	= \$235.71
4 YARD	1X WK	monthly	\$0.00	\$181.85	\$3.64	= \$185.48
	2X WK	monthly	\$0.00	\$308.12	\$6.16	= \$314.28
6 YARD	1X WK	monthly	\$255.51	\$272.82	\$5.46	= \$278.28
	2X WK	monthly	\$471.77	\$503.73	\$10.07	= \$513.81

Every other week rate is the same as 1X WK rate.

		<u>OLD CUST RATE</u>	<u>RATE</u>	<u>AB939</u>	=	<u>PROPOSED CUST RATE</u>
COMMERCIAL EXTRA PICKUP + PER MILE TRIP CHARGE *						
1 YARD	per occurrence	\$18.72	\$20.39		=	\$20.39
1.5 YARD	per occurrence	\$21.02	\$22.89		=	\$22.89
2 YARD	per occurrence	\$23.30	\$25.38		=	\$25.38
3 YARD	per occurrence	\$30.87	\$33.62		=	\$33.62
4 YARD	per occurrence	\$0.00	\$44.83		=	\$44.83
6 YARD	per occurrence	\$63.61	\$69.28		=	\$69.28

San Miguel Garbage Co, Inc.
6625 Benton Rd.
Paso Robles, CA 93446

San Miguel District
2017 Waste Collection Price List
Effective Date: July 1, 2017

COMMERCIAL SERVICE MISCELLANEOUS		<u>OLD</u>	<u>RATE</u>	<u>AB939</u>	<u>PROPOSED</u>
		<u>CUST RATE</u>			<u>CUST RATE</u>
* Trip Charge per Mile	per occurrence	\$0.00	\$5.10	=	\$5.10
Delivery Fee & Re-Delivery Containers	per occurrence	\$28.48	\$31.02	=	\$31.02
Extra trash less than 1 yard	per occurrence	\$13.85	\$15.08	=	\$15.08
Extra trash per yard	per occurrence	\$18.72	\$20.39	=	\$20.39
Manual Labor per yard	per occurrence	\$18.75	\$20.42	=	\$20.42
Go Back Commercial	per occurrence	\$0.00	\$10.10	=	\$10.10
plus add additional mileage fee per mile					
Lock Bar Set Up	per occurrence	\$0.00	\$45.91	=	\$45.91
Lock Bar Set Up Plus Key & Lock	per occurrence	\$0.00	\$55.45	=	\$55.45
Unlocking Fee	per occurrence	\$0.00	\$2.45	=	\$2.45
Container Exchange Fee	per occurrence	\$0.00	\$46.41	=	\$46.41

DRIVE IN-YARD CHARGES

Charged to customers that require the waste collection truck to enter the customers property

In-Yard 100'	monthly	\$0.00	\$11.74	=	\$11.74
In-Yard 1/4 Mile	monthly	\$0.00	\$16.47	=	\$16.47
In-Yard 1 Mile	monthly	\$0.00	\$18.19	=	\$18.19
In-Yard Over 1 Mile	monthly				multiply "In-Yard 1 Mile" rate X total miles

ADDITIONAL CHARGES

		<u>RATE</u>	<u>AB939</u>	<u>NO CHANGE</u>
				<u>CURRENT</u>
				<u>CUST RATE</u>
Can Pressure Wash Fee	per occurrence	\$28.48	=	\$28.48
Water Heater	each 2017 N/C White Goods	\$22.18	=	\$22.18
Fridge	each 2017 N/C White Goods	\$27.76	=	\$27.76
Washer/Dryer	each 2017 N/C White Goods	\$22.18	=	\$22.18
Toilet	each	\$9.00	=	\$9.00
Mattress or boxspring TWN	each	\$19.68	=	\$19.68
Mattress or boxspring Q-K	each	\$35.00	=	\$35.00
Truck Tires	each	\$19.68	=	\$19.68
Car Tire only	each	\$3.90	=	\$3.90
Car Tire with Rim	each	\$6.00	=	\$6.00
T.V.	CAN NOT TAKE			

All other items not listed call office for rate.

NSF FEES

1ST	\$20.00
2ND	\$30.00
3RD	\$35.00
4TH	\$40.00

RENT-A-BIN (all areas)		<u>OLD</u>	<u>RATE</u>	<u>AB939</u>	<u>PROPOSED</u>
		<u>CUST RATE</u>			<u>CUST RATE</u>
2 YARD - 1 PU 1 WEEK	60x43x38	\$75.45	\$80.56	\$1.61	= \$82.17
3 YARD - 1 PU 1 WEEK	72x43x52	\$99.64	\$106.39	\$2.13	= \$108.52
DAILY RENTAL after 1 wk	per day	\$2.55	\$2.78	=	\$2.78

For one month rental please call office for rates

San Miguel Garbage Co Inc.

2017 Rate Comparison for Solid Waste Services

	San Miguel Proposed	San Miguel Current	HRCSD	Paso City	Paso Urban	TCSD	Temp Urban
1.5 yd	\$94.46	\$86.73	\$94.47	\$105.97	\$122.39	\$97.26	\$146.75
2yd	\$103.98	\$95.47	\$120.72	\$124.27	\$139.02	\$110.47	\$172.55
3yd	\$139.12	\$127.73	\$138.88	\$160.85	\$172.38	\$137.23	\$204.35

The rate increase is calculated at 8.2% * 1.087 of a percent to compensate for Franchise fee = a total of 8.91%

RICHARD J. CHAFIN

ACCOUNTANCY CORPORATION
CERTIFIED PUBLIC ACCOUNTANT

7550 MORRO ROAD
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ATASCADERO, CALIFORNIA 93423
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dick@richardchafincpa.com

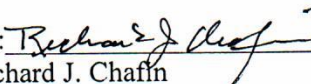
San Miguel Garbage Company, Inc. – San Miguel District

We have compiled the accompanying Statement of Income of San Miguel Garbage Company, Inc. – San Miguel District as of December 31, 2016 for the year then ended in accordance with Statements on Standards for Accounting Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying income statement and, accordingly, do not express an opinion or any other form of assurance on it.

RICHARD J. CHAFIN
ACCOUNTANCY CORPORATION

Atascadero, California
April 10, 2017

By: 
Richard J. Chafin
Certified Public Accountant

SAN MIGUEL GARBAGE COMPANY, INC.
Statement Of Income San Miguel District
January through December 2016

Accrual Basis

	SAN MIGUEL COMMERCIAL (SAN MIGUEL DISTRICT)		SAN MIGUEL RESIDENTIAL (SAN MIGUEL DISTRICT)		Total SAN MIGUEL DISTRICT	
	Jan - Dec 16	% of Income	Jan - Dec 16	% of Income	Jan - Dec 16	% of Income
Ordinary Income/Expense						
Income						
3411 · REIMBURSEMENT	3.35	0.0%	6.30	0.0%	9.65	0.0%
7000 · Miscellaneous Income	0.00	0.0%	0.00	0.0%	0.00	0.0%
3010 · COMMERCIAL	101,328.45	99.7%	0.00	0.0%	101,328.45	30.0%
3015 · RESIDENTIAL	0.00	0.0%	235,026.09	99.7%	235,026.09	69.6%
3410 · REFUNDS	187.56	0.2%	413.35	0.2%	600.91	0.2%
3450 · OIL RECYCLING	154.00	0.2%	339.00	0.1%	493.00	0.1%
Total Income	101,673.36	100.0%	235,784.74	100.0%	337,458.10	100.0%
Cost of Goods Sold						
4062 · WASTE FLUIDS DISPOSAL	87.77	0.1%	185.20	0.1%	272.97	0.1%
4060 · GREENWASTE DUMP	0.00	0.0%	6,372.75	2.7%	6,372.75	1.9%
4020 · LABOR	25,941.71	25.5%	50,406.69	21.4%	76,348.40	22.6%
4040 · LANDFILL FEES	21,008.96	20.7%	32,245.00	13.7%	53,253.96	15.8%
4500 · FRANCHISE FEES	7,727.81	7.6%	18,972.91	8.0%	26,700.72	7.9%
4600 · FUEL	6,713.18	6.6%	12,722.61	5.4%	19,435.79	5.8%
Total COGS	61,479.43	60.5%	120,905.16	51.3%	182,384.59	54.0%
Gross Profit	40,193.93	39.5%	114,879.58	48.7%	155,073.51	46.0%
Expense						
5912 · TRAVEL EXPENSE	195.35	0.2%	466.06	0.2%	661.41	0.2%
5700 · TOWING	3.00	0.0%	5.65	0.0%	8.65	0.0%
5490 · UNIFORMS	92.75	0.1%	166.96	0.1%	259.71	0.1%
5110 · OFFICERS SALARIES	6,370.18	6.3%	12,398.97	5.3%	18,769.15	5.6%
5120 · OFFICE WAGES	6,688.87	6.6%	13,162.80	5.6%	19,851.67	5.9%
5220 · FREIGHT	9.38	0.0%	17.66	0.0%	27.04	0.0%
5210 · ADVERTISING	602.88	0.6%	25.08	0.0%	627.96	0.2%
5240 · BAD DEBTS	222.00	0.2%	552.32	0.2%	774.32	0.2%
5310 · DEPRECIATION	4,388.00	4.3%	8,175.00	3.5%	12,563.00	3.7%
5315 · DRUG TESTING	20.73	0.0%	40.97	0.0%	61.70	0.0%
5320 · DUES & SUBSCRIPTIONS	348.34	0.3%	866.10	0.4%	1,214.44	0.4%
5325 · EDUCATION & MEETINGS	544.66	0.5%	1,155.85	0.5%	1,700.51	0.5%
5335 · DONATIONS	31.69	0.0%	689.94	0.3%	721.63	0.2%
5340 · PROMOTION	115.17	0.1%	239.65	0.1%	354.82	0.1%
5410 · INSURANCE	8,289.40	8.2%	16,615.70	7.0%	24,905.10	7.4%

"SEE ACCOUNTANTS COMPILATION REPORT"

SAN MIGUEL GARBAGE COMPANY, INC.
Statement Of Income San Miguel District
January through December 2016

Accrual Basis

	SAN MIGUEL COMMERCIAL (SAN MIGUEL DISTRICT)		SAN MIGUEL RESIDENTIAL (SAN MIGUEL DISTRICT)		Total SAN MIGUEL DISTRICT	
	Jan - Dec 16	% of Income	Jan - Dec 16	% of Income	Jan - Dec 16	% of Income
5450 · INTEREST AND BANK CHARGES	1,260.68	1.2%	3,584.70	1.5%	4,845.38	1.4%
5460 · LEGAL & ACCOUNTING	485.26	0.5%	1,005.73	0.4%	1,490.99	0.4%
5470 · LICENSES & PERMITS	940.85	0.9%	1,924.41	0.8%	2,865.26	0.8%
5480 · LAUNDRY	609.87	0.6%	1,229.33	0.5%	1,839.20	0.5%
5530 · OFFICE EXPENSE	2,684.76	2.6%	6,358.82	2.7%	9,043.58	2.7%
5560 · OPERATING SUPPLIES	1,773.54	1.7%	3,509.87	1.5%	5,283.41	1.6%
5640 · RENT EXPENSE	4,808.50	4.7%	9,968.28	4.2%	14,776.78	4.4%
5650 · EQUIPMENT RENT	416.35	0.4%	784.63	0.3%	1,200.98	0.4%
5660 · REPAIRS & MAINTENANCE	5,822.01	5.7%	11,912.49	5.1%	17,734.50	5.3%
5849 · TAXES	373.11	0.4%	690.28	0.3%	1,063.39	0.3%
5910 · TELEPHONE	603.17	0.6%	1,219.47	0.5%	1,822.64	0.5%
5950 · UTILITIES	118.79	0.1%	241.10	0.1%	359.89	0.1%
5985 · SIMPLE PLAN CONTRIBUTION	407.93	0.4%	980.76	0.4%	1,388.69	0.4%
6560 · Payroll Expenses	297.29	0.3%	793.92	0.3%	1,091.21	0.3%
Total Expense	48,524.51	47.7%	98,782.50	41.9%	147,307.01	43.7%
Net Ordinary Income	(8,330.58)	(8.2)%	16,097.08	6.8%	7,766.50	2.3%
Net Income	(8,330.58)	(8.2)%	16,097.08	6.8%	7,766.50	2.3%

"SEE ACCOUNTANTS COMPILATION REPORT"



MONSOON CONSULTANTS

P.O. Box 151 San Luis Obispo, CA 93406
(805) 476-6168 www.monsoonconsultants.com

SAN MIGUEL COMMUNITY SERVICES DISTRICT

Rob Roberson, Interim General Manager
Post Office Box 180
San Miguel, CA 93451
(805) 467-3300

BOARD OF DIRECTORS

Anthony Kalvans, President
Larry Reuck, Vice President
John Green
Gib Buckman
Joseph Parent

Re: DISTRICT ENGINEER REPORT - JUNE 2017

Gentlemen:

The following is a summary of the activities performed and the status of relevant issues which pertain to the duties and responsibilities of this position:

OVERVIEW

The District produced approximately 9.5 MGAL (12,703 CCF) of water during the month of May 2017. This represents an increase of 21% from the prior month. No major failures or unexpected major expenditures were encountered within the water, wastewater, or street lighting systems during the month. In addition to routine operations and maintenance duties, our utility staff is continuing to work to install approximately 500-LF of new 8" PVC water main in "K" Street, in conjunction with the municipal park improvement construction project. All of the line is installed, with the exception of a few feet and the connection to the existing system can be made. Our goal is to have this waterline installed and online by mid-July.

MEETING PARTICIPATION

A brief summary of relevant issues that were discussed during meetings attended by the DE and Utility Supervisor during the previous month are summarized below. (Note that routine meetings with SMCS staff are not included):

1. June 8, 2017: The DE and Utility Supervisor met with Central Coast Regional Water Quality Control Board (Waterboard) staff to discuss the design / regulatory requirements that should be considered in conjunction with the planning of the future upgrade / expansion of the existing WWTP. Based on input from the Waterboard staff, the District should anticipate that any future upgrade / expansion of the WWTP should incorporate nitrogen removal; salt management;

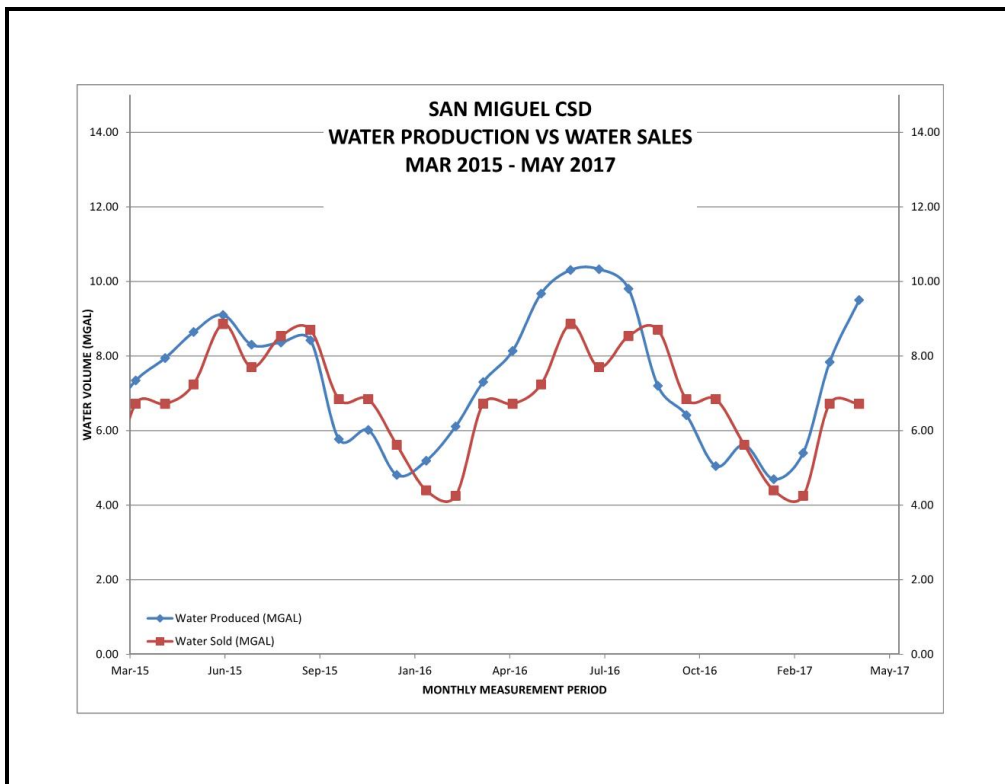
CIVIL ENGINEERING / HYDROLOGY

recycling / reclamation; and installation of a liner in the existing sludge drying pond.

2. June 15, 2017: The Interim GM, DE, and Utility Supervisor participated in a conference call with the Utility Rate Consultant, Bartle Wells, and the District's legal counsel. The purpose of the conference call was to ascertain the status of the Utility Rate Study and determine what the consultants required from the District to facilitate progress on the study. Based on the results of the discussion, it was determined that the consultants have made prior requests for information from the District that, to date, has not been provided. District staff agreed to facilitate the transfer of the requested documents & information to the consultant in a timely manner. As part of the discussion, the District requested clarification regarding whether an evaluation of water & wastewater impact fees were to be included on the consultants scope of work. A subsequent email from the consultants confirmed that they have reviewed their project budget and so long as the District can provide them with a reasonably good fixed assets list, then they will add development of the water and wastewater capacity fees to their existing scope at no additional cost.
3. June 16, 2017: The DE attended a meeting of the Paso Robles Groundwater Basin SGMA Implementation –Eligible GSA Entity Working Group. The MOA that the Working Group has been collaboratively preparing is near completion and the DE will bring the document in its final draft form to the District's GSA committee for a briefing and discussion at the committees July GSA committee meeting.

60-DAY WATER PRODUCTION SURVEY

The following graph depicts the water production and sales for the proceeding 24-months.



CAPITAL IMPROVEMENT PROGRAM

The following is a summary of the principal activities that were related to the Capital Improvements Program during the previous month:

1. Capital Improvement Projects / Outlays Program for FY 2017-18 & 2018-19: A final recommendation regarding what elements of this proposed program are to be included in the FY 2017 – 18 budget are to be forthcoming from the Budget & Finance Committee.
2. San Lawrence Terrace Arsenic Blending Pipeline & Tank Improvements: The plans, specifications, and bidding documents have been completed by the Wallace Group for this project. There is a resolution on tonight's agenda to approve these documents and authorize District staff to advertise for bids. In addition, a separate resolution is on the agenda to approve the Subrecipient Agreement which provides for \$150,000 in CDBG grant funds which the District will have to fund the construction phase (plus some eligible pre-construction phase costs).
3. San Miguel Park / "L" Street Improvements: The County's contractor (G Sosa Construction), continues to make progress. The widening of "L" Street is complete and open. "K" Street has been permanently closed at the park. The District Utility staff has completed the majority of the replacement of approximately 500-LF of existing 6" C.I. water main replacement within "K" Street in the area of the park. This waterline replacement work is expected to be completed by the end of July.
4. Waterline Replacement on 11th Street & UPRR and 10th Street & Mission: A resolution is included on tonight's agenda to direct the DE to prepare plans, specifications, bidding documents and UPRR/Caltrans ROW encroachment permit applications for this project.

DEVELOPMENT

The following is a summary of private development projects that are either in-progress or planned that staff is currently reviewing or inspecting during construction:

- a) People's Self Help (Tract 2527, formerly Mission Garden Estates): The contractor has completed the clearing & grubbing phase of the project and site grading is underway. The contractor is planning to start the installation of underground utilities before the end of June.
- b) People's Self Help (Tract 2710). This is a 24 Lot residential subdivision. Construction of water and sewer lines have been completed, tested and passed inspection. Homes are now under construction and they will be building in groups of 8 at once. The District is providing lateral inspections as needed. To date, more than 50% of the planned homes have been framed
- c) 972 K Street/Commercial (Dollar General Store). The contractor has been diligently proceeding with the site improvements and building construction. The majority of the required water line replacements have been completed. Final connection to the District's infrastructure is anticipated to be completed in July.
- d) Tract 2779 (Nino - 34 lots) – The plans and construction documents have been reviewed and approved by the District. The project is now awaiting final approval by the County.

GROUNDWATER SUSTAINABILITY AGENCY

With a goal of soliciting cooperation and collaboration from the various GSA stakeholders within the Paso Robles Groundwater Basin, during the process of preparing a Basin GSP document, the District has been participating in a working group to develop a Memorandum of Agreement (MOA) to be used for coordinating the preparation of a basin-wide GSP. In recent meetings of all eligible agencies, a draft MOA was circulated for discussion and comment. The DE anticipates distributing the FINAL DRAFT MOA to the members of the GSA Committee in July.

The MOA is intended to be used by the eligible agencies for establishing a committee that develops and coordinates a single GSP that is to be adopted by each eligible GSA agency, then submitted for DWR approval. This MOA may also serve as the basis for continued cooperation among the Parties in the management of the Basin during the period between adoption of the GSP and approval by DWR. This MOA, once fully executed, will automatically sunset upon DWR's approval of the GSP for the Basin in 2020. In 2020, there would be another agreement or some other means adopted by each eligible agency and collectively for continued groundwater management activities.

We have received a Solicitation for Grant Funding from the DWR regarding their Sustainability Groundwater Planning Grant Program which offers GSA's grant funding to assist with the GSP development (as well as other types of projects). At the request of the direction of the Board of Directors at the May 25, 2017 District meeting the DE has initiated preparation of an application for funding in response to the subject funding opportunity.

STAFFING / RECRUITING

Nothing to Update

OPERATIONAL & MAINTENANCE ISSUES

Well Status:

MCL = maximum contaminate level ----- ppb = parts per billion ----- ppm = parts per million

- SLT well Arsenic levels are: 7 ppb; MCL is 10 ppb Sampled 5/1/17
- SLT well Nitrate levels are: 3.2 ppb; MCL is 45 ppb Sampled 7/18/16
- Arsenic levels on Oak Drive are: 8 ppb; MCL is 10 ppb Sampled 5/1/17
- Well 3 and 4 are both in operation.
- Well 4 water static level: 66.2 Pumping level 97.2 (3/17)
- SLT Water static level 171.4' 11/16

State Water Resources Control Board (SWRCB):

- Effective 1/17/17 the state is requiring that all water districts sample for lead and copper at any K-12 schools that they supply water to, upon request of those schools. The testing is to consist of 5 samples throughout the school, including any subsequent confirmation test. This testing is to be at the expense of the water district but funding is available to help schools upgrade or replace plumbing to comply with drinking water standards.

Water System Status:

Water leaks this month: 1 This year: 4 Total last year: 6

Water related calls through the alarm company after hours this month: 2 this Year: 6

- SLT Well is being run to system, blending in the Terrace Tank.
- Repaired 1 service leak, 1 main leak and excavated and re-compacted 1 patch relating to the fire hydrant installations
- "K" street water line is still going, experiencing some unexpected delays due to other work, and staffing

Sewer System Status:

Sewer overflows this month: 0 this year: 0

Sewer related calls through the alarm company this month: 4 this Year: 14

WWTP Status:

- We will begin pumping sludge again at the end of the month when we finish the water line on "K" street.
- Experiencing failures again with the Pond 2 Aerator. Most likely heat related, but will require some time to isolate the actual cause.

Lighting Status:

- Nothing to update

SCADA:

- Nothing to update

Miscellaneous:

- District utility staff continuing raising valves and manholes around town.
- Caltrans in San Miguel: Caltrans is underway on improvements to the HWY 101 corridor, for what will be a 2-year project. We have received notice of road closures; notices are available in the office.

I would like to take this opportunity to thank each of you and District staff that will review the information contained in this report. If there are any questions or you wish to discuss, please do not hesitate to contact me.

Respectfully Submitted,

MONSOON CONSULTANTS

Blaine T.

Blaine T. Reely, Ph.D., P.E.
President, Monsoon Consultants

June 21, 2017
Date



San Miguel Community Services District Board of Directors Meeting

Staff Report

June 29th, 2017

AGENDA ITEM: X.10.

SUBJECT: Fire Chief Report for May 2017

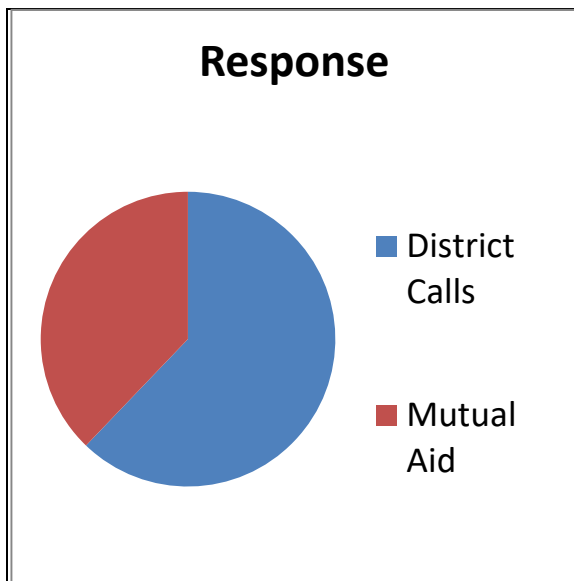
STAFF RECOMMENDATION: Receive and File Monthly Reports for the Fire Department

INCIDENT RESPONSE:

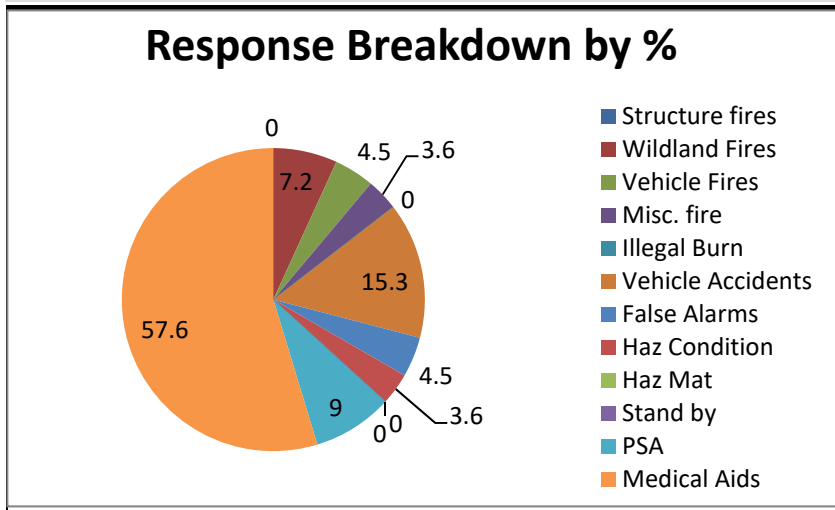
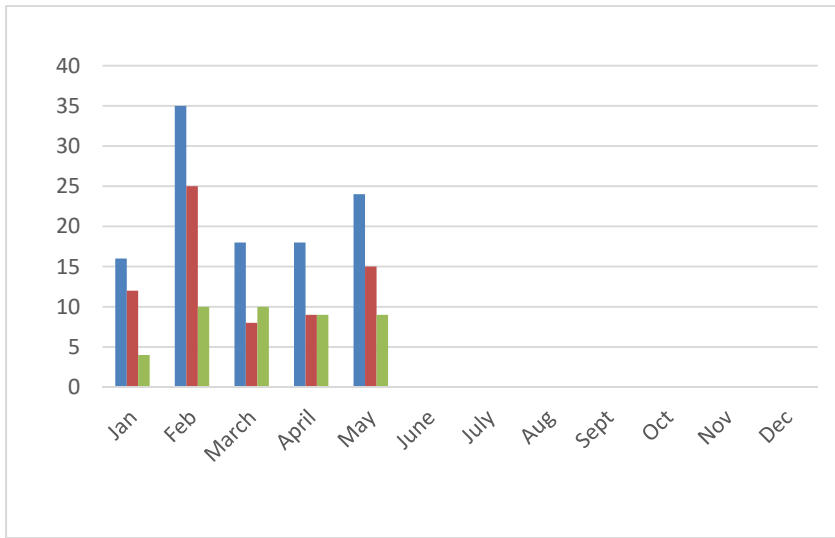
- Total Incidents for May 2017 **24**
- Average Calls per Month in 2017 **22.2**
- Total calls for the year to date **111**

Emergency Response Man Hours in May = 73	2017 total 291
Stand-By Man Hours for May = 22	2017 total 122
	Total hr. 413

Emergency Response Man Hours = 3.0 hr. per May call	2.6 hr. per 2017 call
Stand-By Average per Call = 1 hr. per May call	0.9 hr. per 2017 call



	May	YTD
District calls	15 = 63%	54 = 62%



For 111 calls for 5 Months in 2017

District Calls	62%
Mutual Aid	37%
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	
Structure fires	0%
Wildland Fires	7.2%
Vehicle Fires	4.5%
Misc. fire	3.6%

Personnel:

- 1 Chief Hours: 128 hours and 16 days of 24-hour coverage.
- 1 Asst. Chief: 20 hours and 14 days of 24-hour coverage.
- Captain Young: 0 days 24 hours of coverage.
- Captain Byrnes: 0 days 24 hours of coverage.
- Captain Root: 5 days 24 hours coverage.
- Matt Toevs: 0 24 hour coverage.

We currently have 16 active members consisting of:

- 3 Fire Captains
- 2 Engineers
- 11 Firefighters

Drill Attendance

May Drill Attendance: 3 drills - 35/57 - 61.4% attendance.

Annual Drill Attendance: 132/255 - 51.7% attendance.

Average 2017 Drill attendance - 8.8/17 members per drill.

Call Response Attendance

May - 24 calls - 97/408 responders - 23.7% attendance.

2017 - 111 calls - 413/1887 responders, 21.8% response attendance.

2017 average response - 3.7 responders per call.

Equipment:

1. The tires for E-8687 were over 10 years old and needed to be replaced to meet DOT requirements.
2. Exhaust pipe on E-8687 is rubbing the transmission case and requires repairs
3. E-8668 out of service for the pump.

Activities:

May

<u>Date</u>	<u>Subject matter</u>	
23	Association Meeting	
26	Cruise Night	16:30 pm -8:30 pm
27	Car Show	10:00-3:00 pm

June

<u>Date</u>	<u>Subject matter</u>
6	Wildland Progressive Hose Lays
13	Engine Company Operations / Mission Response
20	Vehicle Extrication
27	Association Meeting


<u>Date</u>	<u>Other activities</u>	<u>Time</u>
	Aids Ride BBQ Bradly	
	Work Day on training Site	

Information:

Prepared By:

Rob Roberson

Rob Roberson, Fire Chief

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		TOTAL			
	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid
	Structure Fires	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Veg. Fires	0	0	0	0	0	0	1	1	1	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	6
Vehicle Fires	0	0	1	0	0	1	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	3
Misc. Fires	2	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	0
Illegal Burning	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vehicle Accidents	1	2	2	2	0	3	2	1	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	12
False Alarms	0	0	2	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	2
Hazardous Condition	0	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	1
Hazardous Materials	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Standby	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pub.Svc.Asst.	0	0	3	0	0	1	0	1	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	2
Medical Aids	9	2	16	8	6	5	4	6	7	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	42	22	
Call TOTALS	12	4	25	10	8	10	9	9	15	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	69	42	
	16		35		18		18		24		0		0		0		0		0		0		0		0		111	
<i>CPR</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mutual Aid SLO/Mon.	4	0	8	2	10	0	9	0	8	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	42	
Camp Bob Asst.	1		1		3		2		3		0		0		0		0		0		0		0		0		10	
Average Calls Per	<i>Month</i>	22.2	<i>Day</i>	0.7	<i>SLO Co. MA</i>		39		<i>Montrey Co. MA</i>		3		<i>CPR TOTAL</i>		0												0	

Call per time of day and day of the week 2017

	After Hours						CSD Work Hours									Off Hours															
	0:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	Total						
Sunday	0	0	1	0	1	0	0	0	0	1	3	0	0	1	0	1	1	0	0	0	0	1	0	0	10	9%					
Monday	0	1	2	0	0	2	1	2	0	0	1	1	0	5	2	2	1	1	1	0	0	0	1	0	23	20%					
Tuesday	1	0	0	0	0	1	1	0	0	2	0	0	1	3	2	1	1	0	0	1	0	0	1	1	16	14%					
Wednesday	0	1	0	1	0	0	1	0	1	1	1	0	0	1	2	1	0	0	2	2	0	1	1	0	16	14%					
Thursday	1	2	0	0	0	0	0	0	1	1	0	1	1	0	1	0	1	1	0	1	0	1	1	0	13	11%					
Friday	0	0	0	1	0	0	0	2	3	1	1	1	0	3	0	0	1	2	0	3	0	0	1	1	20	18%					
Saturday	0	0	0	0	0	0	0	1	0	1	3	0	1	0	0	3	2	0	0	1	0	1	1	0	14	12%					
Hour Total	2	4	3	2	1	3	3	5	5	7	9	3	3	13	7	0	7	4	3	8	0	4	6	2	112						
	1%	3%	3%	1%	1%	3%	3%	4%	4%	6%	8%	3%	3%	11%	6%	0%	6%	3%	3%	7%	0%	3%	5%	1%							
Total calls during CSD Work Hours											45	41%																			
Total calls during Off time and weekends											67	59%																			
After Hours calls 22:00 to 06:00											23	21%																			
Total Weekend Calls											24	21%																			
Total Calls Monday thru Friday											88	79%																			

FIRE EQUIPMENT 2017 MILEAGE / FUEL REPORT

Mileage/ Fuel	January		February		March		April		May		June		Total		Avg. MPG
Diesel	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	
E-8696	9	0	64	21.4	46	0	94	21	23	0			236	42.4	5.6
E-8687	0	0	15	0	15	20	82	16.1	142	19			254	55.1	4.6
E-8668	68	0	44	14.6	11	0	15	0	74	0			212	14.6	14.5
6 Month Total												702	112.1	6.3	
Gas	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	
U-8630	647	37	300	10	388	45	191	22	156	11			1682	125	13.5
C-8600	694	26.4	466	29.6	135	19	616	20.7	600	46			2511	141.7	17.7
6 Month Total												4193	266.7	15.7	

Mileage / Fuel	July		August		September		October		November		December		Total		Avg. MPG
Diesel	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	
E-8696													236	42.4	5.6
E-8687													254	55.1	4.6
E-8668													212	14.6	14.5
6 Month Total												702	112.1	6.3	
Gas	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	
U-8630													1682	125	13.5
C-8600													2511	141.7	17.7
6 Month Total												4193	266.7	15.7	

YTD 2016 Total	mi.	gal.	Avg. MPG
Diesel	1404	224.2	6.3
Gas	8386	533.4	15.7



San Miguel Community Services District Board of Directors

Staff Report

June 29, 2017

AGENDA ITEM: XI.1.

SUBJECT: Disposal of Surplus Equipment

STAFF RECOMMENDATION:

Staff recommends that the Board of Directors declare the items on the attached list as District surplus and authorize staff to dispose of surplus items in accordance with the District's Surplus Equipment Policy

BACKGROUND:

San Miguel CSD's last surplus occurred in May 2014. Staff developed the below list of the District's current surplus items. For most of these items, age reduces the items value. At this point, some of the equipment will no longer have any value and the best use of the items will be recycling. However, in case any of the items retained some value, staff requests authority to dispose of the items in accordance with the District's Surplus Equipment Policy.

SMCSD Surplus		
Inventory #	Description	Info
1	Black Office Chair	Ripped left arm
2	Black Office Chair	Ripped back
3	Brown Office Chair	Old- worn
4	Cisco 1800 Series Router	Old
5	Dell Computer	Old- gutted
6	Dell Speaker Bar	Old
7	HP #15 Black Ink Cartage	Old- no use
8	HP Color Laser Jet	Old- broken

9	HP Ink Laser Jet CP-355-Cyan	Old- no use
10	HP Laser Jet P2015d	Old- broken
11	Photosmart Scanner C4380	Old- broken
12	Case 2-Ply Receipt Paper	Old- no use
13	Sever Cabinet	Old- no use
14	Toshiba Copy Machine	Old- broken
15	Yamaha EF 2500 Generator	Old- broken, 110 power, in need of repair
22	Dell Monitor	Flat screen - old
23	Dell Optiplex 960	T. Parent old computer
24	Dell Monitor	Flat screen - old
27	Dell Vostro 420	D. Gentry old computer
32	Brother IntelliFax 4100e	Works w/ new toner
39	Dell Optiplex 980	Old computer
41	Dell Power Edge SC440	K. Dodds old Computer
43	UPS- power supply	Old- broken
73	Dell Vostro 420	R. Roberson old computer
79	Dell Vostro 420	Old computer

FINANCIAL IMPACT:

Advertising and disposing of the property will have no significant financial impact. Staff will advertise the surplus equipment at no cost to the District.

RECOMMENDATION:

Staff recommends that the Board of Directors declare the items on the attached list as District surplus and authorize staff to dispose of surplus items in accordance with the District's Surplus Equipment Policy

PREPARED BY:

Tamara Parent

Account Clerk 2 Operations Coordinator



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.1

SUBJECT: Review and Approve **Resolution No. 2017-__** Creating the Position of Board Clerk/Account Clerk Manager and Authorizing the Interim General Manager to Hire an Individual to Fill the Board Clerk and Accounts Clerk Manager Position.

STAFF RECOMMENDATION:

Approve **Resolution No. 2017-__** creating the position of Board Clerk and Accounts Clerk Manager and authorizing the Interim General Manager to hire an individual to fill the Board Clerk and Accounts Clerk Manager position.

BACKGROUND:

The San Miguel Community Services District (“District”) does not currently have a Board Clerk/Account Clerk Manager position. Historically, Board Clerk functions were instead performed by several District employees including the General Manager and Account Clerks. Many of the traditional Board Clerk duties are currently being performed through the assistance of District Counsel.

Typically, Districts have a designated Board Clerk position to execute duties such as preparing minutes for Board and committee meetings, preparing meeting agendas, coordinating staff reports, coordinating legal notices, and serving as the custodian of the District’s records.

District staff prepared a Board Clerk Job Description, which requires the Board Clerk to divide his or her time as follows: 40% billing, 30% Board Clerk functions, 20% assisting with regulatory reports, and 10% general administrative support. A large portion of the Board Clerk’s duties will include Account Clerk management and supervision. The proposed Board Clerk/Account Clerk Manager position will be exempt under the Fair Labor Standards Act.

Upon adopting the proposed resolution, the District will create the Board Clerk/Account Clerk Manager position and authorize the Interim General Manager to fill the position. The Board Clerk Job Description, thoroughly describes the Board Clerk’s duties and powers, minimum qualifications, and supervisory authority. Upon the creation of the position, the Interim General

Manager may hire a Board Clerk/Account Clerk Manager. Any agreement executed by the Interim General Manager must then be ratified by the Board.

Fiscal Impact:

Establishing and filling the Board Clerk/Account Clerk Manager position will require a budget amendment. The degree of the financial impact will not be known until employment terms are negotiated. The Board Clerk/Account Clerk Manager will receive a salary of approximately \$55,000 per year.

Staff Recommendation:

Approve **Resolution No. 2017-__** creating the position of Board Clerk/Account Clerk Manager and authorizing the Interim General Manager to hire an individual to fill the Board Clerk/Account Clerk Manager position.

PREPARED BY:

Douglas L. White, District General Counsel

Attachment(s):

Resolution

- Exhibit A: Board Clerk Job Description

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT CREATING THE POSITION OF
BOARD CLERK/ACCOUNT CLERK MANAGER AND AUTHORIZING THE
INTERIM GENERAL MANAGER TO HIRE AN INDIVIDUAL TO FILL THE
BOARD CLERK/ACCOUNT CLERK MANAGER POSITION**

WHEREAS, San Miguel Community Services District (“District”) does not currently have a designated individual serving as clerk to the Board of Directors (“Board”) and has recently been forced to outsource clerk duties; and

WHEREAS, a designated Board Clerk/Account Clerk Manager position will ensure the District runs efficiently and complies with certain state laws including the Brown Act, California Public Records Act, and the Community Services District Law; and

WHEREAS, the District has an urgent need for clerk services and seeks to hire a Board Clerk/Account Clerk Manager as soon as possible; and

WHEREAS, the Board authorizes District staff to recruit and hire a Board Clerk/Account Clerk Manager to perform the services outlined in the Board Clerk Job Description attached hereto and incorporated as Exhibit A.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, adopt this Resolution creating the Board Clerk/Account Clerk Manager position to perform the services outlined in Exhibit A and authorizing the Interim General Manager to fill the Board Clerk/Account Clerk Manager position.

On the motion of Director _____, seconded by Director _____ and _____ on the following roll call vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, President
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager

Douglas L. White, District General
Counsel

EXHIBIT A



TITLE: BOARD CLERK/ACCOUNTS CLERK MANAGER
REPORTS TO: General Manager
PAY GRADE: Employment Agreement
FLSA: Exempt
CONFIDENTIAL: Yes

SUPERVISORY RESPONSIBILITIES

DIRECT: Bookkeeper, Account Clerk I, Account Clerk II/ Operations Coordinator
INDIRECT: None

MINIMUM QUALIFICATION REQUIREMENTS

Unless required by law, experience and education may be substituted for each other upon approval by the General Manager or their designee. Special District Board Secretary/Clerk Certificate shall be obtained through the California Special District's Association within the first twelve (12) months of employment.

EDUCATION: Education equivalent to graduation from high school. Valid California driver's license and proof of insurability are required. Standard First Aid and CPR certifications are required by the Special District's Risk Management Authority.

EXPERIENCE: Minimum of three years' experience performing a variety of administrative support functions and working with computer applications or databases; ability to effectively utilize a personal computer and various computer applications; proven ability to organize and manage competing tasks and priorities.

CONTACT RESPONSIBILITY

INTERNAL: Interaction with General Manager to receive specific work assignments, general direction, and have results reviewed.

EXTERNAL: Interaction with Board Directors, consultants, contractors, customers, vendors, and government agencies.

PHYSICAL REQUIREMENTS

Good hearing, eyesight, and speech; excellent ability to communicate, both verbally and in writing; ability to operate and utilize a personal computer; able to tolerate periods of continuous sitting; may, on an infrequent basis assist with lifting up to 25 pounds.

ENVIRONMENTAL CONDITIONS

Work is primarily performed within an enclosed office setting with lighting and ventilation. Subject to conversational noise from other personnel within the facility, along with standard background noise found in an office environment. Subject to long periods of sitting and exposure to computer screen. When performing work outside the facility, subject to variable weather conditions and possible exposure to heavy equipment, dust, fumes, odor, and noise. Appropriate personal safety equipment is provided.

DETAILED DUTIES AND RESPONSIBILITIES - ESSENTIAL FUNCTIONS

This at will, exempt position performs a wide variety of administrative functions related to maintaining the records of the San Miguel Community Services District ("District") Board of Directors ("Board"). This position is also responsible for Board Clerk duties, described in more detail below.

Must possess the ability to effectively organize and manage competing priorities, represent the District professionally, work cooperatively with members of the public, and supervise other administrative staff. Must be able to cross train and provide administrative back-up support as needed. Requires the ability to efficiently utilize a computer, computer software, data and applications, copy machine, and other office equipment. Must be able to compose reports or correspondence as required. Requires a working knowledge, understanding, and ability to communicate District policies and procedures to customers, both external and internal. A working knowledge and understanding of District safety rules and regulations, as well as active participation in the District's safety programs is necessary. Must maintain strict confidentiality of privileged information and effectively utilize District resources. Reliable, stable attendance is required.

The following tasks are typical for this classification. Incumbents may not regularly perform all of the listed duties or may be required to perform additional or different duties from those set forth below to address business or staffing needs and changing business practices, as defined by the General Manager.

% TIME TASKS

40% Billing (Board Clerk shall be responsible for the General Billing duties during such time an Account Clerk is unavailable.)

- Maintains deposit records of all monies, cash, and checks for all District departments;
- Processes utility billing for all new construction;
- Produces and sends water and sewer bills to residents based on meter reads for water and sewer usage;
- Processes Point N Pay credit card daily;
- Drafts water and sewer rental deposit reports;
- Maintains adjustment journals for water accounts;
- Maintains utility billing journal vouchers;
- Drafts cash receipting and billing summaries;
- Ensures monthly water and sewer usage totals match up with billing totals;
- Maintains accounts receivable;
- Processes payments from residents for water or sewer billing.

30% Board Clerk Functions

- Prepares minutes for all Board of Directors meetings and committee meetings;
- Drafts agenda for all Board of Directors meetings and committee meetings;
- Coordinates staff reports and resolutions to be included in the Board meeting packet;
- Prepares and distributes Board of Directors' packet to Board Directors and relevant staff;
- Provides official notification of public notices for Board of Directors meetings and public hearings;
- Processes resolutions, contracts, and dissemination of Board actions;
- Serves as the District's Elections Official; plans, organizes, and directs the conduct of District elections, in accordance with State and local laws, including initiative, referendum, or recall elections;
- Serves as the Filing Officer/Filing Official under the provisions of the Political Reform Act and the Fair Political Practices Commission, as it pertains to the filing of campaign statements and Statements of Economic Interests for all elected officials and designated employees;
- Serves as the custodian of official District records, including Board minutes, resolutions, ordinances, agreements, contracts, deeds, and bonds;
- Serves as the designated recipient of official documents such as claims, lawsuits, subpoenas, and bids;
- Certifies and records District documents;

- Maintains department files and records in accordance with approved records retention schedules.

20% Assists with the creation and maintenance of regulatory reports:

- Gathers and collates information into Water Quality Reports;
- Evaluates data from Systems Operation staff for errors and organizes the information for reports;
- Participates in the preparation and completion of the annual Electronic Annual Report and submittal to State regulatory agencies.

10% General Administrative Support (Board Clerk shall be responsible for the General Administrative Support duties during such time an Account Clerk is unavailable.)

- Maintains District website;
- Provides administrative and project support to the General Manager, department supervisors, or staff;
- Suggests policy changes in order to streamline department operations;
- Answers inquiries involving department procedures, activities, and functions;
- Schedules and coordinates meetings, appointments, and events, including the completion of event registration and travel arrangements;
- Edits and proofreads department memos, reports, policies, and Board-related correspondence;
- Performs copying, faxing, filing, and other administrative tasks;
- Assists District personnel with meeting preparations, set-up, and clean-up;
- Distributes department incoming mail and organizes outgoing mail;
- Provides back-up support for the District front desk, including assisting customers, taking messages and relaying calls, receiving payments, and operating the cash drawer;
- Prepares, presents, and administers the “Administrative” budget.

DETAILED DUTIES AND RESPONSIBILITIES - NON-ESSENTIAL FUNCTIONS

Performs all related duties as assigned by the General Manager.



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.2.

SUBJECT: Review and Approve **Resolution No. 2017__** Approving the Interim General Manager's Appointment of Tamara Parent as the District's Board Clerk/Account Clerk Manager and approving the Employment Agreement.

STAFF RECOMMENDATION:

Approve **Resolution No. 2017__** approving the Interim General Manager's appointment of Tamara Parent as the District's Board Clerk/Account Clerk Manager and approving an Employment Agreement.

Background:

The San Miguel Community Services District ("District") will consider establishing the Board Clerk position at the June 29, 2017, Board Meeting. The Interim General Manager has selected Tamara Parent ("Parent") to serve as Board Clerk/Account Clerk Manager. Parent currently serves the District as an Account Clerk and Operations Coordinator. Parent and the District have drafted an employment agreement subject to Board of Directors ("Board") approval.

Parent's Employment Agreement ("Agreement") includes the following key provisions:

- Contract term of three (3) years.
- Effective date of employment shall commence once approved by the Board and executed by the District and Parent.
- Base Salary of \$55,000.
- Vacation based on the accrual rate set forth in the District's Personnel Policies, based on Parent's total years of service with the District.
- District will contribute to employee's health benefits through CalPERS.

Item XII.2.

6-29-2017 Special Board Meeting

- Nine (9) months' severance for termination without good cause within eighteen (18) months of the Agreement's effective date or six (6) months' severance for termination without good cause after eighteen (18) months.

Alternatives/Options:

The Board's options regarding the Agreement include:

- (1) Adopt a Resolution approving the Interim General Manager's appointment of Tamara Parent as the District's Board Clerk/Account Clerk Manager and approving the Employment Agreement;
- (2) Adopt a Resolution approving the agreement with changes and revisions from the Board;
- (3) Reject the Resolution.

Fiscal Impact:

Hiring Parent for the Board Clerk/Account Clerk Manager position will require a budget amendment.

Staff Recommendation:

Approve **Resolution No. 2017__** approving the Interim General Manager's appointment of Tamara Parent as the District Board Clerk/Account Clerk Manager and approving the Employment Agreement.

PREPARED BY:

Douglas L. White, District General Counsel

Attachment:

Exhibit A: Resolution

- Tamara Parent Employment Agreement

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT APPROVING THE
INTERIM GENERAL MANAGER'S APPOINTMENT OF TAMARA PARENT
AS THE DISTRICT'S BOARD CLERK/ACCOUNT CLERK MANAGER AND
APPROVING THE EMPLOYMENT AGREEMENT**

WHEREAS, San Miguel Community Services District ("District") recently established the Board Clerk/Account Clerk Manager position; and

WHEREAS, the Interim General Manager has determined Tamara Parent is the most qualified candidate for the position; and

WHEREAS, the Interim General Manager prepared an employment agreement with Tamara Parent detailing the terms and conditions of her employment.

WHEREAS, the Board of Directors seeks to approve Tamara Parent's appointment and employment agreement.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, adopt this Resolution approving the Interim General Manager's appointment of Tamara Parent as the District's Board Clerk/Account Clerk Manager and approving the Employment Agreement, attached hereto as Exhibit A.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, President
Board of Directors

ATTEST:
FORM:

APPROVED AS TO

Rob Roberson, Interim General Manager

Douglas L. White, District
General Counsel

EXHIBIT A

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2017, by and between the San Miguel Community Services District, a California community services district (“District”), and Tamara Parent, an individual (“Employee”). District and Employee may individually be referred to herein as “Party” or collectively as “Parties”. There are no other parties to this Agreement.

RECITALS

- A. On January 17, 2014, Employee began employment with the District as an Account Clerk, a non-exempt position.
- B. On February 7, 2016, Employee was promoted to an Account Clerk 2/ Operations Coordinator, a non-exempt position, the position she currently holds.
- C. The District requires the services of an employee for the position of Clerk of the Board of Directors (“Board”).
- D. The District, acting by and through the Board, has evaluated Employee’s knowledge, experience, administrative skills and abilities, and desires to hire and appoint Employee as Board Clerk/Account Clerk Manager (“Board Clerk”) pursuant to the terms of this Agreement.
- E. The Parties agree that this Agreement shall be the sole agreement between the Parties regarding the employment of Employee as Board Clerk.
- F. The Parties desire to execute this Agreement pursuant to the authority of and subject to the provisions of California Government Code (“Government Code”) section 53260 *et seq.*

NOW, THEREFORE, in consideration of the mutual covenants entered into between the Parties, and in consideration of the benefits that accrue to each, it is agreed as follows:

AGREEMENT

Section 1. Recitals. The recitals set forth above (“Recitals”) are incorporated herein by this reference and made a part of this Agreement. In the event of any inconsistencies between the Recitals and Sections 1 through 10 of this Agreement, Sections 1 through 10 will prevail.

Section 2. Effective Date. This Agreement shall become effective once executed by both the District and Employee (“Effective Date”).

Section 3. Appointment of Board Clerk, Duties and Term.

Section 3.1. Appointment of Board Clerk and Duties. The Board hereby appoints Employee to the position of Board Clerk, in and for the District to perform the function and duties of the Board Clerk under the direction of the District General Manager (the "General Manager"). Employee accepts such appointment and employment pursuant to the terms of this Agreement. Employee shall further perform the functions and duties specified under the laws of the State of California and Resolutions of the District, and such other duties and functions as the General Manager may from time-to-time assign.

Section 3.2. Term. The term of this Agreement shall be for three (3) years from the Effective Date ("Term"). The General Manager in his or her sole discretion may extend the Term from time to time. No later than six (6) months prior to the expiration of the Term, the General Manager shall provide written notice to Employee as to whether the General Manager intends to extend the Term.

Section 3.3. Board Clerk Duties. For the Term of this Agreement, Employee shall perform all associated duties, functions, and requirements of the Board Clerk in accordance with the terms of the Agreement and the Board Clerk job description, which is attached hereto as **Exhibit A**.

Section 3.4. Secondary Employment. Employee agrees to devote all of her productive time, ability and attention to the District's business. During the Term, as defined in Section 3.2 of this Agreement, Employee shall not hold secondary employment, and shall be employed exclusively by the District, subject to any exceptions approved in writing by the General Manager or the Board. Any secondary employment, approved to by the General Manager or the Board shall not interfere with Employee's duties and responsibilities specified in this Agreement and must not create a conflict of interest with said duties. Employee has the right to volunteer for such nonprofit organizations as she may see fit, provided that such volunteer services shall not interfere with her duties as Board Clerk.

Section 3.5. Exempt Employee. The general business hours for District employees are Monday through Fridays, 8:30 a.m. to 4:30 p.m. However, it is recognized by the Parties that Employee is an exempt employee for purposes of the Fair Labor Standards Act of 1938 (29 U.S.C. § 201 *et seq.*). Employee shall not receive overtime or extra compensation for hours worked outside of the District's general business hours, which are necessary to fulfill the duties of the Board Clerk position, unless otherwise provided in this Agreement.

Section 3.6. Schedule. The Board Clerk's daily and weekly work schedule shall vary in accordance with the work required to be performed. The Board Clerk position includes attendance at evening Board meetings and frequent irregular hours as necessary to meet deadlines and achieve objectives. The Board and the General Manager recognize that the Board Clerk must devote a great deal of her time outside normal office hours to

business of the District and to that end, will be allowed to take compensatory time off as she shall deem appropriate during said normal office hours.

Section 3.7. At-Will Employment. Employee is an at-will employee serving at the pleasure of the Board and General Manager. Accordingly, the General Manager may terminate Employee's employment at any time, with or without cause. Only if Employee is terminated by the District without Good Cause, as defined in Section 6.3 of this Agreement, shall Employee be entitled to a Severance, as defined in Section 6.3 of this Agreement.

Section 3.8. No Property Right in Employment. Employee understands and agrees that the terms of her employment are governed only by this Agreement, and that no right of employment for any specific term is created by this Agreement. Employee further understands that based on her "at will" employment status, she acquires no property interest in her employment by virtue of this Agreement, and that she is not entitled to due process for any disciplinary actions, including termination, by the District.

Section 3.9. No Membership in Bargaining Unit. Employee understands that as Board Clerk she is not a member of any bargaining unit and is not covered by the terms of any Memorandum of Understanding with any represented or unrepresented group of District employees.

Section 4. Compensation and Evaluations.

Section 4.1. Base Salary. The District agrees to pay Employee an annual salary of Fifty-Five Thousand Dollars (\$55,000.00) ("Base Salary"), payable in installments at the same time that the other District employees are paid.

Section 4.2. Cost of Living Increase. Employee shall, annually, receive a two and a half percent (2.5%) cost of living adjustment ("COLA") to the Base Salary.

Section 4.3. Pro-rata Decrease. Employee acknowledges that the Base Salary may be subject to pro-rata decrease based on the Board's adoption of an unpaid Mandatory Furlough Program adopted as a budgetary measure.

Section 4.4. Review and Evaluation. The General Manager agrees to review and evaluate Employee's performance of her duties as Board Clerk pursuant to the terms of this Agreement ("Review and Evaluation") on not less than an annual basis, and to provide Employee with a written performance review. The annual Review and Evaluation shall be conducted one (1) month prior to Employee's anniversary date of this Agreement each year, or at the General Manager's discretion.

Section 5. Employment Benefits.

Section 5.1. Retirement Benefits. The District participates in the California Public Employees Retirement System (“CalPERS”). The District will continue to contribute to Employee’s retirement at the rate which it is currently, and Employee will continue to pay Employee share at her current rate, subject to any changes required by CalPERS during the Term of this Agreement.

Section 5.2. Medical Benefits. The District will contribute One Thousand Two Hundred Dollars (\$1,200.00) towards medical insurance benefits for Employee and one dependent, through CalPERS, pursuant to the terms in the District’s Personnel Guidelines and Policies (“Personnel Policies”), existing as of the Effective Date of this Agreement. In the event Employee does not obtain medical insurance benefits through the District, Employee shall be entitled to a Two Hundred Fifty Dollar (\$250.00) payment per paycheck in lieu of medical benefits. At such time as the District offers a cafeteria plan to District employees, Employee may elect to transfer the cash in lieu payment set forth in this Section 5.2 towards such cafeteria plan based on her eligibility.

Section 5.4. Vacation. Employee shall be entitled to receive vacation hours based on the accrual rate set forth in the District’s Personnel Policies. Employee’s accrual rate shall be based on Employee’s years of overall service with the District. All accrued vacation time from Employee’s prior position with the District as Account Clerk 2/ Operations Coordinator shall roll over into Employee’s employment as Board Clerk.

Section 5.5. Holidays. Employee shall be entitled to all holidays as provided in the District’s Personnel Policies.

Section 5.6. Compensatory Leave Time. Employee is exempt from coverage under the Fair Labor Standards Act (“FLSA”). As such, she does not receive compensation for hours worked over forty (40) per week. The District recognizes that Employee must devote a great deal of time outside the normal office hours to District business. In recognition of the extra hours required, Employee shall earn seventy (70) hours of compensatory leave per year to be available at the commencement of each Fiscal Year (July 1st). Employee shall use compensatory leave time as otherwise required in the District’s Personnel Rules. Compensatory Leave shall not roll over, unused compensatory leave time shall be paid out at the rate of Twenty-Eight Dollars and Sixty-Five Cents (\$28.65) at the end of the fiscal year (June 30th). Employee shall be entitled to receive payment for fifty percent (50%) of any unused compensatory leave time.

Section 5.7. Previous Compensatory Leave Time. Within thirty (30) days of the Effective Date of the Agreement, the District shall pay Employee any hours previously accrued by Employee as the District’s Account Clerk 2/ Operations Coordinator as set forth in the District’s Personnel Policies.

Section 5.8. Sick Leave. Employee shall accrue sick leave at a rate of one (1) sick day per month, up to a maximum of twelve (12) sick days per year. Employee shall not be

entitled to accrued sick time upon separation. Employee may convert unused accrued sick leave into service credits with CALPERS upon retirement on the applicable regulations effective at the time of retirement. All accrued sick time from the prior position with the District shall roll over into Employee's position as Board Clerk, including any adjustments made to correct prior errors.

Section 5.9. Cell Phone Allowance. Employee shall receive a Fifty Dollars (\$50.00.00) per month cell phone allowance.

Section 5.10. Professional and Educational Development. The District agrees to budget Two Thousand Five Hundred Dollars (\$2,500.00) on an annual basis for reasonable costs of travel and business expenses for Employee to attend trainings, seminars, and symposiums that are necessary or beneficial to Board Clerk position, or for the continued operation of the District.

Section 5.11. Other Benefits. During the Term of this Agreement, Employee shall be entitled to receive the benefits set forth in this Agreement. Any benefits listed in Sections 5.1-5.10 of this Agreement shall be in lieu of those benefits provided in the District's Personnel Policies. Any benefits not specifically listed in Sections 5.1-5.10 of this Agreement are enumerated in the District's Personnel Policies, which may be amended from time to time.

Section 6. Termination of Employment and Severance.

Section 6.1. Voluntary Resignation. Employee may resign at any time and agrees to give the District at least sixty (60) days advance written notice of the effective date of Employee's resignation, unless the Parties otherwise agree in writing. If Employee retires from full time public service with the District, Employee shall provide three (3) months advance written notice. Employee's actual retirement date will be mutually established between the Parties. During the notice period, all rights and obligations of the Parties under this Agreement shall remain in full force and effect. Promptly after the effective date of resignation, the District shall pay to Employee all salary and benefit amounts both accrued and owing under this Agreement. In the event of voluntary resignation, Employee shall not be entitled to Severance, as set forth in Section 6.3 of this Agreement.

Section 6.2. Termination by General Manager. The General Manager may terminate this Agreement and remove Employee from her position as Board Clerk at any time with or without cause. If Employee's termination is based on charges of misconduct that publicly stigmatizes her reputation or impairs her ability to earn a living, or might damage her standing in a community, she is entitled to a "name-clearing" hearing before the termination becomes effective, as described in *Lubey v. City and County of San Francisco* (1979) 98 Cal.App.3d 340 and its progeny. Within five (5) days of the General Manager's notice to Employee of his or her intent to terminate her employment, Employee may make a written request for a "name-clearing" hearing before the Board in open session. The "name-clearing" hearing is solely to provide Employee the opportunity to publicly clear her name, if she is entitled to such a hearing. The Board may determine whether the

allegations contained in the notice of termination are supported. If the allegations are not supported, a decision shall be issued to reflect that Employee's termination was without fault. This decision will not, however, require that Employee be reinstated to her position. In the event Employee does not request a "name-clearing" hearing before the Board, the General Manager's decision to terminate will be effective by the close of business on the fifth (5th) day after the General Manager provided notice to Employee about his or her intent to terminate her employment.

Section 6.3. Termination Without Good Cause. In the event the District terminates this Agreement without Good Cause, as defined in Section 6.4, below, within the first eighteen (18) months of the Effective Date of this Agreement, the District shall pay Employee a sum equal to nine (9) months' Base Salary ("Severance"). In the event the District terminates this Agreement without Good Cause, as defined below, after the first eighteen (18) months of the Effective Date of this Agreement, the District shall pay Employee Severance in a sum equal to six (6) months' Base Salary.

The Severance amounts set forth in this Section 6.3 are subject to the restrictions of Government Code section 53260, including without limitation, that the maximum amount of Severance pay that Employee may receive shall be the lesser of (i) one month's Base Salary or (ii) Base Salary for the number of months remaining on the Term of this Agreement. Any cash settlement related to the termination of this Agreement received by Employee from the District shall be fully reimbursed to the District if Employee is convicted of a crime involving an abuse of his office or position while employed with the District pursuant to Government Code section 53243.2. This Severance shall be paid in the same manner as other District employees unless otherwise agreed to by the District and Employee. In the event the District terminates this Agreement, Employee shall be entitled to continued medical and dental benefits at his cost pursuant to the provisions of the federal Consolidated Omnibus Budget Reconciliation Act ("COBRA").

Section 6.4. Termination For Good Cause. The District may at any time immediately terminate this Agreement for Good Cause, as defined, below. If Employee is terminated for good cause the District shall not be required to pay any Severance under this Agreement, and the District shall have no obligation to Employee beyond those benefits accrued as of Employee's last day of employment, including but not limited to, any outstanding and owed standby compensation at the rate set forth in this Agreement, and any and all benefits the District is obligated to provide under federal or state law.

"Good Cause" for purposes of this Agreement, means a fair and honest cause or reason for termination. These reasons include, but are not limited to:

1. Conviction of a felony;
2. Disclosing confidential information of the District;
3. Gross carelessness or misconduct;

4. Unjustifiable and willful neglect of the duties described in this Agreement;
5. Mismanagement;
6. Non-performance of duties;
7. Any conduct which violates the District's Personnel Rules and for which a District employee may be terminated;
8. Repeated and protracted unexcused absences from the Board Clerk/Account Clerk Manager's office and duties;
9. Willful destruction or misuse of District property;
10. Conduct that in any way has a direct, substantial, and adverse effect on the District's reputation;
11. Willful violation of federal, state or District discrimination laws;
12. Continued substance abuse which adversely affects performance of Employee's duties as Board Clerk;
13. Refusal to take or subscribe any oath or affirmation which is required by law; or
14. Permanent disability of Employee, or Employee becoming otherwise unable to perform the duties of Director, by reason of sickness, accident, illness, injury, mental incapacity or health for a period of six (6) weeks following the exhaustion of all available leave balances and any applicable Family Medical Leave Act or California Medical Leave Act leaves, or where the same occurs for forty (40) working days over a sixty (60) working day period following exhaustion of such leaves.

Notwithstanding any provision in this Agreement to the contrary, the General Manager may suspend Employee with full pay and benefits at any time during the Term of this Agreement.

Section 7. Indemnification. The District shall defend, hold harmless and indemnify Employee against any tort, personnel, civil rights or professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as Board Clerk in accordance with California's Tort Claims Act (Government Code section 825 *et seq.*), and shall provide a defense to Employee in accordance with Government Code sections 995-996.5. The District may decline to defend or indemnify Employee only as permitted by the

Government Code. The District may compromise and settle any such claim or suit and pay the amount of any resulting settlement or judgment. Provided, however, that the District's duty to defend and indemnify shall be contingent upon Employee's good faith cooperation with such defense. In the event the District provides funds for legal criminal defense pursuant to this Section, Employee shall reimburse the District for such legal criminal defense funds if Employee is convicted of a crime involving an abuse of office or position, as provided by Government Code sections 53243-53243.4.

Section 8. Bonding. The District shall bear the full cost of any fidelity or other bonds required of Employee under any law or ordinance.

Section 9. Notices. Any notice or communication required hereunder between the District and Employee must be in writing, and may be given either personally, by facsimile (with original forwarded by regular U.S. Mail), by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving Party's facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday or holiday shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the Party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to District:

San Miguel Community Services District
ATTN: General Manager
1150 Mission Street
San Miguel, California 93451

and

Churchwell White, LLP
ATTN: Douglas L. White
1414 K Street, 3rd Floor
Sacramento, CA 95814

If to Employee: San Miguel Community Services District
ATTN: Tamara Parent
1150 Mission Street
San Miguel, CA 93451
w/ cc: home address on file

Section 10. General Provisions.

10.1. Modification of Agreement. This Agreement may be supplemented, amended, or modified only by a writing signed by the District and Employee.

10.2. Entire Agreement. This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the Parties and supersedes all other prior or contemporaneous oral or written understandings and agreements of the Parties. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty except those expressly set forth in this Agreement.

10.3. Severability of Agreement. If a court or an arbitrator of competent jurisdiction holds any section of this Agreement to be illegal, unenforceable, or invalid for any reason, the validity and enforceability of the remaining sections of this Agreement shall not be affected.

10.4. Authority. All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles and capacities herein stated on behalf of any entities, persons, states or firms represented or purported to be represented by such entities, persons, states or firms and that all former requirements necessary or required by the state or federal law in order to enter into this Agreement had been fully complied with. Further, by entering into this Agreement, neither Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such breach would have a material effect hereon.

10.5. Headings. The headings in this Agreement are included for convenience only and neither affect the construction or interpretation of any section in this Agreement nor affect any of the rights or obligations of the Parties to this Agreement.

10.6. Necessary Acts and Further Assurances. The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

10.7. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of California.

10.8. Waiver. No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be

a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

10.9. Counterparts. This Agreement may be executed in counterparts and all so executed shall constitute an agreement which shall be binding upon the Parties hereto, notwithstanding that the signatures of all Parties and Parties' designated representatives do not appear on the same page.

10.10. Venue. Venue for all legal proceedings shall be in the California Superior Court in and for the County of San Luis Obispo in the State of California.

10.11. Attorney's Fees and Costs. If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret sections of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

[SIGNATURE PAGE DIRECTLY FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been entered into by and between EMPLOYEE and DISTRICT as of the date of the Agreement set forth above.

DISTRICT:

San Miguel Community Services District, a California community services district

By: _____
Rob Roberson, Interim General Manager

Date Signed: _____

EMPLOYEE:

By: _____
Tamara Parent, an individual

Date Signed: _____

Approved as to Form and Content:

By: _____
Douglas L. White, District General Counsel

EXHIBIT A



TITLE: BOARD CLERK/ACCOUNTS CLERK MANAGER
REPORTS TO: General Manager
PAY GRADE: Employment Agreement
FLSA: Exempt
CONFIDENTIAL: Yes

SUPERVISORY RESPONSIBILITIES

DIRECT: Bookkeeper, Account Clerk I, Account Clerk II/ Operations Coordinator
INDIRECT: None

MINIMUM QUALIFICATION REQUIREMENTS

Unless required by law, experience and education may be substituted for each other upon approval by the General Manager or their designee. Special District Board Secretary/Clerk Certificate shall be obtained through the California Special District's Association within the first twelve (12) months of employment.

EDUCATION: Education equivalent to graduation from high school. Valid California driver's license and proof of insurability are required. Standard First Aid and CPR certifications are required by the Special District's Risk Management Authority.

EXPERIENCE: Minimum of three years' experience performing a variety of administrative support functions and working with computer applications or databases; ability to effectively utilize a personal computer and various computer applications; proven ability to organize and manage competing tasks and priorities.

CONTACT RESPONSIBILITY

INTERNAL: Interaction with General Manager to receive specific work assignments, general direction, and have results reviewed.

EXTERNAL: Interaction with Board Directors, consultants, contractors, customers, vendors, and government agencies.

PHYSICAL REQUIREMENTS

Good hearing, eyesight, and speech; excellent ability to communicate, both verbally and in writing; ability to operate and utilize a personal computer; able to tolerate periods of continuous sitting; may, on an infrequent basis assist with lifting up to 25 pounds.

ENVIRONMENTAL CONDITIONS

Work is primarily performed within an enclosed office setting with lighting and ventilation. Subject to conversational noise from other personnel within the facility, along with standard background noise found in an office environment. Subject to long periods of sitting and exposure to computer screen. When performing work outside the facility, subject to variable weather conditions and possible exposure to heavy equipment, dust, fumes, odor, and noise. Appropriate personal safety equipment is provided.

DETAILED DUTIES AND RESPONSIBILITIES - ESSENTIAL FUNCTIONS

This at will, exempt position performs a wide variety of administrative functions related to maintaining the records of the San Miguel Community Services District ("District") Board of Directors ("Board"). This position is also responsible for Board Clerk duties, described in more detail below.

Must possess the ability to effectively organize and manage competing priorities, represent the District professionally, work cooperatively with members of the public, and supervise other administrative staff. Must be able to cross train and provide administrative back-up support as needed. Requires the ability to efficiently utilize a computer, computer software, data and applications, copy machine, and other office equipment. Must be able to compose reports or correspondence as required. Requires a working knowledge, understanding, and ability to communicate District policies and procedures to customers, both external and internal. A working knowledge and understanding of District safety rules and regulations, as well as active participation in the District's safety programs is necessary. Must maintain strict confidentiality of privileged information and effectively utilize District resources. Reliable, stable attendance is required.

The following tasks are typical for this classification. Incumbents may not regularly perform all of the listed duties or may be required to perform additional or different duties from those set forth below to address business or staffing needs and changing business practices, as defined by the General Manager.

% TIME TASKS

40% Billing (Board Clerk shall be responsible for the General Billing duties during such time an Account Clerk is unavailable.)

- Maintains deposit records of all monies, cash, and checks for all District departments;
- Processes utility billing for all new construction;
- Produces and sends water and sewer bills to residents based on meter reads for water and sewer usage;
- Processes Point N Pay credit card daily;
- Drafts water and sewer rental deposit reports;
- Maintains adjustment journals for water accounts;
- Maintains utility billing journal vouchers;
- Drafts cash receipting and billing summaries;
- Ensures monthly water and sewer usage totals match up with billing totals;
- Maintains accounts receivable;
- Processes payments from residents for water or sewer billing.

30% Board Clerk Functions

- Prepares minutes for all Board of Directors meetings and committee meetings;
- Drafts agenda for all Board of Directors meetings and committee meetings;
- Coordinates staff reports and resolutions to be included in the Board meeting packet;
- Prepares and distributes Board of Directors' packet to Board Directors and relevant staff;
- Provides official notification of public notices for Board of Directors meetings and public hearings;
- Processes resolutions, contracts, and dissemination of Board actions;
- Serves as the District's Elections Official; plans, organizes, and directs the conduct of District elections, in accordance with State and local laws, including initiative, referendum, or recall elections;
- Serves as the Filing Officer/Filing Official under the provisions of the Political Reform Act and the Fair Political Practices Commission, as it pertains to the filing of campaign statements and Statements of Economic Interests for all elected officials and designated employees;
- Serves as the custodian of official District records, including Board minutes, resolutions, ordinances, agreements, contracts, deeds, and bonds;
- Serves as the designated recipient of official documents such as claims, lawsuits, subpoenas, and bids;
- Certifies and records District documents;

- Maintains department files and records in accordance with approved records retention schedules.

20% Assists with the creation and maintenance of regulatory reports:

- Gathers and collates information into Water Quality Reports;
- Evaluates data from Systems Operation staff for errors and organizes the information for reports;
- Participates in the preparation and completion of the annual Electronic Annual Report and submittal to State regulatory agencies.

10% General Administrative Support (Board Clerk shall be responsible for the General Administrative Support duties during such time an Account Clerk is unavailable.)

- Maintains District website;
- Provides administrative and project support to the General Manager, department supervisors, or staff;
- Suggests policy changes in order to streamline department operations;
- Answers inquiries involving department procedures, activities, and functions;
- Schedules and coordinates meetings, appointments, and events, including the completion of event registration and travel arrangements;
- Edits and proofreads department memos, reports, policies, and Board-related correspondence;
- Performs copying, faxing, filing, and other administrative tasks;
- Assists District personnel with meeting preparations, set-up, and clean-up;
- Distributes department incoming mail and organizes outgoing mail;
- Provides back-up support for the District front desk, including assisting customers, taking messages and relaying calls, receiving payments, and operating the cash drawer;
- Prepares, presents, and administers the “Administrative” budget.

DETAILED DUTIES AND RESPONSIBILITIES - NON-ESSENTIAL FUNCTIONS

Performs all related duties as assigned by the General Manager.



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.3

SUBJECT: Review and Approve **Resolution No. 2017__** Creating the Director of Utilities Position and Authorizing the Interim General Manager to Hire an Individual to Fill the Director of Utilities Position.

STAFF RECOMMENDATION:

Approve **Resolution No. 2017__** creating the Director of Utilities position and authorizing the Interim General Manager to hire an individual to fill the Director of Utilities Position.

BACKGROUND:

The San Miguel Community Services District (“District”) does not currently have a designated Director of Utilities Position. The current Utilities Supervisor is largely functioning as the head of the utilities department. A large portion of the Utilities Supervisor’s duties include field work and provides insufficient time to perform essential supervisory and management duties. The District plans to hire additional utilities operators to perform necessary field work and eliminate the need for the department head to perform field work.

The District seeks to establish the Director of Utilities position which contemplates more managerial and supervisory functions to ensure an efficiently run department. As discussed in the Director of Utilities Job Description, he or she will divide his or her time as follows: 40% long-term planning and management, 25% personnel supervision, 10% employee training, 15% field work, and 10% additional duties as assigned by the General Manager.

Upon adopting the proposed resolution, the District will create the Director of Utilities position and authorize the Interim General Manager to fill the position. The Director of Utilities Job Description thoroughly describes the duties, powers, minimum qualifications, and supervisory authority accompanying the position. Any agreement executed by the Interim General Manager to hire a Director of Utilities must be approved by the Board.

Fiscal Impact:

Establishing and filling the Director of Utilities position will require a budget amendment. The degree of the financial impact will not be known until terms of employment are negotiated, however, the District anticipates the Director of Utilities will receive a salary of approximately \$100,000 per year. The Director of Utilities position will replace the Utilities Supervisor position, which has an annual salary of \$76,000.

Staff Recommendation:

Approve **Resolution No. 2017__** creating the position of Director of Utilities and authorizing the Interim General Manager to hire an individual to fill the Director of Utilities position.

PREPARED BY:

Douglas L. White, District General Counsel

Attachment(s):

Exhibit A: Resolution

- Director of Utilities Job Description

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT CREATING A DIRECTOR OF
UTILITIES POSITION AND AUTHORIZING THE INTERIM GENERAL MANAGER
TO HIRE AN INDIVIDUAL TO FILL THE DIRECTOR OF UTILITIES POSITION**

WHEREAS, San Miguel Community Services District (“District”) is currently understaffed and seeks to hire additional Utility Operators to alleviate the work load of utility department staff; and

WHEREAS, the expansion of the District’s utilities department and workforce necessitates a department head with designated supervisory duties and limited field work duties; and

WHEREAS, the District has determined a need for an individual to serve as the Director of Utilities, who will supervise field personnel and oversee the utility department; and

WHEREAS, the Director of Utilities will assign, review, and evaluate the work of all field personnel in the installation, maintenance, and repair of District facilities; and

WHEREAS, the duties of the Director of Utilities will include long-range planning and management, supervising personnel, employee training, limited field work, and additional duties as may be required by the General Manager; and

WHEREAS, the Director of Utilities Job Description thoroughly describes the duties assigned to the Director of Utilities, which is attached hereto and incorporated as Exhibit A; and

WHEREAS, the Board of Directors authorizes District staff to recruit and hire a Director of Utilities to perform the services outlined in the Director of Utilities Job Description.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, adopt this Resolution creating the Director of Utilities position and authorizing the Interim General Manager to hire an individual to fill the Director of Utilities Position.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, President
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager

Douglas L. White, District General
Counsel

EXHIBIT A



TITLE: DIRECTOR OF UTILITIES
REPORTS TO: General Manager
PAY GRADE: Employment Agreement
FLSA: Exempt
CONFIDENTIAL: Yes

SUPERVISORY RESPONSIBILITIES

DIRECT: Utility Operations Supervisor, Utility III, Utility II, Utility I, Utility Worker
INDIRECT: None

MINIMUM QUALIFICATION REQUIREMENTS

Unless required by law, experience and education may be substituted for each other upon approval by the General Manager or their designee. The following certifications are required at the time of hire date or an equivalent combination of education and experience sufficient to successfully perform the duties of the position:

- California State Wastewater Grade 1 certification;
- California Department of Public Health Grade 2 in Water Distribution; and
- California Department of Public Health Grade 2 in Water Treatment.

The following licenses and certifications are required:

- Valid California Commercial Driver's License Class A or B;
- Standard First Aid certification; and
- Standard CPR certification.

Certification or other proof of formal training in water or wastewater fields, including automatic valves, pumps, and safety, is desirable.

EDUCATION: Minimum of a high school education. A Bachelor of Science degree or an Associate of Arts degree in Water Utility Science or related field is preferred.

EXPERIENCE: Minimum of four years of increasingly responsible experience in the construction, operation, and maintenance of water/wastewater facilities; proven ability to supervise, train, evaluate, and coordinate staff; proven ability to organize and manage competing tasks and priorities; ability to effectively utilize a personal computer.

This position requires the ability to be "on-call," work evenings, weekends, and Holidays.

CONTACT RESPONSIBILITY

INTERNAL: Interaction with: General Manager and San Miguel Community Services District ("District") personnel to receive specific work assignments and review results, District personnel to discuss and resolve technical issues, front desk and customer service personnel to coordinate assignments; and all other District personnel as required.

EXTERNAL: Interaction with: general public to answer basic questions during the course of carrying out the work assignment, vendors to obtain parts and supplies; and emergency service personnel as required.

PHYSICAL REQUIREMENTS

While performing the duties of this job, the employee is regularly required to sit, talk, and hear. The employee is frequently required to walk. The employee is occasionally required to: stand, use hands to manipulate, handle, and feel objects, tools, and controls; reach with hands and arms, climb and balance, and taste and smell. The employee may be exposed to extreme dampness, heights, and vibrations.

The employee will engage in active physical work without prolonged heavy exertion; but with continuous exposure to unpleasant elements such as dust, mud, fumes, odors, dampness, raw or treated sewage, noise levels, or outside weather conditions. The employee will be on his or her feet for most of the time, which involves bending, stopping, squatting, twisting, reaching, working on irregular surfaces, walking long distances, and climbing hills and ladders. The employee will frequently lift objects up to fifty (50) pounds and occasionally lift objects weighing over one hundred (100) pounds. The employee must have good hearing, sight, and speech capabilities.

ENVIRONMENTAL CONDITIONS

When working outdoors, work is performed in all types of weather. The employee will be subject to: noisy conditions, odors, contact with animals and insects, hazardous traffic conditions, confined spaces, variable weather conditions, possible exposure to heavy equipment, dust, and fumes. The employee will wear protective clothing as required. Appropriate personal safety equipment is provided.

When working indoors, work is performed in an office environment with lighting and ventilation. The indoor working environment is subject to conversational noise from other personnel within the facility, as well as standard background noise found in an office environment and exposure to a computer screen.

DETAILED DUTIES AND RESPONSIBILITIES - ESSENTIAL FUNCTIONS

This at-will, exempt position assigns, reviews, and evaluates the work of all field personnel in the operation, installation, maintenance, and repair of a .2 MGD wastewater treatment plant, water distribution and treatment systems, wastewater collection system; and all other District facilities and equipment. This position must perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, or ability required.

Must be able to effectively lead, supervise, motivate, train, and evaluate personnel. Must be able to exercise sound and independent judgment to prioritize and manage projects. Must be familiar with public administration and budget development as they pertain to water and wastewater system maintenance. Must be able to implement and use proper techniques and equipment used in the operations, maintenance, and repair of water and wastewater systems and facilities. Must be knowledgeable about the methods, tools, and materials used in the water and wastewater fields, including knowledge of the processes involved with the distribution and treatment of potable water and the collection and treatment of wastewater. Must ensure safety protocols are followed. Must have knowledge of computer programs and SCADA for treatment, operation, and maintenance. Must be able to use personal computers, keep accurate reports, maintain confidentiality, respond professionally to emergencies, and prepare basic reports and business letters. Must have knowledge of pertinent federal, state, and local laws, codes, and regulations. Must be able to communicate clearly and concisely, both orally and in writing.

The following tasks are typical for this classification. Incumbents may not regularly perform all the listed duties, but may be required to perform additional or different duties from those set forth below to address business or staffing needs and changing business practices, as defined by the General Manager.

Field Work

- Uses independent judgment to address routine and emergency operation, maintenance, and treatment of District's water, wastewater, and lighting systems and facilities; and
- Utilizes the skills of carpentry, painting, plumbing, plastering, welding, cement finishing, masonry and similar skills, performs the following:
 - Laying and joining pipe;
 - Breaking out pavement for installations;
 - Maintenance/repair of mains and services;

- Repairing land areas for planting;
- Installing and maintaining customer meters;
- Performing routine maintenance on District equipment and facilities;
- Operating a variety of equipment, in the course of the above, including backhoe, earthmover, trucks, compressors, pneumatic hammers, drills and related machinery, welders, hand tools and similar equipment; and
- Administering, testing, and maintaining District's backflow system.
- Supervises day-to-day utility operations and emergency operations of District's water, wastewater, and lighting systems and facilities, including, but not limited to:
 - Overseeing operations, maintenance, and repair of the District's water, wastewater, and lighting systems;
 - Going to the work site to oversee day-to-day operations;
 - Ensuring supplies are properly inventoried and procured;
 - Coordinating with vendors and contractors;
 - Determining work priorities and monitoring work flow;
 - Meeting with staff to identify and address problems;
 - Ensures the District complies with state and federal requirements relative to drinking water and wastewater including treatment, testing, monitoring, and reporting;
 - Reading, interpreting, and coordinating execution of plans and specifications;
 - Performing inspection of private construction of water and wastewater facilities; and
 - Coordinating and ensuring equipment and facilities are maintained in proper working order.

Personnel Supervisor

- Assigns, reviews, plans, coordinates, and guides the work of other employees;
- Ensures that work schedules and operational logs are properly maintained;
- Recommends the transfer, promotion, salary increase, discipline, or discharge of staff;
- Evaluates the work of employees and prepares performance appraisals;
- Promotes staff development and motivation;
- Approves overtime, vacation, and other time off;
- Analyzes problems that arise in the areas of supervision and recommends solutions; and
- Addresses and resolves complaints and procedures.

Training

- Assumes responsibility for training on all procedures, safety, use and operation of equipment, machinery and vehicles; and
- Ensures that District safety rules and regulations are being followed.

Administrative

- Long-Term Utility Operations:
 - Directs and participates in the development of goals, objectives, rules, policies, and operating procedures for field operations;
 - Coordinates the activities of the utilities department with other District departments;
 - Coordinates work with other county, state, and federal agencies;
 - Maintains water rights permits and oversees preparation of periodic reports to federal, state, county, and local agencies;
 - Approves the requisition of materials, supplies, and equipment;
 - Supports the District Strategic Plan and Mission statement;
 - Identifies opportunities for improving service delivery methods and procedures, and implements improvements; and
 - Develops long-range strategic and financial goals for the utilities department.
- Advice and Consultation:
 - Attends meetings of the District Board of Directors ("Board");
 - Prepares detailed staff reports and makes presentations to the Board;

- Provides technical information, advice, and consultation to the Board and the General Manager on water, wastewater, or lighting activities or problems;
- Responds to citizen inquiries and complaints concerning operations and activities;
- Keeps the General Manager informed of pertinent matters; and
- Participates on District or community committees as assigned.
- Reporting and Budgeting:
 - Prepares departmental budget requests and controls expenditures;
 - Prepares cost estimates and specifications for outside contract work;
 - Calculates anticipated revenue or expenditures;
 - Develops and maintains accurate water, wastewater, and lighting maintenance information and records;
 - Directs the preparation and prepares a variety of reports related to operations, functions, and activities; and
 - Prepares procedures for tracking and evaluating the budget through the year.

DETAILED DUTIES AND RESPONSIBILITIES - NON-ESSENTIAL FUNCTIONS

Related Duties

- Performs all related duties as assigned by the General Manager.



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.4.

SUBJECT: Review and Approve **Resolution No. 2017__** Approving the Interim General Manager's Appointment of Kelly Dodds as the Director of Utilities and Approving the Employment Agreement.

STAFF RECOMMENDATION:

Approve **Resolution No. 2017__** approving the Interim General Manager's appointment of Kelly Dodds as the Director of Utilities and approving the Employment Agreement.

Background:

The San Miguel Community Services District ("District") will consider establishing the Director of Utilities position at the June 29, 2017, Board Meeting. The Interim General Manager has selected Kelly Dodds ("Dodds") to serve as Director of Utilities. Dodds currently serves as the District's Utilities Supervisor. Dodds and the District have executed an employment agreement subject to Board of Directors ("Board") approval.

Dodds' Employment Agreement ("Agreement") includes the following key provisions:

- Contract term of three (3) years.
- Effective date of employment shall commence once the employment agreement is approved by the Board and executed by both the District and Employee.
- Base Salary of \$100,000.
- Vacation based on the accrual rate set forth in the District's Personnel Policies, based on Dodds' total years of service with the District.
- District will contribute to Dodds' health benefits through CalPERS.
- Dodds shall be entitled to the other benefits outlined in the Senior Management Compensation Plan that are not addressed in the Employment Agreement.

Item XII.4.

6-29-2017 Special Board Meeting

- Nine (9) months' severance for termination without good cause within eighteen (18) months of the Agreement's effective date or six (6) months' severance for termination without good cause after eighteen (18) months.

Alternatives/Options:

The Board's options regarding the Agreement include:

- (1) Adopt a Resolution approving the Interim General Manager's appointment of Kelly Dodds as the District's Utilities Supervisor and approving the Employment Agreement;
- (2) Adopt a Resolution approving the Agreement with changes and revisions from the Board;
- (3) Reject the Resolution.

Fiscal Impact:

Hiring Dodds for the Director of Utilities position will require a budget amendment.

Staff Recommendation:

Approve **Resolution No. 2017__** approving the Interim General Manager's appointment of Kelly Dodds as the District's Utilities Supervisor and approving the Employment Agreement.

PREPARED BY:

Douglas L. White, District General Counsel

Attachment(s):

Exhibit A: Resolution

- Kelly Dodds Employment Agreement

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT APPROVING THE
INTERIM GENERAL MANAGER'S APPOINTMENT OF KELLY DODDS AS
THE DISTRICT'S DIRECTOR OF UTILITIES AND APPROVING THE
EMPLOYMENT AGREEMENT**

WHEREAS, San Miguel Community Services District ("District") recently established the Director of Utilities position; and

WHEREAS, the Interim General Manager has determined Kelly Dodds is the most qualified candidate for the position; and

WHEREAS, the Interim General Manager prepared an employment agreement with Kelly Dodds detailing the terms and conditions of his employment.

WHEREAS, the Board of Directors seeks to approve Kelly Dodds' employment agreement.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, adopt this Resolution approving the Interim General Manager's appointment of Kelly Dodds as the District's Utilities Supervisor and approving the Employment Agreement, attached hereto as Exhibit A.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAINING:

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, President
Board of Directors

ATTEST:
FORM:

APPROVED AS TO

Rob Roberson, Interim General Manager

Douglas L. White, District
General Counsel

EXHIBIT A

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2017, by and between the San Miguel Community Services District, a California community services district (“District”), and Kelly Dodds, an individual (“Employee”). The District and Employee may individually be referred to herein as “Party” or collectively as “Parties”. There are no other parties to this Agreement.

RECITALS

- G. On June 25, 2007, Employee began employment with the District as a Utility Operator, a non-exempt position.
- H. In July 2011, Employee was promoted to Utilities Supervisor, a non-exempt position, the position he currently holds.
- I. On June 22, 2017, the Board of Directors (“Board”) for the District created the position of Director of Utilities for the District (“Director”) to serve as the department head for the District Utilities Department.
- J. The District requires the services of an employee for the position of Director.
- K. The District, acting by and through the Board, has evaluated Employee’s knowledge, experience, administrative skills and abilities, and desires to hire and appoint Employee as Director pursuant to the terms of this Agreement.
- L. The Parties agree that this Agreement shall be the sole agreement between the Parties regarding the employment of Employee as Director.
- M. The Parties desire to execute this Agreement pursuant to the authority of and subject to the provisions of California Government Code (“Government Code”) section 53260 *et seq.*

NOW, THEREFORE, in consideration of the mutual covenants entered into between the Parties, and in consideration of the benefits that accrue to each, it is agreed as follows:

AGREEMENT

Section 1. Recitals. The recitals set forth above (“Recitals”) are incorporated herein by this reference and made a part of this Agreement. In the event of any inconsistencies between the Recitals and Sections 1 through 10 of this Agreement, Sections 1 through 10 will prevail.

Section 2. Effective Date. This Agreement shall become effective once executed by both the District and Employee (“Effective Date”).

Section 3. Appointment of Director, Duties and Term.

Section 3.1. Appointment of Director and Duties. The Board hereby appoints Employee to the position of Director, in and for the District, to perform the function and duties associated with the Director's position under the direction of the District General Manager ("General Manager"). Employee accepts such appointment and employment pursuant to the terms of this Agreement. Employee shall further perform the functions and duties specified below under the laws of the state of California, and Resolutions of the District, and such other duties and functions as the General Manager may from time-to-time assign.

Section 3.2. Term. The term of this Agreement shall be for three (3) years from the Effective Date ("Term"). The General Manager, in his or her sole discretion, may extend the Term from time to time. No later than six (6) months prior to the expiration of the Term, the General Manager shall provide written notice to Employee as to whether the General Manager intends to extend the Term.

Section 3.3. Director Duties. For the Term of this Agreement, Employee shall perform all associated duties, functions, and requirements of the Director in accordance with the terms of the Agreement and the Director job description, which is attached hereto as **Exhibit A**.

Section 3.4. Secondary Employment. Employee agrees to devote all of his productive time, ability, and attention to the District's business. During the Term, as defined in Section 3.2 of this Agreement, Employee shall not otherwise hold any secondary employment and shall be employed exclusively by the District, subject to any exceptions approved in writing by the General Manager or the Board. Any secondary employment, approved to by the General Manager or the Board, shall not interfere with Employee's duties and responsibilities specified in this Agreement and must not create a conflict of interest with said duties. Employee has the right to volunteer for such nonprofit organizations as he may see fit, provided that such volunteer services shall not interfere with his duties as Director. Notwithstanding the above, the District acknowledges Employee's employment as an Assistant Fire Chief for the District and authorizes Employee to hold that separate position under the separate terms of his agreement with the District.

Section 3.5. Exempt Employee. The general business hours for the Director are Mondays through Fridays, 7:00 a.m. to 3:30 p.m., with rotating standby for designated weekends or as deemed necessary by the District. However, it is recognized by the Parties that Employee is an exempt employee for purposes of the Fair Labor Standards Act of 1938 (29 U.S.C. § 201 *et seq.*). Employee shall not receive overtime or extra compensation for hours worked outside of the District's general business hours, which are necessary to fulfill the duties of the Director position, unless otherwise provided in this Agreement.

Section 3.6. Schedule. The Director's daily and weekly work schedule shall vary in accordance with the work required to be performed. The Director position includes attendance at evening Board meetings and frequent irregular hours as necessary to meet deadlines and achieve objectives. The Board and the General Manager recognize that the

Director must devote a great deal of his time outside normal office hours to business of the District and to that end, will be allowed to take compensatory leave as he shall deem appropriate during said normal office hours.

Section 3.7. At-Will Employment. Employee is an at-will employee serving at the pleasure of the Board and the General Manager. Accordingly, the General Manager may terminate Employee's employment at any time with or without cause. Only if Employee is terminated by the District without Good Cause, as defined in Section 6.3 of this Agreement, shall Employee be entitled to a Severance, as defined in Section 6.3 of this Agreement.

Section 3.8. No Property Right in Employment. Employee understands and agrees that the terms of his employment are governed only by this Agreement and that no right of employment for any specific term is created by this Agreement. Employee further understands that based on his "at-will" employment status, he acquires no property interest in his employment, by virtue of this Agreement, and that he is not entitled to due process for any disciplinary actions under the District's personnel policies and rules, including termination.

Section 3.9. No Membership in Bargaining Unit. Employee understands that as Director he is not a member of any bargaining unit and is not covered by the terms of any Memorandum of Understanding with any represented or unrepresented group of District employees.

Section 4. Compensation and Evaluations.

Section 4.1. Base Salary. The District agrees to pay Employee an annual salary of One Hundred Thousand Dollars (\$100,000.00) ("Base Salary"), payable in installments, at the same time the other District employees are paid. The Base Salary does not include any other benefits or supplemental pay Employee may be entitled to as otherwise set forth in this Agreement.

Section 4.2. Holiday and Weekend Standby Pay. Employee may be required to participate in a standby rotation for utility service operations. The District shall pay Employee at a rate of Two Hundred Fifty (\$250.00) dollars per day for weekend and holiday coverage, in order to carry out necessary tasks, including, but not limited to, plant reads, well checks, alarm response, as-needed repairs, and such other duties and functions as the District may require from time to time.

Section 4.3. Cost of Living Adjustment. Employee shall, annually, receive a two and a half percent (2.5%) cost of living adjustment ("COLA") to the Base Salary.

Section 4.4. Pro-rata Decrease. Employee acknowledges that the Base Salary may be subject to a pro-rata decrease based on the Board's adoption of an unpaid Mandatory Furlough Program adopted as a budgetary measure.

Section 4.5. Review and Evaluation. The General Manager agrees to review and evaluate Employee's performance of his duties as Director pursuant to the terms of this Agreement ("Review and Evaluation") on not less than an annual basis, and to provide Employee with a written performance review. The annual Review and Evaluation shall be conducted one (1) month prior to Employee's anniversary date of this Agreement each year, or at the General Manager's discretion.

Section 5. Employment Benefits.

Section 5.1. Retirement Benefits. The District participates in the California Public Employees Retirement System ("CalPERS"). The District will continue to contribute to Employee's retirement at the rate which it is currently, and Employee will continue to pay Employee share at his current rate, subject to any changes required by CalPERS during the Term of this Agreement.

Section 5.2. Medical Benefits. The District will contribute One Thousand Two Hundred Dollars (\$1,200.00) towards medical insurance benefits for Employee and one dependent, through CalPERS, pursuant to the terms in the District's Personnel Guidelines and Policies ("Personnel Policies"), existing as of the Effective Date of this Agreement.

Section 5.3. Vacation. Employee shall be entitled to receive vacation hours based on the accrual rate set forth in the District's Personnel Policies. Employee's accrual rate shall be based on Employee's years of overall service with the District. All accrued vacation time from Employee's position with the District as Utilities Supervisor shall roll over into Employee's employment as Director of Utilities.

Section 5.4. Holidays. Employee shall be entitled to all holidays as provided in the District's Personnel Policies.

Section 5.5. Compensatory Leave Time. Employee is exempt from coverage under the Fair Labor Standards Act ("FLSA"). As such, he does not receive compensation for hours worked over forty (40) per week. The District recognizes that Employee must devote a great deal of time outside the normal office hours to District business. In recognition of the extra hours required, Employee shall earn seventy (70) hours of compensatory leave per year to be available at the commencement of each Fiscal Year (July 1st). Employee shall use compensatory leave time as otherwise required in the District's Personnel Rules. Compensatory Leave shall not roll over, unused compensatory leave shall be paid out at the rate of Fifty Two Dollars and Eight Cents (\$52.08) at the end of the fiscal year (June 30th). Employee shall be entitled to receive payment for fifty percent (50%) of any unused compensatory leave time.

Section 5.6. Previous Compensatory Leave Time. Within thirty (30) days of the Effective Date of the Agreement, the District shall pay Employee any hours previously accrued by Employee, as the District's Utility Supervisor, as set forth in the District's Personnel Policies.

Section 5.7. Sick Leave. Employee shall accrue sick leave at a rate of one (1) sick day per month, up to a maximum of twelve (12) sick days per year. Employee shall not be entitled to accrued sick time upon separation. Employee may covert unused accrued sick leave into service credits with CALPERS upon retirement on the applicable regulations effective at the time of retirement. All accrued sick time from the prior position with the district shall rollover into Employee's position as Director of Utilities, including any adjustments made to correct prior errors.

Section 5.8. District Vehicle. Employee may use a District Utility Department vehicle during District business hours, and in cases Employee is performing District-related duties in the field when on standby during holidays and weekends. Employee shall not otherwise utilize a District vehicle when on standby.

Section 5.9. Cell Phone Allowance. Employee shall receive a Fifty Dollar (\$50.00) per month cell phone allowance.

Section 5.10. Professional and Educational Development. The District agrees to budget Two Thousand Five Hundred Dollars (\$2,500.00) on an annual basis for reasonable costs of travel and business expenses for Employee to attend trainings, seminars, and symposiums that are necessary or beneficial to the maintenance of the required licensing for the Director position, or for the continued operation of the District.

Section 5.11. Other Benefits. During the Term of this Agreement, Employee shall be entitled to receive the benefits set forth in this Agreement. Any benefits listed in Sections 5.1-5.11 of this Agreement, shall be in lieu of those benefits provided in the District's Personnel Policies. Any benefits not specifically listed in Sections 5.1-5.11 of this Agreement are enumerated in the District's Personnel Policies, which may be amended from time to time.

Section 6. Termination of Employment and Severance.

Section 6.1 Voluntary Resignation. Employee may resign at any time and agrees to give the District at least sixty (60) days advance written notice of the effective date of Employee's resignation, unless the Parties otherwise agree in writing. If Employee retires from full time public service with the District, Employee shall provide three (3) months advance written notice. Employee's actual retirement date will be mutually established between the Parties. During the notice period, all rights and obligations of the Parties under this Agreement shall remain in full force and effect. Promptly after the effective date of resignation, the District shall pay to Employee all salary and benefit amounts both accrued and owing under this Agreement. In the event of resignation, Employee shall not be entitled to a severance as set forth in Section 6.3 of this Agreement.

Section 6.2. Termination by the General Manager. The General Manager may terminate this Agreement and remove Employee from his position as Director at any time with or without cause. If Employee's termination is based on charges of misconduct that publicly stigmatizes his reputation or impairs his ability to earn a living, or might damage his

standing in a community, he is entitled to a “name-clearing” hearing before the termination becomes effective, as described in *Lubey v. City and County of San Francisco* (1979) 98 Cal.App.3d 340 and its progeny. Within five (5) days of the General Manager’s notice to Employee of his or her intent to terminate his employment, Employee may make a written request for a “name-clearing” hearing before the Board in open session. The “name-clearing” hearing is solely to provide Employee the opportunity to publicly clear his name, if he is entitled to such a hearing. The Board may determine whether the allegations contained in the notice of termination are supported. If the allegations are not supported, a decision shall be issued to reflect that Employee’s termination was without fault. This decision will not, however, require that Employee be reinstated to his position. In the event Employee does not request a “name-clearing” hearing before the Board, the General Manager’s decision to terminate will be effective by the close of business on the fifth (5th) day after the General Manager provided notice to Employee about his intent to terminate his employment.

Section 6.3. Termination Without Good Cause. In the event the District terminates this Agreement without Good Cause, as defined in Section 6.4, below, within the first eighteen (18) months of the Effective Date of this Agreement, the District shall pay Employee a sum equal to nine (9) months’ Base Salary (“Severance”). In the event the District terminates this Agreement without Good Cause after the first eighteen (18) months of the Effective Date of this Agreement, the District shall pay Employee Severance in a sum equal to six (6) months’ Base Salary.

The Severance amounts set forth in this Section 6.3 are subject to the restrictions of Government Code section 53260, including, without limitation, that the maximum amount of Severance pay that Employee may receive shall be the lesser of (i) one month’s Base Salary or (ii) Base Salary for the number of months remaining on the Term of this Agreement. Any cash settlement related to the termination of this Agreement received by Employee from the District shall be fully reimbursed to the District if Employee is convicted of a crime involving an abuse of his office or position while employed with the District, pursuant to Government Code section 53243.2. This Severance shall be paid in the same manner as other District employees unless otherwise agreed to by the District and Employee. In the event District terminates this Agreement, Employee shall be entitled to continued medical and dental benefits at his cost, pursuant to the provisions of the federal Consolidated Omnibus Budget Reconciliation Act (“COBRA”).

Section 6.4. Termination For Good Cause. The District may at any time immediately terminate this Agreement for Good Cause as defined below. If Employee is terminated for good cause, the District shall not be required to pay any Severance under this Agreement, and the District shall have no obligation to Employee beyond those benefits accrued as of Employee’s last day of employment, including, but not limited to, any outstanding and owed standby compensation at the rate set forth in this Agreement and any and all benefits the District is obligated to provide under federal or state law.

“Good Cause”, for purposes of this Agreement, means a fair and honest cause or reason for termination. These reasons include, but are not limited to:

15. Conviction of a felony;
16. Disclosing confidential information of the District;
17. Gross carelessness or misconduct;
18. Unjustifiable and willful neglect of the duties described in this Agreement;
19. Mismanagement;
20. Non-performance of duties;
21. Any conduct which violates the District's Personnel Rules and for which a District employee may be terminated;
22. Repeated and protracted unexcused absences from the Director's office and duties;
23. Willful destruction or misuse of District property;
24. Conduct that in any way has a direct, substantial, and adverse effect on the District's reputation;
25. Willful violation of federal, state or District discrimination laws;
26. Continued substance abuse which adversely affects performance of Employee's duties as Director;
27. Refusal to take or subscribe any oath or affirmation which is required by law;
or
28. Permanent disability of Employee, or Employee becoming otherwise unable to perform the duties of Director, by reason of sickness, accident, illness, injury, mental incapacity or health, for a period of six (6) weeks following the exhaustion of all available leave balances and any applicable Family Medical Leave Act or California Medical Leave Act leaves, or where the same occurs for forty (40) working days over a sixty (60) working day period following exhaustion of such leaves.

Notwithstanding any provision in this Agreement to the contrary, the General Manager may suspend Employee with full pay and benefits at any time during the Term of this Agreement.

Section 7. Indemnification. The District shall defend, hold harmless and indemnify Employee against any tort, personnel, civil rights or professional liability claim or demand

or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee’s duties as Director in accordance with California’s Tort Claims Act (Government Code section 825 *et seq.*), and shall provide a defense to Employee in accordance with Government Code sections 995-996.5. The District may decline to defend or indemnify Employee only as permitted by the Government Code. The District may compromise and settle any such claim or suit and pay the amount of any resulting settlement or judgment. Provided, however, that the District’s duty to defend and indemnify shall be contingent upon Employee’s good faith cooperation with such defense. In the event the District provides funds for legal criminal defense pursuant to this Section, Employee shall reimburse the District for such legal criminal defense funds if Employee is convicted of a crime involving an abuse of office or position, as provided by Government Code sections 53243-53243.4.

Section 8. Bonding. The District shall bear the full cost of any fidelity or other bonds required of Employee under any law or ordinance.

Section 9. Notices. Any notice or communication required hereunder between the District and Employee must be in writing and may be given either personally, by facsimile (with original forwarded by regular U.S. Mail), by registered or certified mail (return receipt requested), Federal Express, UPS, or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving Party’s facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day, or on a Saturday, Sunday or holiday, shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the Party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to District: San Miguel Community Services District
ATTN: General Manager
1150 Mission Street
San Miguel, California 93451

and Churchwell White, LLP
ATTN: Douglas L. White

1414 K Street, 3rd Floor
Sacramento, CA 95814

If to Employee: San Miguel Community Services District
ATTN: Kelly Dodds
1150 Mission Street
San Miguel, CA 93451
w/ cc: home address on file

Section 10. General Provisions.

10.1. Modification of Agreement. This Agreement may be supplemented, amended, or modified only by a writing signed by the District and Employee.

10.2. Entire Agreement. This Agreement constitutes the final, complete, and exclusive statement of the terms of this Agreement between the Parties and supersedes all other prior or contemporaneous oral or written understandings and agreements of the Parties. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty except those expressly set forth in this Agreement.

10.3. Severability of Agreement. If a court or an arbitrator of competent jurisdiction holds any section of this Agreement to be illegal, unenforceable, or invalid for any reason, the validity and enforceability of the remaining sections of this Agreement shall not be affected.

10.4. Authority. All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles and capacities herein stated on behalf of any entities, persons, states, or firms represented or purported to be represented by such entities, persons, states or firms, and that all former requirements necessary or required by the state or federal law in order to enter into this Agreement had been fully complied with. Further, by entering into this Agreement, neither Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such breach would have a material effect hereon.

10.5. Headings. The headings in this Agreement are included for convenience only and neither affect the construction or interpretation of any section in this Agreement nor affect any of the rights or obligations of the Parties to this Agreement.

10.6. Necessary Acts and Further Assurances. The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

10.7. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the state of California.

10.8. Waiver. No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

10.9. Counterparts. This Agreement may be executed in counterparts and all so executed shall constitute an agreement which shall be binding upon the Parties hereto, notwithstanding that the signatures of all Parties and Parties' designated representatives do not appear on the same page.

10.10. Venue. Venue for all legal proceedings shall be in the California Superior Court in and for the County of San Luis Obispo.

10.11. Attorney's Fees and Costs. If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret sections of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

[SIGNATURE PAGE DIRECTLY FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been entered into by and between EMPLOYEE and DISTRICT as of the date of the Agreement set forth above.

DISTRICT:

San Miguel Community Services District, a
California community services district

EMPLOYEE:

By: _____
Rob Roberson, Interim General Manager

By: _____
Kelly Dodds, an individual

Date Signed: _____

Date Signed: _____

Approved as to Form and Content:

By: _____
Douglas L. White, District General
Counsel

EXHIBIT A



TITLE: DIRECTOR OF UTILITIES
REPORTS TO: General Manager
PAY GRADE: Employment Agreement
FLSA: Exempt
CONFIDENTIAL: Yes

SUPERVISORY RESPONSIBILITIES

DIRECT: Utility Operations Supervisor, Utility III, Utility II, Utility I, Utility Worker
INDIRECT: None

MINIMUM QUALIFICATION REQUIREMENTS

Unless required by law, experience and education may be substituted for each other upon approval by the General Manager or their designee. The following certifications are required at the time of hire date or an equivalent combination of education and experience sufficient to successfully perform the duties of the position:

- California State Wastewater Grade 1 certification;
- California Department of Public Health Grade 2 in Water Distribution; and
- California Department of Public Health Grade 2 in Water Treatment.

The following licenses and certifications are required:

- Valid California Commercial Driver's License Class A or B;
- Standard First Aid certification; and
- Standard CPR certification.

Certification or other proof of formal training in water or wastewater fields, including automatic valves, pumps, and safety, is desirable.

EDUCATION: Minimum of a high school education. A Bachelor of Science degree or an Associate of Arts degree in Water Utility Science or related field is preferred.

EXPERIENCE: Minimum of four years of increasingly responsible experience in the construction, operation, and maintenance of water/wastewater facilities; proven ability to supervise, train, evaluate, and coordinate staff; proven ability to organize and manage competing tasks and priorities; ability to effectively utilize a personal computer.

This position requires the ability to be "on-call," work evenings, weekends, and Holidays.

CONTACT RESPONSIBILITY

INTERNAL: Interaction with: General Manager and San Miguel Community Services District ("District") personnel to receive specific work assignments and review results, District personnel to discuss and resolve technical issues, front desk and customer service personnel to coordinate assignments; and all other District personnel as required.

EXTERNAL: Interaction with: general public to answer basic questions during the course of carrying out the work assignment, vendors to obtain parts and supplies; and emergency service personnel as required.

PHYSICAL REQUIREMENTS

While performing the duties of this job, the employee is regularly required to sit, talk, and hear. The employee is frequently required to walk. The employee is occasionally required to: stand, use hands to manipulate, handle, and feel objects, tools, and controls; reach with hands and arms, climb and balance, and taste and smell. The employee may be exposed to extreme dampness, heights, and vibrations.

The employee will engage in active physical work without prolonged heavy exertion; but with continuous exposure to unpleasant elements such as dust, mud, fumes, odors, dampness, raw or treated sewage, noise levels, or outside weather conditions. The employee will be on his or her feet for most of the time, which involves bending, stopping, squatting, twisting, reaching, working on irregular surfaces, walking long distances, and climbing hills and ladders. The employee will frequently lift objects up to fifty (50) pounds and occasionally lift objects weighing over one hundred (100) pounds. The employee must have good hearing, sight, and speech capabilities.

ENVIRONMENTAL CONDITIONS

When working outdoors, work is performed in all types of weather. The employee will be subject to: noisy conditions, odors, contact with animals and insects, hazardous traffic conditions, confined spaces, variable weather conditions, possible exposure to heavy equipment, dust, and fumes. The employee will wear protective clothing as required. Appropriate personal safety equipment is provided.

When working indoors, work is performed in an office environment with lighting and ventilation. The indoor working environment is subject to conversational noise from other personnel within the facility, as well as standard background noise found in an office environment and exposure to a computer screen.

DETAILED DUTIES AND RESPONSIBILITIES - ESSENTIAL FUNCTIONS

This at-will, exempt position assigns, reviews, and evaluates the work of all field personnel in the operation, installation, maintenance, and repair of a .2 MGD wastewater treatment plant, water distribution and treatment systems, wastewater collection system; and all other District facilities and equipment. This position must perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, or ability required.

Must be able to effectively lead, supervise, motivate, train, and evaluate personnel. Must be able to exercise sound and independent judgment to prioritize and manage projects. Must be familiar with public administration and budget development as they pertain to water and wastewater system maintenance. Must be able to implement and use proper techniques and equipment used in the operations, maintenance, and repair of water and wastewater systems and facilities. Must be knowledgeable about the methods, tools, and materials used in the water and wastewater fields, including knowledge of the processes involved with the distribution and treatment of potable water and the collection and treatment of wastewater. Must ensure safety protocols are followed. Must have knowledge of computer programs and SCADA for treatment, operation, and maintenance. Must be able to use personal computers, keep accurate reports, maintain confidentiality, respond professionally to emergencies, and prepare basic reports and business letters. Must have knowledge of pertinent federal, state, and local laws, codes, and regulations. Must be able to communicate clearly and concisely, both orally and in writing.

The following tasks are typical for this classification. Incumbents may not regularly perform all the listed duties, but may be required to perform additional or different duties from those set forth below to address business or staffing needs and changing business practices, as defined by the General Manager.

Field Work

- Uses independent judgment to address routine and emergency operation, maintenance, and treatment of District's water, wastewater, and lighting systems and facilities; and
- Utilizes the skills of carpentry, painting, plumbing, plastering, welding, cement finishing, masonry and similar skills, performs the following:
 - Laying and joining pipe;
 - Breaking out pavement for installations;

- Maintenance/repair of mains and services;
- Repairing land areas for planting;
- Installing and maintaining customer meters;
- Performing routine maintenance on District equipment and facilities;
- Operating a variety of equipment, in the course of the above, including backhoe, earthmover, trucks, compressors, pneumatic hammers, drills and related machinery, welders, hand tools and similar equipment; and
- Administering, testing, and maintaining District's backflow system.
- Supervises day-to-day utility operations and emergency operations of District's water, wastewater, and lighting systems and facilities, including, but not limited to:
 - Overseeing operations, maintenance, and repair of the District's water, wastewater, and lighting systems;
 - Going to the work site to oversee day-to-day operations;
 - Ensuring supplies are properly inventoried and procured;
 - Coordinating with vendors and contractors;
 - Determining work priorities and monitoring work flow;
 - Meeting with staff to identify and address problems;
 - Ensures the District complies with state and federal requirements relative to drinking water and wastewater including treatment, testing, monitoring, and reporting;
 - Reading, interpreting, and coordinating execution of plans and specifications;
 - Performing inspection of private construction of water and wastewater facilities; and
 - Coordinating and ensuring equipment and facilities are maintained in proper working order.

Personnel Supervisor

- Assigns, reviews, plans, coordinates, and guides the work of other employees;
- Ensures that work schedules and operational logs are properly maintained;
- Recommends the transfer, promotion, salary increase, discipline, or discharge of staff;
- Evaluates the work of employees and prepares performance appraisals;
- Promotes staff development and motivation;
- Approves overtime, vacation, and other time off;
- Analyzes problems that arise in the areas of supervision and recommends solutions; and
- Addresses and resolves complaints and procedures.

Training

- Assumes responsibility for training on all procedures, safety, use and operation of equipment, machinery and vehicles; and
- Ensures that District safety rules and regulations are being followed.

Administrative

- Long-Term Utility Operations:
 - Directs and participates in the development of goals, objectives, rules, policies, and operating procedures for field operations;
 - Coordinates the activities of the utilities department with other District departments;
 - Coordinates work with other county, state, and federal agencies;
 - Maintains water rights permits and oversees preparation of periodic reports to federal, state, county, and local agencies;
 - Approves the requisition of materials, supplies, and equipment;
 - Supports the District Strategic Plan and Mission statement;
 - Identifies opportunities for improving service delivery methods and procedures, and implements improvements; and
 - Develops long-range strategic and financial goals for the utilities department.
- Advice and Consultation:
 - Attends meetings of the District Board of Directors ("Board");
 - Prepares detailed staff reports and makes presentations to the Board;

- Provides technical information, advice, and consultation to the Board and the General Manager on water, wastewater, or lighting activities or problems;
- Responds to citizen inquiries and complaints concerning operations and activities;
- Keeps the General Manager informed of pertinent matters; and
- Participates on District or community committees as assigned.
- Reporting and Budgeting:
 - Prepares departmental budget requests and controls expenditures;
 - Prepares cost estimates and specifications for outside contract work;
 - Calculates anticipated revenue or expenditures;
 - Develops and maintains accurate water, wastewater, and lighting maintenance information and records;
 - Directs the preparation and prepares a variety of reports related to operations, functions, and activities; and
 - Prepares procedures for tracking and evaluating the budget through the year.

DETAILED DUTIES AND RESPONSIBILITIES - NON-ESSENTIAL FUNCTIONS

Related Duties

- Performs all related duties as assigned by the General Manager.



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII. 5

SUBJECT: Review and Approve **Resolution No. 2017__** Authorizing the Interim General Manager to Recruit and Hire an Account Clerk I.

STAFF RECOMMENDATION:

Approve **Resolution No. 2017__** Authorizing the Interim General Manager to Recruit and Hire an Account Clerk I.

BACKGROUND:

Recent growth has underscored the District's need for additional staff. The District needs significant assistance with regard to billing and managing customer accounts, particularly in light of a current Account Clerk 2 and Operations Coordinator's promotion to Board Clerk. Given the urgent need for additional staff, the proposed resolution, once adopted by the Board of Directors, authorizes the Interim General Manager to recruit and hire an Account Clerk.

Fiscal Impact:

Hiring an additional Account Clerk and filling the position will require a budget amendment. The District pays an Account Clerk I approximately Fifteen Dollars and Seventy Five Cents (\$15.75) per hour. The hourly pay increases around One Dollar (\$1) per step.

Staff Recommendation:

Approve **Resolution No. 2017__** authorizing the Interim General Manager to recruit and hire an Account Clerk I.

PREPARED BY:

Douglas L. White, District General Counsel

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT AUTHORIZING THE INTERIM
GENERAL MANAGER TO RECRUIT AND HIRE AN ACCOUNT CLERK I**

WHEREAS, the San Miguel Community Services District (“District”) will consider promoting an Account Clerk 2 Operations Coordinator to the Board Clerk position; and

WHEREAS, the promotion will leave an empty Account Clerk position; and

WHEREAS, the District has an urgent need for additional staff to assist with utility billing and managing customer accounts; and

WHEREAS, the District seeks to recruit and hire an Account Clerk I.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, authorize the Interim General Manager to recruit and hire an Account Clerk I.

On the motion of Director _____, seconded by Director _____ and _____ on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, President
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager
Counsel

Douglas L. White, District General



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII. 6

SUBJECT: Review and Approve **Resolution No. 2017__** Revising the District's Compensation Step Schedule for the Utility Operator I, Utility Operator II, and Utility Operator III Positions and Authorizing Staff to Recruit a Utility Operator.

STAFF RECOMMENDATION:

Approve **Resolution No. 2017__** revising the District's compensation step schedule for the Utility Operator I, Utility Operator II, and Utility Operator III positions and authorizing staff to recruit a Utility Operator.

BACKGROUND:

Recruitment and hiring of qualified, certified Utility Services Operators has been constrained by the nature of the San Miguel Community Services District's ("District") compensation levels for the Utility Operator I, Utility Operator II, and Utility Operator III positions. An adjustment to the Utility Operator compensation schedule was completed in 2015-2016, but these adjustments were not sufficient to hire qualified, certified Utility Operators. Recently, two (2) selected candidates rejected conditional job offers based on the below average pay.

Staff conducted an informal salary survey comparing the District's current compensation with similar community services districts in San Luis Obispo County. The salary survey is attached as **Exhibit A**. The salary survey shows the distinction in pay rate between surrounding community services districts Utility Operator positions and the District's Utility Operator positions. The comparison only focuses on agencies which are similar to the District in terms of crew numbers, agency size, connections, population or other demographics, such as income levels.

As a result of the information in the salary survey, staff drafted a proposed amended salary schedule for the Utility Operator I, Utility Operator II, and Utility Operator III positions, attached as **Exhibit B**.

On June 1, 2017, the District's labor negotiation's team presented the proposed Exhibit B to the San Luis Obispo County Employees' Association ("SLOCEA"). The District was required to meet and confer over the change in the Utility Operator salary schedule, as required by California

Government Code section 3500 *et seq.* SLOCEA and the District's labor negotiation's team discussed the proposed amended salary survey and verbally agreed to the new hourly rates.

On June 9, 2017, the District presented SLOCEA with a side letter agreement, attached as **Exhibit C**. The side letter clearly states that the District and SLOCEA tentatively agree to the hourly rates presented at the June 1, 2017, negotiations meeting. The side letter also states that the salary schedule will not be implemented until approved by the District's Board of Directors. SLOCEA representative Pat McNamara and Board President Anthony Kalvans signed the side letter.

With the amended salary schedule, the District should be able to attract qualified candidates to fill the vacant Utility Operator positions. The Resolution authorizes staff to begin recruitment for a Utility Operator I after the Compensation Step Schedule is amended.

Fiscal Impact:

The increase in compensation for the Utility Operator I, Utility Operator II, and Utility Operator III positions will require a budget amendment.

Staff Recommendation:

Approve **Resolution No. 2017__** revising the District's compensation step schedule for the Utility Operator I, Utility Operator II, and Utility Operator III positions and authorizing staff to recruit a Utility Operator.

PREPARED BY:

Douglas L. White, District General Counsel

Attachment(s):

- Exhibit A: Informal Salary Survey of Surrounding Community Services Districts
 - Exhibit B: Amended Salary Schedule for Utility Operator I, Utility Operator II, and Utility Operator III.
 - Exhibit C: June 9, 2017 side letter between the District and SLOCEA tentatively agreeing to the terms.
- Resolution

Utility Operator Salary Survey--May 2017

			Step 1	Step 2	Step 3	Step 4	Step 5
Oceano CSD	Utility System Supervisor	monthly	4,872	4,995	5,120	5,375	5,644
		yearly	59,613	61,110	62,650	65,770	69,056
	Utilities Operator 1	monthly	3,120	3,196	3,276	3,441	3,614
		yearly	38,168	39,104	40,082	42,099	44,221
	Utilities Operator II	monthly	3,352	3,436	3,522	3,699	3,885
		yearly	41,018	42,037	43,098	45,261	47,528
	Utilities Operator III	monthly	3,604	3,694	3,788	3,976	4,175
		yearly	44,096	45,198	46,343	48,651	51,085
Heritage Ranch CSD	Operations Manager	monthly	7,803	No Data Provided for Step intervals			11,262
		yearly	93,636				135,144
	Treatment Operator 2	monthly	5,135				7,854
		yearly	61,620				94,248
	Treatment Operator 3	monthly	5,816				8,685
		yearly	69,792				104,220
Nipomo CSD	Utility Operator (Wastewater)	monthly	\$3,781	\$3,970	\$4,169	\$4,377	\$4,596
		yearly	\$45,372	\$47,640	\$50,028	52,524	\$55,152
	Utility Worker (Water)	monthly	\$3,187	\$3,346	\$3,513	\$3,689	\$3,873
		yearly	\$38,244	\$40,152	\$42,156	\$44,268	\$46,476
Templeton CSD	Utility Manager	monthly	\$6,685.47	\$7,020	\$7,371.87	\$7,793.33	\$8,127.60
		yearly	\$80,225.60	\$84,240	\$88,462.40	\$92,872	\$97,531.20
	Senior Utility Operator	monthly	\$5,369.87	\$5,638.53	\$5,919.33	\$6,215.73	\$6,256
		yearly	\$64,438.40	\$67,662.40	\$71,032	\$74,588.80	\$78,312
	Utility Operator III	monthly	\$4,418.27	\$4,638.40	\$4,870.67	\$5,113.33	\$5,369.87
		yearly	\$53,019.20	\$55,660.80	\$58,448	\$61,360	\$64,438.40
	Utility Operator II	monthly	\$4,007.47	\$4,206.80	\$4,418.27	\$4,638.40	\$4,870.67
		yearly	\$48,089.60	\$50,481.60	\$53,019.20	\$55,660.80	\$58,448
	Utility Operator I	monthly	\$3,634.80	\$3,816.80	\$4,007.47	\$4,206.80	\$4,418.27
		yearly	\$43,617.60	\$45,801.60	\$48,089.60	\$50,481.60	\$53,019.20

PROPOSED COMPENSATION STEP SCHEDULE 2017 MOU NEGOTIATIONS--UTILITY OPERATORS

		Existing	Revised	Existing	Revised	Existing	Revised	Existing	Revised	Existing	Revised	Existing	Annual	Existing	Annual
CLASSIFICATION	RANGE	STEP 1	Step 1	STEP 2	STEP 2	STEP 3	STEP 3	STEP 4	STEP 4	STEP 5	STEP 5	at step 1	at step 1	at step 5	at step 5
Utility															
Utility Operator 1	hourly	\$15.50	\$19.50	\$16.27	\$20.48	\$17.09	\$21.50	\$17.94	\$22.57	\$18.84	\$23.70	\$32,235	\$39,000	\$37,316	\$47,400
Utility Operator 2 (new)	hourly	\$17.94	\$23.70	\$18.84	\$24.89	\$19.78	\$26.13	\$20.77	\$27.44	\$21.81	\$28.81	\$37,316	\$47,400	\$39,187	\$57,620
Utility Operator 3 (new)	hourly	\$20.77	\$28.81	\$21.81	\$30.25	\$22.90	\$31.76	\$24.04	\$33.35	\$25.24	\$35.02	\$43,198	\$57,620	\$45,365	\$70,040

June 9, 2017

Pat McNamara, General Manager
San Luis Obispo County Employees' Association
1035 Walnut Street
San Luis Obispo, CA 93401

Re: Utility Operator Salary Schedule

Dear Mr. McNamara:

This is to confirm the tentative agreement reached between the San Miguel Community Services District (the "District") and the San Luis Obispo County Employees' Association ("SLOCEA") reached on June 1, 2017, regarding the amended salary schedule for the Utility Operator 1, Utility Operator 2, and Utility Operator 3 positions. The District and SLOCEA have met and conferred in good faith, as required by California Government Code section 3505 et seq., prior to reaching the tentative agreement on the amended salary schedule. This side letter is contingent on the District's Board of Directors' ratification at the June 29, 2017, regularly scheduled Board meeting.


Attached to this correspondence, as Exhibit A, is the agreed upon salary schedule for the Utility Operator 1, Utility Operator 2, and Utility Operator 3 positions within the District.

If this is your understanding of the tentative agreement, please sign and date as indicated below. If your understanding differs from these terms, please provide us a written counter proposal by June 16, 2017.


Sincerely,

Anthony Kalvans
District Board President

AGREED TO:



Anthony Kalvans
District Board President
Date: June 9th, 2017



Pat McNamara
SLOCEA General Manager
Date: 6-1-2017

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT REVISING THE DISTRICT'S
COMPENSATION STEP SCHEDULE FOR THE UTILITY OPERATOR I, UTILITY
OPERATOR II, AND UTILITY OPERATOR III POSITIONS AND AUTHORIZING
STAFF TO RECRUIT A UTILITY OPERATOR I**

WHEREAS, San Miguel Community Services District (“District”) only has one employee who has the requisite licensing to be employed as a Utility Operator; and

WHEREAS, there are no other Utility Operator employees in the District that can provide backup to the Utility Supervisor, who is the only employee with the requisite licensing to provide all District maintenance; and

WHEREAS, the District has attempted to recruit for a Utility Operator I position, but the applicants rejected employment due to the District’s salary offer for the position; and

WHEREAS, the District desires to amend the Compensation Step Schedule for the Utility Operator I, Utility Operator II, and Utility Operator III positions in hopes of attracting qualified candidates for these positions; and

WHEREAS, the District desires to begin recruitment for a Utility Operator I once the Compensation Step Schedule is amended; and

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, adopt this Resolution revising the Compensation Step Schedule for the Utility Operator I, Utility Operator II and Utility Operator III positions, attached hereto as Exhibit A.

BE IT FURTHER RESOLVED, the Board does, hereby, authorize District staff to recruit a Utility Operator I.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, President
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager

Douglas L. White, District General
Counsel

EXHIBIT A

PROPOSED COMPENSATION STEP SCHEDULE 2017 MOU NEGOTIATIONS--UTILITY OPERATORS															
		Existing	Revised	Existing	Revised	Existing	Revised	Existing	Revised	Existing	Revised	Existing	Annual	Existing	Annual
CLASSIFICATION	RANGE	STEP 1	Step 1	STEP 2	STEP 2	STEP 3	STEP 3	STEP 4	STEP 4	STEP 5	STEP 5	at step 1	at step 1	at step 5	at step 5
Utility															
Utility Operator 1	hourly	\$15.50	\$19.50	\$16.27	\$20.48	\$17.09	\$21.50	\$17.94	\$22.57	\$18.84	\$23.70	\$32,235	\$39,000	\$37,316	\$47,400
Utility Operator 2 (new)	hourly	\$17.94	\$23.70	\$18.84	\$24.89	\$19.78	\$26.13	\$20.77	\$27.44	\$21.81	\$28.81	\$37,316	\$47,400	\$39,187	\$57,620
Utility Operator 3 (new)	hourly	\$20.77	\$28.81	\$21.81	\$30.25	\$22.90	\$31.76	\$24.04	\$33.35	\$25.24	\$35.02	\$43,198	\$57,620	\$45,365	\$70,040



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.7.

SUBJECT: Authorize Staff to Release the San Lawrence Terrace Arsenic Blending Pipeline and Tank Improvements Project Plans & Specifications and Authorize the Interim General Manager to Direct Staff to Advertise for Bids.

STAFF RECOMMENDATION:

Authorize staff to release the Plans & Specifications for the San Lawrence Terrace Arsenic Blending Pipeline and Tank Improvements project and authorize the Interim General Manager to direct the staff to advertise for bids from qualified contractors to complete the construction phase of the project.

BACKGROUND:

On December 22, 2016, the District awarded a design / engineering contract to the Wallace Group to prepare construction and bidding documents for the construction of approximately 620 LF of new 8" HDPE potable water main, extending from the existing San Lawrence Terrace ("SLT") well site, to the existing 50,000 gallon tank (the "Project"). The Wallace Group has completed the construction and bidding documents and the Project is now ready to proceed to the construction phase. In conjunction with the completion of the bidding documents by the Wallace Group, the District has also received the Subrecipient Agreement for Community Development Block Grant ("CDBG") funds from the County. Subject to the execution of the Subrecipient Agreement, there is One Hundred Fifty Thousand Dollars (\$150,000) available in grant funds to complete the construction phase of the Project. The Engineer Estimate for the construction phase is One Hundred Five Thousand Dollars (\$105,000). Other construction phase costs, including inspection, testing, and environmental monitoring will also be incurred, which should also be eligible for reimbursement from the CDBG grant funds.

FUNDING:

No funding request is made in conjunction with this item. Funds for covering the cost of publication of the advertisement for bids are included in the current District Budget.

FISCAL IMPACT

There will be costs associated with the publication of the Advertisement for Bids Notification which needs to be published in a local newspaper on two (2) occasions. It should be noted that there may also be costs associated with the Project that may be incurred which are not eligible for (or which exceed) the CDBG grant funding. If such costs are anticipated, a separate item(s) will be brought before the Board for discussion and possible approval.

STAFF RECOMMENDATION

Board of Directors should approve the release of the Project plans & specifications which have been prepared by the Wallace Group and, if the Board elects, authorize the Interim General Manager to direct staff to advertise for bids from qualified contractors to complete the construction phase of the Project.

PREPARED BY:

APPROVED BY:

Blaine T. Reely

Blaine T. Reely, P.E., District Engineer

Rob Roberson, Interim General Manager

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT AUTHORIZING STAFF TO
RELEASE THE SAN LAWRENCE TERRACE ARSENIC BLENDING PIPELINE AND
TANK IMPROVEMENTS PROJECT PLANS & SPECIFICATIONS AND
AUTHORIZING THE INTERIM GENERAL MANAGER TO ADVERTISE FOR BIDS.**

WHEREAS, San Miguel Community Services District (“District”) Board of Directors (“Board”) directed Staff to award a design contract to the Wallace Group at their December 22, 2016, Board Meeting to prepare construction and bidding documents for the construction of approximately 620 LF of new 8” HDPE potable water main, extending from the existing San Lawrence Terrace (SLT) well site, to the existing 50,000 gallon tank; and.

WHEREAS, the Wallace Group has completed the construction and bidding documents and the project is now ready to proceed to the construction phase; and

WHEREAS, on July 14, 2015, the San Luis Obispo County Board of Supervisors approved funding in the amount of One Hundred Fifty Thousand Dollars (\$150,000) from the County’s 2015 Community Development Block Grant Program for the District to implement the San Lawrence Terrace Well Pipeline Project; and

WHEREAS, the District Board authorizes the Interim General Manager to direct the staff to advertise for bids from qualified contractors to complete the construction phase of the project; and

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, authorize staff to release the San Lawrence Terrace Arsenic Blending Pipeline and Tank Improvements Project Plans and Specifications.

BE IT FURTHER RESOLVED, the Board does, hereby, authorize the Interim General Manager to direct the staff to advertise for bids from qualified contractors to complete the construction phase of the project.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, Board President

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager

Douglas L. White, District General
Counsel



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.8.

SUBJECT: Discuss and Adopt Resolution 2017-___ Approving the Subrecipient Agreement for 2015 Community Development Block Grant Funds in the Amount of \$150,000 Between the County of San Luis Obispo and the San Miguel Community Services District and Directing the President of the Board of Directors to Execute the Agreement.

STAFF RECOMMENDATION:

Discuss and adopt Resolution 2017-___ of the Board of Directors approving the Subrecipient Agreement for 2015 Community Development Block Grant Funds in the amount of \$150,000 between the County of San Luis Obispo and the San Miguel Community Services District and directing the President of the Board of Directors to execute the agreement.

BACKGROUND:

The District applied for 2015 Community Development Block Grant (“CDBG”) funding assistance from the County for the construction of approximately 620 LF of new 8” HDPE potable water main, extending from the existing San Lawrence Terrace (“SLT”) well site, to the existing 50,000 gallon tank (“Project”). On July 14, 2015, the San Luis Obispo County Board of Supervisors approved funding in the amount of \$150,000 from the County’s 2015 CDBG Program for the District to implement the Project.

A Subrecipient Agreement between the County (Recipient) and the District (Subrecipient), has been prepared which sets forth the terms and conditions of the for CDBG grant funds. Approval of this agreement will allow the District to access up to \$150,000 in CDBG grant funds to complete the construction of the Project. The grant funds can be used to cover the costs associated with the construction phase of the Project, along with providing reimbursement to the District for certain County approved pre-construction phase costs which have already been incurred by the District.

Nation Environmental Policy Act (NEPA) approvals have already been obtained by the County and District with regard to the Project. The environmental review report is attached to this report as Exhibit A.

FUNDING:

No funding request is made in conjunction with this item.

FISCAL IMPACT

There are no direct fiscal impacts associated with this item. It should be noted that there may be costs associated with the SLT Blending Line & Tank Improvements Project that may be incurred which are not eligible for (or which exceed) the CDBG grant funding. If such costs are anticipated, a separate item(s) will be brought before the Board for discussion and possible approval.

STAFF RECOMMENDATION

Board of Directors should discuss the Subrecipient Agreement and, if the Board elects, approve Resolution 2017-___ approving the Subrecipient Agreement for 2015 CDBG Grant Funds between the County of San Luis Obispo and the San Miguel Community Services District and directing the President of the Board of Directors to execute the agreement.

PREPARED BY:

APPROVED BY:

Blaine T. Reely

Blaine T. Reely, P.E., District Engineer

Rob Roberson, Interim General Manager

Attachments:

Exhibit A - San Lawrence Terrace Well Blending Pipeline NEPA evaluation.

Exhibit B – Resolution

- CDBG Subrecipient Agreement



U.S. Department of Housing and Urban
Development
451 Seventh Street, SW
Washington, DC 20410
www.hud.gov
espanol.hud.gov

**Environmental Review for Activity/Project that is Categorically
Excluded Subject to Section 58.5
Pursuant to 24 CFR 58.35(a)**

Project Information

Project Name: San Lawrence Terrace Well Blending Pipeline

Responsible Entity: County of San Luis Obispo

Grant Recipient (if different than Responsible Entity):

State/Local Identifier: San Luis Obispo

Preparer: Suzan Ehdaie, Planner II

Certifying Officer Name and Title: Ellen Carroll

Grant Recipient (if different than Responsible Entity):

Consultant (if applicable):

Direct Comments to: Suzan Ehdaie, sehdaie@co.slo.ca.us

Project Location: The project is located on Martinez Drive, San Lawrence Terrace Area of San Miguel Community Service District service area within unincorporated community of San Miguel, San Luis Obispo. Refer to "Site Location".

Description of the Proposed Project [24 CFR 50.12 & 58.32; 40 CFR 1508.25]:

The goal of the project is to reduce and monitor the arsenic levels of potable well water (San Lawrence Terrace), which provides drinking water to San Miguel residents, by blending waters from an existing water tank and the San Lawrence Terrace (SLT) well through implementing the following steps:

1. Construct a dedicated 8" diameter feed line, from the SLT well head, to the SLT tank, of approximately 600 LF
2. Extend this pipeline to the top of the SLT tank, penetrate the tank to provide a separate tank fill line with air gap separation (currently, the tank has a single fill/draw line at the bottom of the tank that does not afford adequate mixing capability), repair and re-coat tank at penetration
3. Provide new level transducer at well site, to monitor tank level (discharge pressure at well pump) and control well pump on/off operation.

Level of Environmental Review Determination:

Categorically Excluded per 24 CFR 58.35(a), and subject to laws and authorities at §58.5: The project is categorically excluded subject to Part 58.

Funding Information

Grant Number	HUD Program	Funding Amount
B-15-UC-06-0508	CDBG program	\$150,000

Estimated Total HUD Funded Amount:

\$150,000 in CDBG funds will be used on this project.

Estimated Total Project Cost (HUD and non-HUD funds) [24 CFR 58.32(d)]:

\$150,000 in CDBG funds will be used on this project.

Compliance with 24 CFR 50.4, 58.5, and 58.6 Laws and Authorities

Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits of approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compliance determinations
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.6		
Airport Hazards 24 CFR Part 51 Subpart D	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	The project site is not within 2,500 feet of a civilian airport or within 15,000 feet of a military airport (Camp Roberts). The project does not propose the development of new construction or substantial rehabilitation that results in higher density or number of people at the site. The project involves connecting existing water well to an existing water tank through the construction of a 600 foot long underground pipeline. There will be no impacts related to airport hazards as a result of this project (see Map #1 and Map #2).
Coastal Barrier Resources Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	According to the U.S Fish and Wildlife Service Coastal Barrier Resources System Mapper (2014), the project site is not located in a Coastal Barrier Area as the entire State of California does not have coastal barriers (see Map #3).

<p>Flood Insurance</p> <p>Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>According to Flood Insurance Rate Map #06079C0400G (November 16, 2012) the project site is not located within a FEMA-designated special flood hazard area (see Map #4).</p>
<p>STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.5</p>		
<p>Clean Air</p> <p>Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93</p>	<p>Yes No</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/></p>	<p>This project includes the construction of a 600 foot underground pipeline to connect the San Lawrence Terrace water well to an existing water tank that is part of the community's water distribution system.</p> <p>Short-term emissions associated with the project would be generated by construction activities and equipment as well as from temporary mobile sources from workers commuting to project area.</p> <p>Based on the San Luis Obispo County Air Pollution Control District (APCD), when construction-related emissions exceed 137 pounds per day or 2.5 tons per quarter for Reactive Organic Gases (ROG) or Oxides of Nitrogen (NOX), Best Available Control Technology for construction equipment (CBACT) is required. When construction-related emissions exceed 2.5 tons per quarter for fugitive dust (PM10), CBACT is required. In addition, fugitive PM10 mitigation measures are required when construction-related PM10 exceeds the threshold.</p> <p>Due to the small scale of the proposed project the APCD emission standards will not be exceeded. However, the APCD's standard mitigation measures are included in this section:</p> <p>Mitigation #1: Prior to any construction activities at the site, the project proponent shall ensure that a geologic evaluation is conducted to determine if the area disturbed is exempt from the Asbestos Air Toxics Control Measure (ATCM) regulations. An exemption request must be filed with the San Luis Obispo County Air Pollution Control District (APCD), as applicable. If the site is not exempt from the requirements of</p>

the regulation, the applicant must comply with all requirements outlined in the Asbestos ATCM. This may include development of an Asbestos Dust Mitigation Plan and Asbestos Health and Safety Program for approval by the APCD.

Mitigation #2: Any scheduled demolition activities or disturbance, removal, or relocation of utility pipelines shall be coordinated with the APCD Enforcement Division at (805) 781-5912 to ensure compliance with NESHAP, which include, but are not limited to: 1) written notification, within at least 10 business days of activities commencing, to the APCD, 2) asbestos survey conducted by a Certified Asbestos Consultant, and, 3) applicable removal and disposal requirements of identified ACM.

Mitigation #3: During construction/ground disturbing activities, the applicant shall implement the following particulate (dust) control measures. These measures shall be shown on grading and building plans. In addition, the contractor shall designate a person or persons to monitor the dust control program and to order increased watering, modify practices as necessary, to prevent transport of dust off site. Their duties shall include holiday and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the Community Development and Public Works Departments prior to commencement of construction.

- a. Reduce the amount of disturbed area where possible.
- b. Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the APCD's limit of 20% opacity for no greater than 3 minutes in any 60 minute period. Increased watering frequency will be required whenever wind speeds exceed 15 m.p.h. and cessation of grading activities during periods of winds over 25 m.p.h. Reclaimed (non-potable) water is to be used in all construction and dust-

		<p>control work.</p> <p>c. All dirt stock pile areas (if any) shall be sprayed daily and covered with tarps or other dust barriers as needed.</p> <p>d. Permanent dust control measures identified in the approved project revegetation and landscape plans shall be implemented as soon as possible, following completion of any soil disturbing activities.</p> <p>e. Exposed grounds that are planned to be reworked at dates greater than one month after initial grading shall be sown with a fast germinating, non-invasive, grass seed and watered until vegetation is established.</p> <p>f. All disturbed soil areas not subject to revegetation shall be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the APCD.</p> <p>g. All roadways, driveways, sidewalks, etc. to be paved shall be completed as soon as possible. In addition, building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.</p> <p>h. Vehicle speed for all construction vehicles shall not exceed 15 m.p.h. on any unpaved surface at the construction site.</p> <p>i. All trucks hauling dirt, sand, soil, or other loose materials, are to be covered or shall maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with California Vehicle Code Section 23114.</p> <p>j. Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site.</p> <p>k. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers shall be used with</p>
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reclaimed water where feasible. Roads shall be pre-wetted prior to sweeping when feasible.

l. All PM10 mitigation measures required shall be shown on grading and building plans.

m. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below the APCD's limit of 20% opacity for no greater than 3 minutes in any 60 minute period. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD Compliance Division prior to the start of any grading, earthwork or demolition.

Mitigation #4: Prior to any construction activities at the site, the project proponent shall ensure that all equipment and operations are compliant with California Air Resource Board and APCD permitting requirements, by contacting the APCD Engineering Division at (805) 781-5912 for specific information regarding permitting requirements.

Mitigation #5: To reduce sensitive receptor emissions impact of diesel vehicles and equipment used to construct the project and export soil from the site, the applicant shall implement the following idling control techniques:

1. California Diesel Idling Regulations

a. On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that

		<p>drivers of said vehicles:</p> <ol style="list-style-type: none"> 1. Shall not idle the vehicle' s primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and, 2. Shall not operate a diesel-fueled auxiliary power system (APS) to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of restricted area, except as noted in Subsection (d) of the regulation. <p>b. Off-road diesel equipment shall comply with the 5 minute idling restriction identified in Section 2449(d)(2) of the California Air Resources Board' s In-Use off-Road Diesel regulation.</p> <p>c. Signs must be posted in the designated queuing areas and job sites to remind drivers and operators of the state's 5minute idling limit.</p> <p>2. Diesel Idling restrictions Near Sensitive Receptors (residential homes). In addition to the State required diesel idling requirements, the project applicant shall comply with these more restrictive requirements to minimize impacts to nearby sensitive receptors:</p> <ol style="list-style-type: none"> a. Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors. b. Diesel idling within 1,000 feet of sensitive receptors shall not be permitted. c. Use of alternative fueled equipment is recommended. d. Signs that specify the no idling areas must be posed and enforces at the site. <p>3. Soil Transport. The final volume of soil that will be hauled off-site, together with the fleet mix, hauling route, and number of trips per day will need to be identified for the</p>
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		<p>APCD. Specific standards and conditions will apply.</p> <p>Mitigation #6: Prior to issuance of construction permits, construction and architectural plans shall note the requirement to use low VOC architectural coatings (71 grams/liter or less). The applicant or contractor shall submit documentation of compliance to the City Community Development Department prior to final inspection. Conclusion: With recommended construction mitigation measures, the project will have a less than significant impact on air quality.</p>
<p>Coastal Zone Management</p> <p>Coastal Zone Management Act, sections 307(c) & (d)</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>The project is not located within a designated coastal zone. The project includes the construction of a 600 foot underground pipeline to connect the San Lawrence Terrace water well to an existing water tank that is part of the community's water distribution system (see Map #5).</p>
<p>Contamination and Toxic Substances</p> <p>24 CFR Part 50.3(i) & 58.5(i)(2)</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>According to GeoTracker and EnviroStor, the project is not within close proximity of toxic, hazardous, or radioactive substances. The project includes the construction of a 600 foot underground pipeline to connect the San Lawrence Terrace water well to an existing water tank that is part of the community's water distribution system (see Map #6). Therefore, there are no impacts associated with contamination and toxic substances.</p>
<p>Endangered Species</p> <p>Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402</p>	<p>Yes No</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/></p>	<p>The project disturbance area is 1.4 acre. Based on the Biological Report dated December 9, 2016, prepared by the Biologist, David Meade, for the San Miguel Community Services District, the project will disturb 0.23 acres of kit fox habitat. Refer to Attachment A for the Biological Report. Since the project site is located in the standard mitigation ratio of 1:1 for projects on parcels less than 40 acres, the applicant will be required to mitigate the loss of 0.23 acres of kit fox habitat by one of the following ways:</p> <ul style="list-style-type: none"> ✓ Deposit of funds to an approved in-

		<p>lieu fee program;</p> <ul style="list-style-type: none"> ✓ Provide for the protection of kit foxes in perpetuity through acquisition of fee or conservation easement of suitable habitat in the kit fox corridor area; or ✓ Purchase credits in an approved conservation bank. <p>This means that all impacts to kit fox habitat must be mitigated at a ratio of 1 acres conserved for each acre impacted (1:1). The project will result in the permanent disturbance of 0.23 acres of kit fox habitat.</p> <p>The following mitigation recommendations included in the Biological Report are designed to reduce the potential for direct impacts to kit fox to a less than significant level.</p> <p>Mitigation #1. Prior to issuance of grading and/or construction permits, the applicant shall submit evidence to the County of San Luis Obispo that states that one or a combination of the following three San Joaquin kit fox mitigation measures has been implemented:</p> <ol style="list-style-type: none"> a. Provide for the protection in perpetuity, through acquisition of fee or a conservation easement of 0.23 acres of suitable habitat in the kit fox corridor area (e.g. within the San Luis Obispo County kit fox habitat area, northwest of Highway 58), either onsite or off-site, and provide for a non-wasting endowment to provide for management and monitoring of the property in perpetuity. Lands to be conserved shall be subject to the review and approval of the California Department of Fish and Game (Department) and the County. This mitigation alternative (a.) requires that all aspects of this program must be in place before County permit issuance or initiation of any ground disturbing activities. b. Deposit funds into an approved in-lieu fee program, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area within San Luis Obispo County, and provide for a non-
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wasting endowment for management and monitoring of the property in perpetuity. Mitigation alternative (b) above can be completed by providing funds to The Nature Conservancy (TNC) pursuant to the Voluntary Fee-Based Compensatory Mitigation Program (Program). The Program was established in agreement between the Department and TNC to preserve San Joaquin kit fox habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The fee, payable to "The Nature Conservancy", would total \$575. This fee is calculated based on the current cost-per-unit of \$2,500 per acre of mitigation, which is scheduled to be adjusted to address the increasing cost of property in San Luis Obispo County; your actual cost may increase depending on the timing of payment. This fee must be paid after the Department provides written notification about your mitigation options but prior to County permit issuance and initiation of any ground disturbing activities.

c. Purchase 0.23 credits in a Department-approved conservation bank, which would provide for the protection in perpetuity of suitable habitat within the kit fox corridor area and provide for a non-wasting endowment for management and monitoring of the property in perpetuity. Mitigation alternative (c) above, can be completed by purchasing credits from the Palo Prieto Conservation Bank. The Palo Prieto Conservation Bank was established to preserve San Joaquin kit fox habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The cost for purchasing credits is payable to the owners of The Palo Prieto Conservation Bank, and would total \$575. This fee is calculated based on the current cost-percredit of \$2,500 per acre of mitigation. The fee is established by the conservation bank owner and may change

at any time. Your actual cost may increase depending on the timing of payment. Purchase of credits must be completed prior to County permit issuance and initiation of any ground disturbing activities.

Mitigation #2. Prior to issuance of grading and/or construction permits, the applicant shall provide evidence that they have retained a qualified biologist acceptable to the County. The retained biologist shall perform the following monitoring activities:

a. Prior to issuance of grading and/or construction permits and within 30 days prior to initiation of site disturbance and/or construction, the biologist shall conduct a pre-activity (i.e. pre-construction) survey for known or potential kit fox dens and submit a letter to the County reporting the date the survey was conducted, the survey protocol, survey results, and what measures were necessary (and completed), as applicable, to address any kit fox activity within the project limits.

b. The qualified biologist shall conduct weekly site visits during site-disturbance activities (i.e. grading, diking, excavation, stock piling of dirt or gravel, etc.) that proceed longer than 14 days, for the purpose of monitoring compliance with required Mitigation Measures 2 through 11. Site disturbance activities lasting up to 14 days do not require weekly monitoring by the biologist unless observations of kit fox or their dens are made on-site or the qualified biologist recommends monitoring for some other reason (refer to Mitigation #2-c). When weekly monitoring is required, the biologist shall submit weekly monitoring reports to the County.

c. Prior to or during project activities, if any observations are made of San Joaquin Kit fox, or any known or potential San Joaquin kit fox dens are discovered within the project limits, the qualified biologist shall re-assess the probability of incidental take (e.g. harm or death) to kit fox. At the time a den is discovered, the qualified biologist shall contact USFWS and the CDFW for guidance on possible additional kit fox

protection measures to implement and whether or not a Federal and/or State incidental take permit is needed. If a potential den is encountered during construction, work shall stop until such time the USFWS determines it is appropriate to resume work. If incidental take of kit fox during project activities is possible, before project activities commence, the applicant must consult with the USFWS. The results of this consultation may require the applicant to obtain a Federal and/or State permit for incidental take during project activities. The applicant should be aware that the presence of kit foxes or known or potential kit fox dens at the project site could result in further delays of project activities.

d. In addition, the qualified biologist shall implement the following measures:

d-1. Within 30 days prior to initiation of site disturbance and/or construction, fenced exclusion zones shall be established around all known and potential kit fox dens. Exclusion zone fencing shall consist of either large flagged stakes connected by rope or cord, or survey laths or wooden stakes prominently flagged with survey ribbon. Each exclusion zone shall be roughly circular in configuration with a radius of the following distance measured outward from the den or burrow entrances: Potential kit fox den: 50 feet Known or active kit fox den: 100 feet Kit fox pupping den: 150 feet

d-2. All foot and vehicle traffic, as well as all construction activities, including storage of supplies and equipment, shall remain outside of exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, and then shall be removed.

d-3. If kit foxes or known or potential kit fox dens are found on site, daily monitoring by a qualified biologist shall be required during ground disturbing activities.

Mitigation #3. Prior to issuance of grading and/or construction permits, the applicant shall clearly delineate the following as a

note on the project plans: "Speed signs of 25 mph (or lower) shall be posted for all construction traffic to minimize the probability of road mortality of the San Joaquin kit fox". Speed limit signs shall be installed on the project site within 30 days prior to initiation of site disturbance and/or construction.

Mitigation #4. During the site disturbance and/or construction phase, grading and construction activities after dusk shall be prohibited unless coordinated through the County, during which additional kit fox mitigation measures may be required.

Mitigation #5. Prior to issuance of grading and/or construction permit and within 30 days prior to initiation of site disturbance and/or construction, all personnel associated with the project shall attend a worker education training program, conducted by a qualified biologist, to avoid or reduce impacts on sensitive biological resources (i.e. San Joaquin kit fox). At a minimum, as the program relates to the kit fox, the training shall include the kit fox's life history, all mitigation measures specified by the County, as well as any related biological report(s) prepared for the project. The applicant shall notify the County shortly prior to this meeting. A kit fox fact sheet shall also be developed prior to the training program, and distributed at the training program to all contractors, employers and other personnel involved with the construction of the project.

Mitigation #6. During the site-disturbance and/or construction phase, to prevent entrapment of the San Joaquin kit fox, all excavations, steep-walled holes and trenches in excess of two feet in depth shall be covered at the close of each working day by plywood or similar materials, or provided with one or more escape ramps constructed of earth fill or wooden planks. Trenches shall also be inspected for entrapped kit fox each morning prior to onset of field activities and immediately prior to covering with plywood at the end of each working day. Before such holes or trenches are filled,

they shall be thoroughly inspected for entrapped kit fox. Any kit fox so discovered shall be allowed to escape before field activities resume, or removed from the trench or hole by a qualified biologist and allowed to escape unimpeded.

Mitigation #7. During the site-disturbance and/or construction phase, any pipes, culverts, or similar structures with a diameter of four inches or greater, stored overnight at the project site shall be thoroughly inspected for trapped San Joaquin kit foxes before the subject pipe is subsequently buried, capped, or otherwise used or moved in any way. If during the construction phase a kit fox is discovered inside a pipe, that section of pipe will not be moved. If necessary, the pipe may be moved only once to remove it from the path of activity, until the kit fox has escaped.

Mitigation #8. During the site-disturbance and/or construction phase, all food-related trash items such as wrappers, cans, bottles, and food scraps shall be disposed of only in closed containers. These containers shall be regularly removed from the site. Food items may attract San Joaquin kit foxes onto the project site, consequently exposing such animals to increased risk of injury or mortality. No deliberate feeding of wildlife shall be allowed.

Mitigation #9. Prior to, during and after the site-disturbance and/or construction phase, use of pesticides or herbicides shall be in compliance with all local, State and Federal regulations. This is necessary to minimize the probability of primary or secondary poisoning of endangered species utilizing adjacent habitats, and the depletion of prey upon which San Joaquin kit foxes depend.

Mitigation #10. During the site-disturbance and/or construction phase, any contractor or employee that inadvertently kills or injures a San Joaquin kit fox or who finds any such animal either dead, injured, or entrapped shall be required to report the incident immediately to the applicant and County. In the event that any observations are made of injured or dead kit fox, the applicant shall

immediately notify the USFWS and CDFW by telephone. In addition, formal notification shall be provided in writing within three working days of the finding of any such animal(s). Notification shall include the date, time, location and circumstances of the incident. Any threatened or endangered species found dead or injured shall be turned over immediately to CDFW for care, analysis, or disposition.

Mitigation #11. Prior to final inspection, or occupancy, whichever comes first, should any long internal or perimeter fencing be proposed or installed, the applicant shall do the following to provide for kit fox passage:

- a. If a wire strand/pole design is used, the lowest strand shall be no closer to the ground than 12 inches.
- b. If a more solid wire mesh fence is used, 8 by 12 inch openings near the ground shall be provided every 100 yards.
- c. Upon fence installation, the applicant shall notify the County to verify proper installation. Any fencing constructed after issuance of a final permit shall follow the above guidelines.

The project was referred to the U.S. Department of Fish and Wildlife for comments. Based on the result of the Biological Report, the County concluded that the proposed project is not likely to adversely affect the San Joaquin kit fox.

In their January 3, 2017 response, the U.S. Department of Fish and Wildlife Service concurred with the County's determination that the proposed project is not likely to adversely affect the San Joaquin kit fox. Refer to Attachment B for the the U.S. Department of Fish and Wildlife Service letter.

Although the U.S. Fish and Wildlife Service concurs with the determination that the proposed project is not likely to adversely affect the San Joaquin kit fox, the County

		<p>will place the mitigation measures previously identified in this section to prevent the entrapment of kit fox in pipes or ditches.</p> <p>Given the above mitigation measures, the project will have no adverse effect on any federally listed or proposed threatened or endangered species, or any designated or proposed critical habitat.</p>
<p>Explosive and Flammable Hazards</p> <p>24 CFR Part 51 Subpart C</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>This project does include the following activities: development, construction, and rehabilitation that will increase residential densities, or conversions near explosive and flammable hazards. Therefore, there are no impacts associated with explosive and flammable hazards.</p>
<p>Farmlands Protection</p> <p>Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>According to the State of California's Department of Conservation's Important Farmland Finder, the project is not located on farmland. The project does not include new construction, acquisition of undeveloped land, or conversion of agricultural land. Therefore, there are not impacts related to farmlands. See Map #7</p>
<p>Floodplain Management</p> <p>Executive Order 11988, particularly section 2(a); 24 CFR Part 55</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>According to Flood Insurance Rate Map #06079C0400G (November 16, 2012), the project is not located in a floodplain (see Map #8).</p>
<p>Historic Preservation</p> <p>National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800</p>	<p>Yes No</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/></p>	<p>Per the attached SHPO letter (See Attachment C) dated March 2, 2016, the project is not anticipated to result in significant impacts to cultural and historical resources.</p> <p>Due to the long period of human habitation in the area, there is always the possibility that buried cultural deposits exist on any site. In order to comply with Section 106 of the National Historic Preservation Act and the implementing regulations found at 36 CFR Part 800, and ensure that any unexpected discoveries occur during construction of the project, the following mitigation measures will be implemented if cultural or historical resources are discovered during the implementation of this project.</p>

		<p>Mitigation #1. In the event that cultural or historical resources are discovered during the implementation of this project, the applicant shall notify the County of San Luis Obispo.</p> <p>Mitigation #2. During earth moving activities or construction work activities, in the event archaeological resources are unearthed or discovered, construction in the vicinity (within 50 meters or 150 feet) of the find will stop, and the applicant shall notify the Environmental Coordinator and the Planning Department about the extent and location of the discovered materials. A qualified archaeologist shall record these materials and shall dispose of artifacts in accordance with state and federal law. If the find is determined to be significant, appropriate mitigation will be formulated and implemented.</p> <p>Mitigation #3. In the event archaeological resources are found to include human remains, or in any other case when human remains are discovered during construction, the applicant will notify the County Coroner in addition to the Planning Department and the Environmental Coordinator to properly dispose human remains. Based on this information, the proposed work will not impact historic properties, if any, and pursuant to 36 CFR 800.4(d), and 36 CFR Part 800.5(b), no further action is required.</p>
<p>Noise Abatement and Control</p> <p>Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B</p>	<p>Yes No</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/></p>	<p>The project is not located within 1,000 feet of major roadways (see Map #9) or within 3,000 feet of railroads (see Map #10). However, the project falls within 15 miles of a military airport (see Map #11).</p> <p>While the project site is located within 15 miles of a military airport, the project itself will not increase noise level to more than 65 dB. Given that the noise level resulting from this project will remain below 65 dB, San Miguel Community Services District will implement the following County standard mitigation measures (Mitigation 1 through Mitigation 3) to maintain a noise level of below 65 dB where possible:</p>

		<p>To minimize short-term construction noise impacts, the project will comply with the San Luis Obispo County Code Title 22 – Land Use Standards, 22.10.120 – Noise Standards, which establishes standards for acceptable exterior and interior noise levels by limiting construction activities as follow</p> <p>Mitigation #1: All construction activities shall be restricted to the hours of 7:00 AM to 5:00 PM Monday through Friday. No construction shall occur on Saturday or Sunday. On-site equipment maintenance and servicing shall be confined to the same hours.</p> <p>Mitigation 2: All construction equipment utilizing internal combustion engines shall be required to have mufflers that are in good condition and tuned according to the manufacturer’s recommendations. Stationary noise sources shall utilize noise reducing engine housing enclosures or noise screens.</p> <p>Mitigation 3: A note shall be placed on the construction plans that no more than two (2) pieces of major earth moving equipment shall be allowed to operate simultaneously.</p> <p>The proposed project will not generate noise levels that would exceed the 65 dB level.</p>
<p>Sole Source Aquifers</p> <p>Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR Part 149</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>The project is not located within the boundaries of EPA designated Sole Source Aquifers (see Map #12). Therefore, the project will not result in impacts to sole source aquifers.</p>
<p>Wetlands Protection</p> <p>Executive Order 11990, particularly sections 2 and 5</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>The project site is not located within wetland areas (see Map #13).</p>
<p>Wild and Scenic Rivers</p> <p>Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>The project is not located within proximity of a NWSRS river as defined by Wild and Scenic Rivers, Study Rivers, and Nationwide Rivers Inventory (see Map #14).</p>
<p>ENVIRONMENTAL JUSTICE</p>		
<p>Environmental Justice</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Environmental justice issues are related to a minority or low-income population that has</p>

<p>Executive Order 12898</p>	<p>or will be exposed to more than its fair share of pollution or environmental degradation if a project is implemented. The use of CDBG funds will be limited to the construction of a 600 foot underground pipeline to connect San Lawrence Terrace well to an existing water tank that is part of the community's water distribution system.</p> <p>The project is necessary as the result of the California Department of Public Health's June 2014 letter to the San Miguel Community Services District that the arsenic levels of the San Lawrence Terrace well water is above the acceptable level of 10 micrograms per liter.</p> <p>The goal of the project is to reduce and monitor the arsenic levels of potable well water (San Lawrence Terrace) to San Miguel residents by blending water from an existing water tank and San Lawrence Terrace well water.</p> <p>The proposed project will not contribute to the increased use or siting of industrial plants, toxic chemicals, brownfields, or superfund sites nor is the community of San Miguel subject to a disproportionate impact from one or more environmental hazards which may exist in the community. San Miguel is not subject to nor does it bear a disproportionate share of the negative environmental consequences resulting from one or more industrial, municipal, and commercial operations.</p> <p>Thus, the construction of the water pipeline will result in a net increase in benefit to the community of San Miguel.</p>
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Field Inspection (Date and completed by): A site visit on October 2, 2015 made by Suzan Ehdiaie, County Planner, confirmed the above discussions that there are no potential adverse impacts under each statutory category when implementing this project. The project includes the construction of a 600 linear foot underground pipeline to connect San Lawrence Terrace water well to an existing water tank that is part of the water distribution system.

Summary of Findings and Conclusions:

The project will not result in adverse impact to the environment or the community.

Mitigation Measures and Conditions [40 CFR 1505.2(c)]

Summarize below all mitigation measures adopted by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or Factor	Mitigation Measure
Endangered Species	<p>The following mitigation recommendations are designed to reduce the potential for direct impacts to kit fox to a less than significant level.</p> <p>Mitigation #1. Prior to issuance of grading and/or construction permits, the applicant shall submit evidence to the County of San Luis Obispo that states that one or a combination of the following three San Joaquin kit fox mitigation measures has been implemented:</p> <p>a. Provide for the protection in perpetuity, through acquisition of fee or a conservation easement of 0.23 acres of suitable habitat in the kit fox corridor area (e.g. within the San Luis Obispo County kit fox habitat area, northwest of Highway 58), either onsite or off-site, and provide for a non-wasting endowment to provide for management and monitoring of the property in perpetuity. Lands to be conserved shall be subject to the review and approval of the California Department of Fish and Game (Department) and the County. This mitigation alternative (a.) requires that all aspects of this program must be in place before County permit issuance or initiation of any ground disturbing activities.</p> <p>b. Deposit funds into an approved in-lieu fee program, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area within San Luis Obispo County, and provide for a non-wasting endowment for management and monitoring of the property in perpetuity. Mitigation alternative (b) above can be completed by providing funds to The Nature Conservancy (TNC) pursuant to the Voluntary Fee-Based Compensatory Mitigation Program (Program). The Program was established in agreement between the Department and TNC to preserve San Joaquin kit fox</p>

habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The fee, payable to "The Nature Conservancy", would total \$575. This fee is calculated based on the current cost-per-unit of \$2,500 per acre of mitigation, which is scheduled to be adjusted to address the increasing cost of property in San Luis Obispo County; your actual cost may increase depending on the timing of payment. This fee must be paid after the Department provides written notification about your mitigation options but prior to County permit issuance and initiation of any ground disturbing activities.

c. Purchase 0.23 credits in a Department-approved conservation bank, which would provide for the protection in perpetuity of suitable habitat within the kit fox corridor area and provide for a non-wasting endowment for management and monitoring of the property in perpetuity. Mitigation alternative (c) above, can be completed by purchasing credits from the Palo Prieto Conservation Bank. The Palo Prieto Conservation Bank was established to preserve San Joaquin kit fox habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The cost for purchasing credits is payable to the owners of The Palo Prieto Conservation Bank, and would total \$575. This fee is calculated based on the current cost-percredit of \$2,500 per acre of mitigation. The fee is established by the conservation bank owner and may change at any time. Your actual cost may increase depending on the timing of payment. Purchase of credits must be completed prior to County permit issuance and initiation of any ground disturbing activities.

Mitigation #2. Prior to issuance of grading and/or construction permits, the applicant shall provide evidence that they have retained a qualified biologist acceptable to the County. The retained biologist shall perform the following monitoring activities:

a. Prior to issuance of grading and/or construction permits and within 30 days prior to initiation of site disturbance and/or construction, the biologist shall conduct a pre-activity (i.e. pre-construction) survey for known or potential kit fox dens and submit a letter to the County reporting the date the survey was conducted, the survey protocol, survey results, and what measures were necessary (and completed), as applicable, to address any kit fox activity within the project limits.

b. The qualified biologist shall conduct weekly site visits during site-disturbance activities (i.e. grading, disking, excavation, stock piling of dirt or gravel, etc.) that proceed longer than 14 days, for the purpose of monitoring compliance with required Mitigation Measures 2 through 11. Site disturbance activities lasting up to 14 days do not require weekly monitoring by the biologist unless observations of kit fox or their dens are made on-site or the qualified biologist recommends monitoring for some other reason (refer to Mitigation #2-c). When weekly monitoring is required, the biologist shall submit weekly monitoring reports to the County.

c. Prior to or during project activities, if any observations are made of San Joaquin Kit fox, or any known or potential San Joaquin kit fox dens are discovered within the project limits, the qualified biologist shall re-assess the probability of incidental take (e.g. harm or death) to kit fox. At the time a den is discovered, the qualified biologist shall contact USFWS and the CDFW for guidance on possible additional kit fox protection measures to implement and whether or not a Federal and/or State incidental take permit is needed. If a potential den is encountered during construction, work shall stop until such time the USFWS determines it is appropriate to resume work. If incidental take of kit fox during project activities is possible, before project activities commence, the applicant must consult with the USFWS. The results of this consultation may require the applicant to obtain a Federal and/or State permit for incidental take during project activities. The applicant should be aware that the presence of kit foxes or known or potential kit fox dens at the project site could result in further delays of project activities.

d. In addition, the qualified biologist shall implement the following measures:

d-1. Within 30 days prior to initiation of site disturbance and/or construction, fenced exclusion zones shall be established around all known and potential kit fox dens. Exclusion zone fencing shall consist of either large flagged stakes connected by rope or cord, or survey laths or wooden stakes prominently flagged with survey ribbon. Each exclusion zone shall be roughly circular in configuration with a radius of the following distance measured outward from the den or burrow entrances: Potential kit fox den: 50 feet Known or active kit fox den: 100 feet Kit fox pupping den: 150 feet

d-2. All foot and vehicle traffic, as well as all construction activities, including storage of supplies and equipment,

shall remain outside of exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, and then shall be removed.

d-3. If kit foxes or known or potential kit fox dens are found on site, daily monitoring by a qualified biologist shall be required during ground disturbing activities.

Mitigation #3. Prior to issuance of grading and/or construction permits, the applicant shall clearly delineate the following as a note on the project plans: "Speed signs of 25 mph (or lower) shall be posted for all construction traffic to minimize the probability of road mortality of the San Joaquin kit fox". Speed limit signs shall be installed on the project site within 30 days prior to initiation of site disturbance and/or construction.

Mitigation #4. During the site disturbance and/or construction phase, grading and construction activities after dusk shall be prohibited unless coordinated through the County, during which additional kit fox mitigation measures may be required.

Mitigation #5. Prior to issuance of grading and/or construction permit and within 30 days prior to initiation of site disturbance and/or construction, all personnel associated with the project shall attend a worker education training program, conducted by a qualified biologist, to avoid or reduce impacts on sensitive biological resources (i.e. San Joaquin kit fox). At a minimum, as the program relates to the kit fox, the training shall include the kit fox's life history, all mitigation measures specified by the County, as well as any related biological report(s) prepared for the project. The applicant shall notify the County shortly prior to this meeting. A kit fox fact sheet shall also be developed prior to the training program, and distributed at the training program to all contractors, employers and other personnel involved with the construction of the project.

Mitigation #6. During the site-disturbance and/or construction phase, to prevent entrapment of the San Joaquin kit fox, all excavations, steep-walled holes and trenches in excess of two feet in depth shall be covered at the close of each working day by plywood or similar materials, or provided with one or more escape ramps constructed of earth fill or wooden planks. Trenches shall also be inspected for entrapped kit fox each morning prior to onset of field activities and immediately prior to covering with plywood at the end of each working day. Before such holes or trenches are filled, they shall be thoroughly inspected for entrapped kit fox. Any kit fox so discovered shall be allowed to escape before field

activities resume, or removed from the trench or hole by a qualified biologist and allowed to escape unimpeded.

Mitigation #7. During the site-disturbance and/or construction phase, any pipes, culverts, or similar structures with a diameter of four inches or greater, stored overnight at the project site shall be thoroughly inspected for trapped San Joaquin kit foxes before the subject pipe is subsequently buried, capped, or otherwise used or moved in any way. If during the construction phase a kit fox is discovered inside a pipe, that section of pipe will not be moved. If necessary, the pipe may be moved only once to remove it from the path of activity, until the kit fox has escaped.

Mitigation #8. During the site-disturbance and/or construction phase, all food-related trash items such as wrappers, cans, bottles, and food scraps shall be disposed of only in closed containers. These containers shall be regularly removed from the site. Food items may attract San Joaquin kit foxes onto the project site, consequently exposing such animals to increased risk of injury or mortality. No deliberate feeding of wildlife shall be allowed.

Mitigation #9. Prior to, during and after the site-disturbance and/or construction phase, use of pesticides or herbicides shall be in compliance with all local, State and Federal regulations. This is necessary to minimize the probability of primary or secondary poisoning of endangered species utilizing adjacent habitats, and the depletion of prey upon which San Joaquin kit foxes depend.

Mitigation #10. During the site-disturbance and/or construction phase, any contractor or employee that inadvertently kills or injures a San Joaquin kit fox or who finds any such animal either dead, injured, or entrapped shall be required to report the incident immediately to the applicant and County. In the event that any observations are made of injured or dead kit fox, the applicant shall immediately notify the USFWS and CDFW by telephone. In addition, formal notification shall be provided in writing within three working days of the finding of any such animal(s). Notification shall include the date, time, location and circumstances of the incident. Any threatened or endangered species found dead or injured shall be turned over immediately to CDFW for care, analysis, or disposition.

Mitigation #11. Prior to final inspection, or occupancy, whichever comes first, should any long internal or perimeter fencing be proposed or installed, the applicant

	<p>shall do the following to provide for kit fox passage:</p> <p>a. If a wire strand/pole design is used, the lowest strand shall be no closer to the ground than 12 inches.</p> <p>b. If a more solid wire mesh fence is used, 8 by 12 inch openings near the ground shall be provided every 100 yards.</p> <p>c. Upon fence installation, the applicant shall notify the County to verify proper installation. Any fencing constructed after issuance of a final permit shall follow the above guidelines.</p>
<p>Historic Preservation</p>	<p>The following mitigation measures will be implemented if cultural or historical resources are discovered during the implementation of this project.</p> <p>Mitigation #1. In the event that cultural or historical resources are discovered during the implementation of this project, the applicant shall notify the County of San Luis Obispo.</p> <p>Mitigation #2. During earth moving activities or construction work activities, in the event archaeological resources are unearthed or discovered, construction in the vicinity (within 50 meters or 150 feet) of the find will stop, and the applicant shall notify the Environmental Coordinator and the Planning Department about the extent and location of the discovered materials. A qualified archaeologist shall record these materials and shall dispose of artifacts in accordance with state and federal law. If the find is determined to be significant, appropriate mitigation will be formulated and implemented.</p> <p>Mitigation #3. In the event archaeological resources are found to include human remains, or in any other case when human remains are discovered during construction, the applicant will notify the County Coroner in addition to the Planning Department and the Environmental Coordinator to properly dispose human remains.</p>
<p>Noise Abatement and Control</p>	<p>San Miguel Community Services District will implement the following County standard mitigation measures (Mitigation 1 through Mitigation3) to maintain a noise level of below 65 dB where possible:</p> <p>Mitigation #1: Construction activities shall be restricted to the hours of 7:00 AM to 5:00 PM Monday through Friday. No construction shall occur on Saturday or Sunday. On-site equipment maintenance and servicing</p>

	<p>shall be confined to the same hours.</p> <p>Mitigation 2: All construction equipment utilizing internal combustion engines shall be required to have mufflers that are in good condition and tuned according to the manufacturer's recommendations. Stationary noise sources shall utilize noise reducing engine housing enclosures or noise screens.</p> <p>Mitigation 3: A note shall be placed on the construction plans that no more than two (2) pieces of major earth moving equipment shall be allowed to operate simultaneously.</p>
Clean Air	<p>The San Miguel Community Services District will implement the San Luis Obispo County Air Pollution Control District (APCD) standard mitigation measures below:</p> <p>Mitigation #1: Prior to any construction activities at the site, the project proponent shall ensure that a geologic evaluation is conducted to determine if the area disturbed is exempt from the Asbestos Air Toxics Control Measure (ATCM) regulations. An exemption request must be filed with the San Luis Obispo County Air Pollution Control District (APCD), as applicable. If the site is not exempt from the requirements of the regulation, the applicant must comply with all requirements outlined in the Asbestos ATCM. This may include development of an Asbestos Dust Mitigation Plan and Asbestos Health and Safety Program for approval by the APCD.</p> <p>Mitigation #2: Any scheduled demolition activities or disturbance, removal, or relocation of utility pipelines shall be coordinated with the APCD Enforcement Division at (805) 781-5912 to ensure compliance with NESHAP, which include, but are not limited to: 1) written notification, within at least 10 business days of activities commencing, to the APCD, 2) asbestos survey conducted by a Certified Asbestos Consultant, and, 3) applicable removal and disposal requirements of identified ACM.</p> <p>Mitigation #3: During construction/ground disturbing activities, the applicant shall implement the following particulate (dust) control measures. These measures shall be shown on grading and building plans. In addition, the contractor shall designate a person or persons to monitor the dust control program and to order increased watering, modify practices as necessary, to prevent transport of dust off site. Their duties shall include holiday and weekend periods when work may not be in progress. The name and telephone number of</p>

such persons shall be provided to the Community Development and Public Works Departments prior to commencement of construction.

a. Reduce the amount of disturbed area where possible.

b. Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the APCD's limit of 20% opacity for no greater than 3 minutes in any 60 minute period. Increased watering frequency will be required whenever wind speeds exceed 15 m.p.h. and cessation of grading activities during periods of winds over 25 m.p.h. Reclaimed (non-potable) water is to be used in all construction and dust-control work.

c. All dirt stock pile areas (if any) shall be sprayed daily and covered with tarps or other dust barriers as needed.

d. Permanent dust control measures identified in the approved project revegetation and landscape plans shall be implemented as soon as possible, following completion of any soil disturbing activities.

e. Exposed grounds that are planned to be reworked at dates greater than one month after initial grading shall be sown with a fast germinating, non-invasive, grass seed and watered until vegetation is established.

f. All disturbed soil areas not subject to revegetation shall be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the APCD.

g. All roadways, driveways, sidewalks, etc. to be paved shall be completed as soon as possible. In addition, building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.

h. Vehicle speed for all construction vehicles shall not exceed 15 m.p.h. on any unpaved surface at the construction site.

i. All trucks hauling dirt, sand, soil, or other loose materials, are to be covered or shall maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with California Vehicle Code Section 23114.

j. Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site.

k. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved

roads. Water sweepers shall be used with reclaimed water where feasible. Roads shall be pre-wetted prior to sweeping when feasible.

l. All PM10 mitigation measures required shall be shown on grading and building plans.

m. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below the APCD's limit of 20% opacity for no greater than 3 minutes in any 60 minute period. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD Compliance Division prior to the start of any grading, earthwork or demolition.

Mitigation #4: Prior to any construction activities at the site, the project proponent shall ensure that all equipment and operations are compliant with California Air Resource Board and APCD permitting requirements, by contacting the APCD Engineering Division at (805) 781-5912 for specific information regarding permitting requirements.

Mitigation #5: To reduce sensitive receptor emissions impact of diesel vehicles and equipment used to construct the project and export soil from the site, the applicant shall implement the following idling control techniques:

1. California Diesel Idling Regulations

a. On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:

1. Shall not idle the vehicle's primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and,

2. Shall not operate a diesel-fueled auxiliary power system (APS) to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when

	<p>within 1,000 feet of restricted area, except as noted in Subsection (d) of the regulation.</p> <p>b. Off-road diesel equipment shall comply with the 5 minute idling restriction identified in Section 2449(d)(2) of the California Air Resources Board's In-Use off-Road Diesel regulation.</p> <p>c. Signs must be posted in the designated queuing areas and job sites to remind drivers and operators of the state's 5minute idling limit.</p> <p>2. Diesel Idling restrictions Near Sensitive Receptors (residential homes). In addition to the State required diesel idling requirements, the project applicant shall comply with these more restrictive requirements to minimize impacts to nearby sensitive receptors:</p> <p>a. Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors.</p> <p>b. Diesel idling within 1,000 feet of sensitive receptors shall not be permitted.</p> <p>c. Use of alternative fueled equipment is recommended.</p> <p>d. Signs that specify the no idling areas must be posed and enforces at the site.</p> <p>3. Soil Transport. The final volume of soil that will be hauled off-site, together with the fleet mix, hauling route, and number of trips per day will need to be identified for the APCD. Specific standards and conditions will apply.</p> <p>Mitigation #6: Prior to issuance of construction permits, construction and architectural plans shall note the requirement to use low VOC architectural coatings (71 grams/liter or less). The applicant or contractor shall submit documentation of compliance to the City Community Development Department prior to final inspection. Conclusion: With recommended construction mitigation measures, the project will have a less than significant impact on air quality.</p>
--	---

Determination:

- This categorically excluded activity/project converts to **EXEMPT** per Section 58.34(a)(12), because it does not require any mitigation for compliance with any listed statutes or authorities, nor requires any formal permit or license; **Funds may be committed and drawn down after certification of this part** for this (now) EXEMPT project; OR
- This categorically excluded activity/project cannot convert to Exempt status because one or more statutes or authorities listed at Section 58.5 requires formal consultation or mitigation. Complete consultation/mitigation protocol requirements, **publish NOI/RROF and obtain "Authority to**

Use Grant Funds" (HUD 7015.16) per Section 58.70 and 58.71 before committing or drawing down any funds; OR

- This project is not categorically excluded OR, if originally categorically excluded, is now subject to a full Environmental Assessment according to Part 58 Subpart E due to extraordinary circumstances (Section 58.35(c)).

Preparer Signature: *Suzan Ehdaie* Date: 2/21/2017

Name/Title/Organization: Suzan Ehdaie, Planner II, County of San Luis Obispo

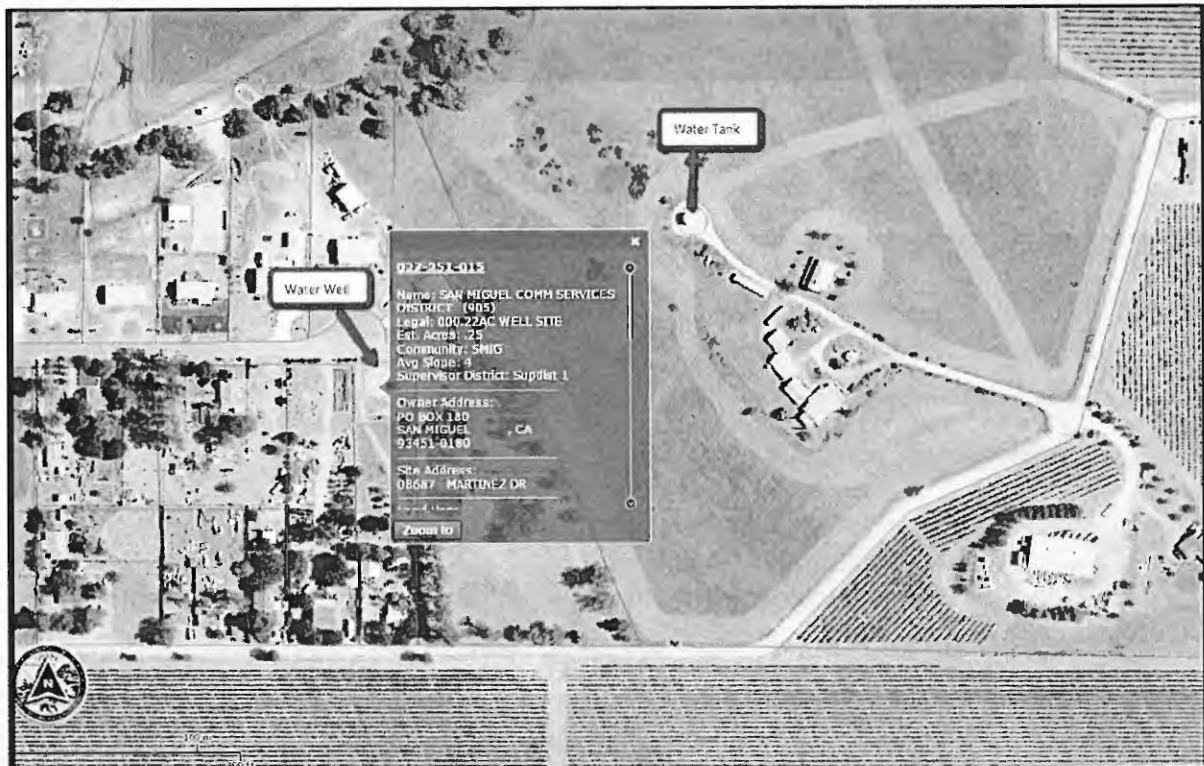
Responsible Entity Agency Official Signature:

Ellen Carroll Date: 2-21-2017

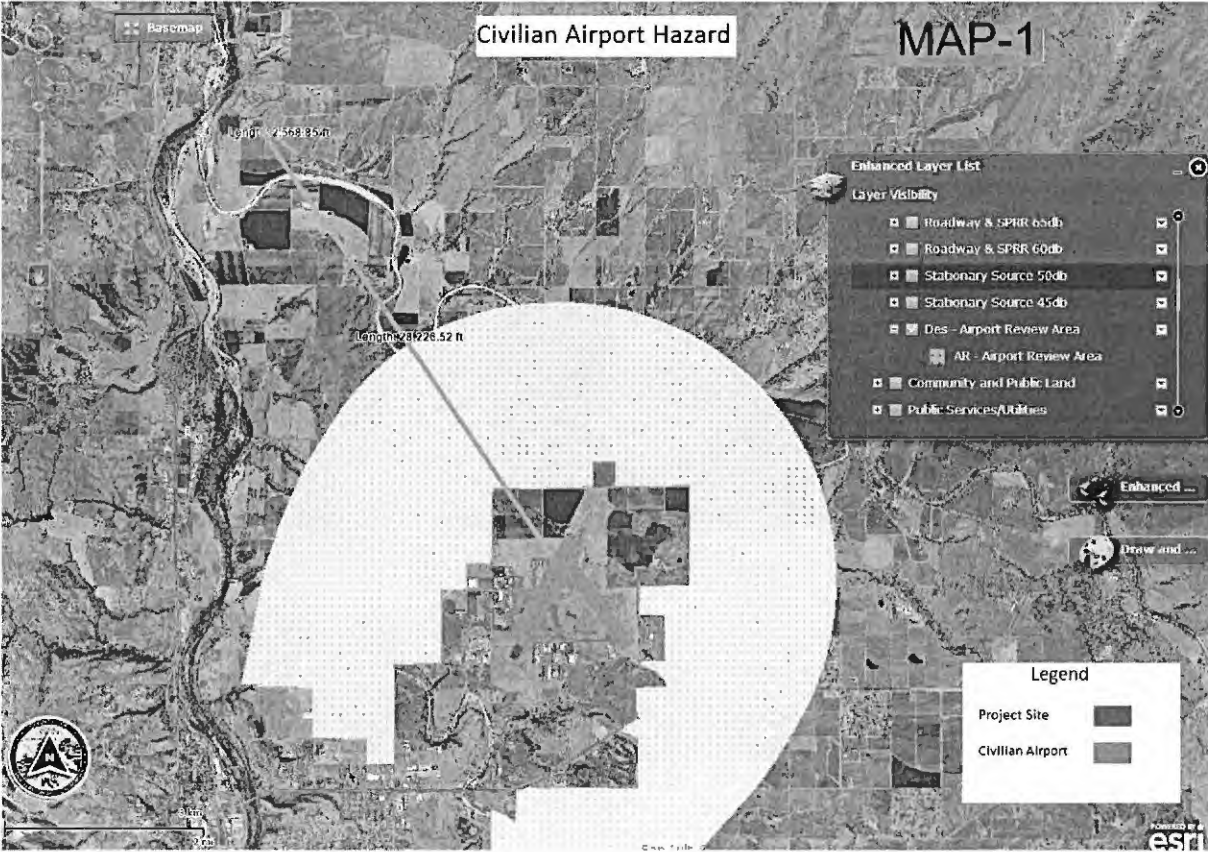
Name/Title: Ellen Carroll, Environmental Coordinator

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).

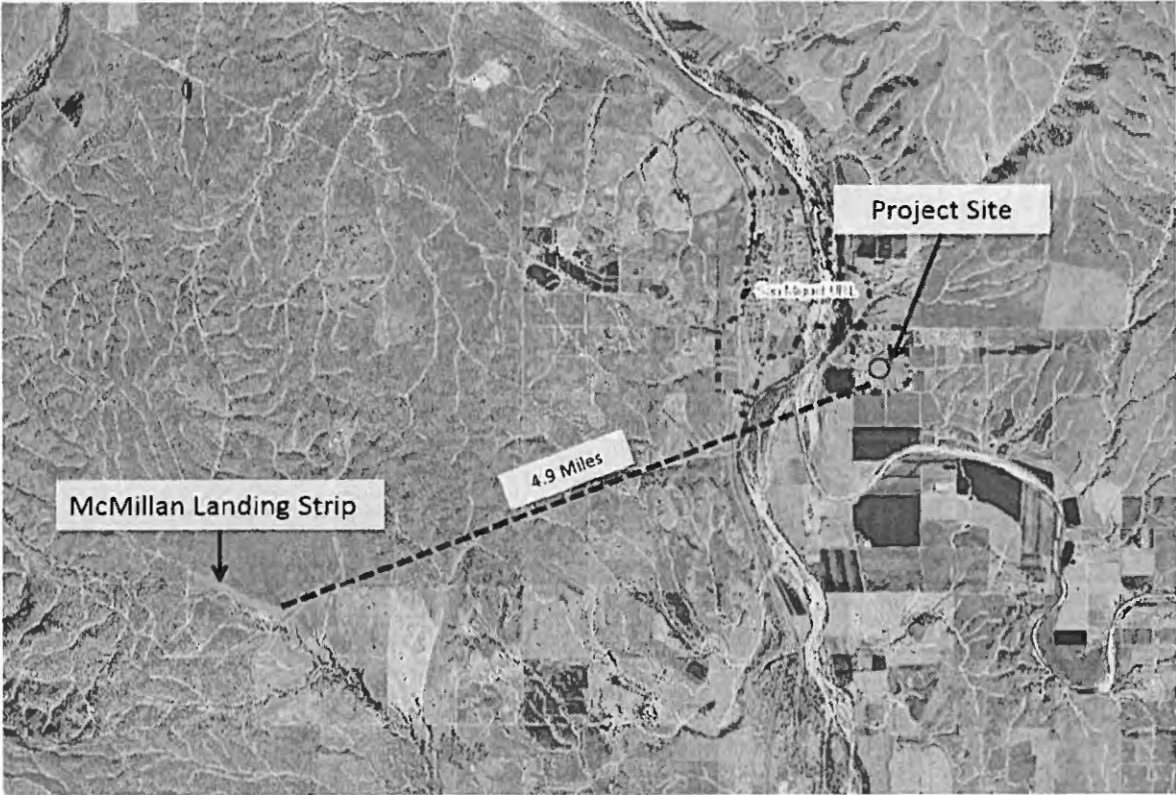
Site Location – Project site in San Miguel



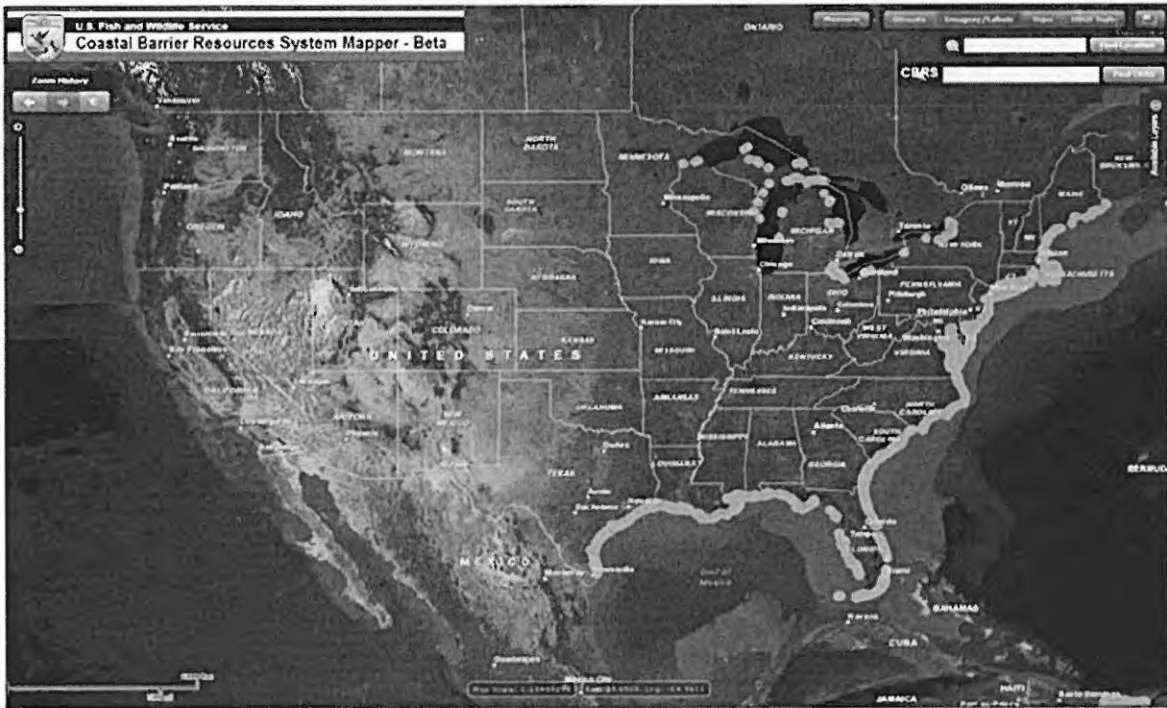
Map #1 – Project site's distance to the nearest civilian airport



Map #2 – Project site's distance to the nearest military airport



Map #3 – Project site relative to the Coastal Barrier Resources Map



Map #4 – FEMA Map

Search Results—Products for SAN LUIS OBISPO COUNTY UNINCORPORATED AREAS

The flood map for the selected area is number **06079C0400G**, effective on **11/16/2012**

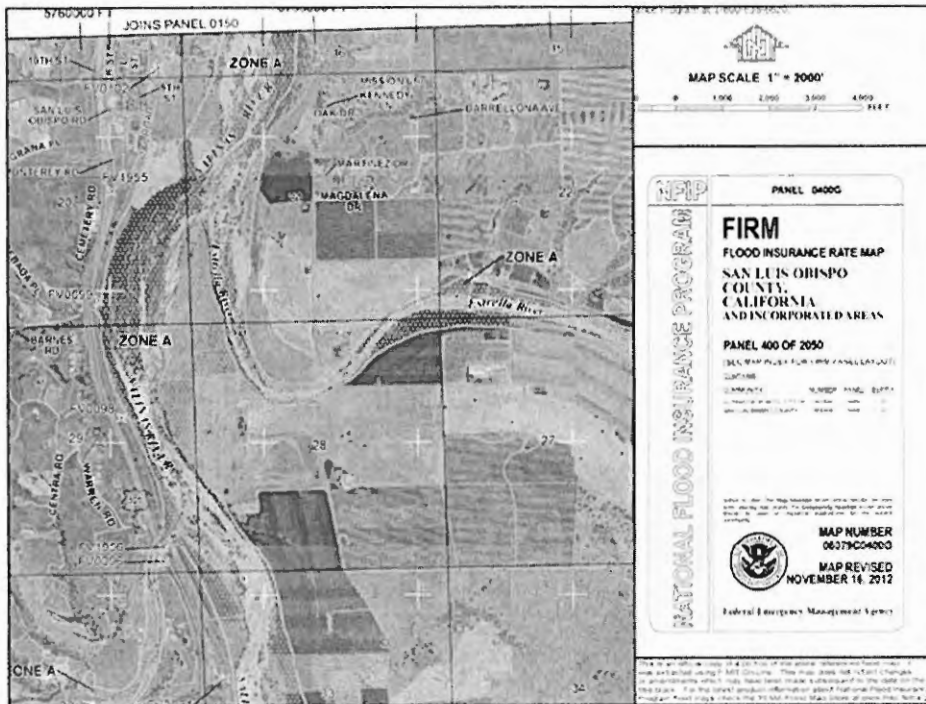


Show all products for this area

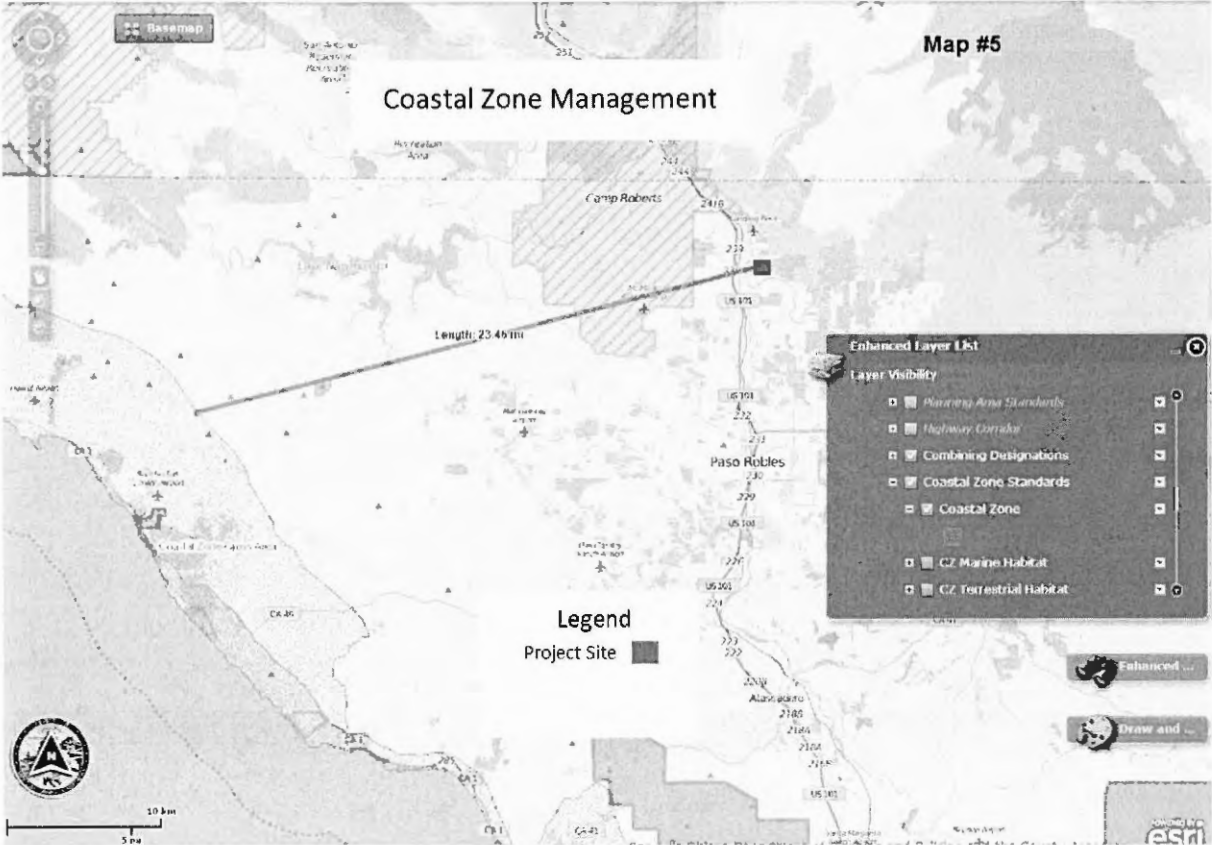
Letters of Map Change

- Revisions (0)
- Amendments (1)
- Revalidations (0)

Locator Map



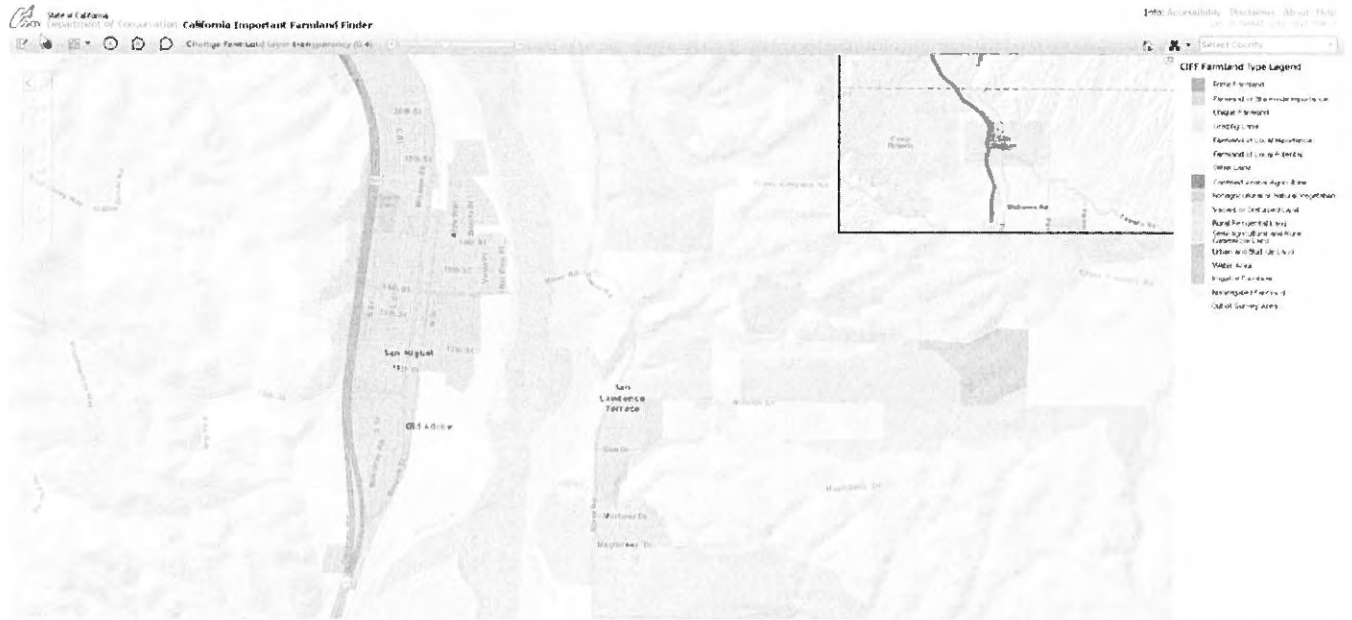
Map #5 – Coastal Zone Management Map



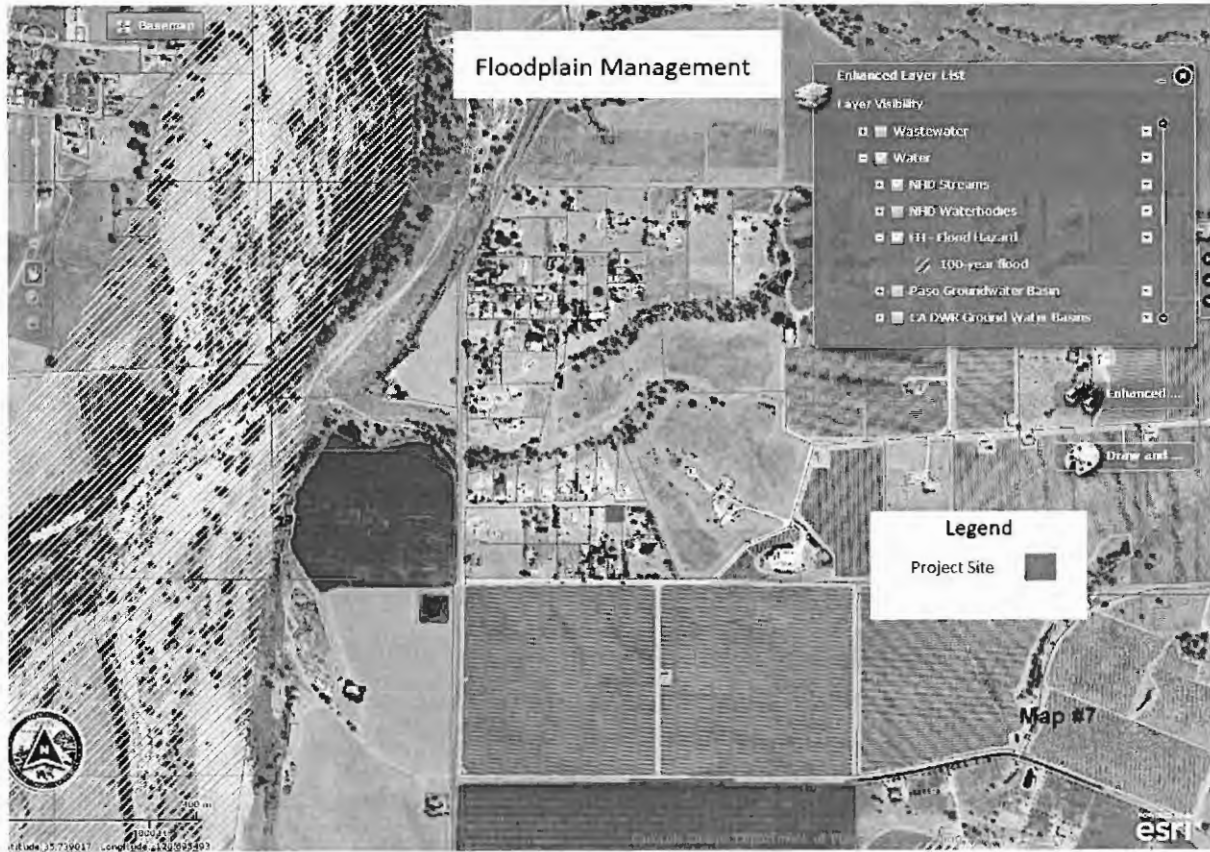
Map #6 – Contamination and Toxic Substances



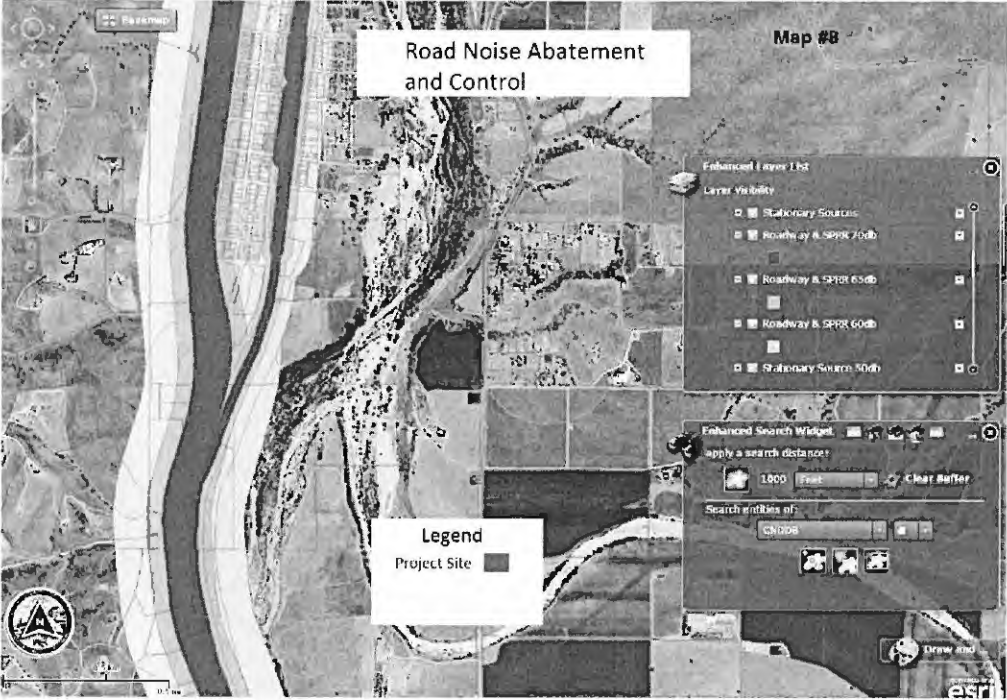
Map #7- Farmlands Protection



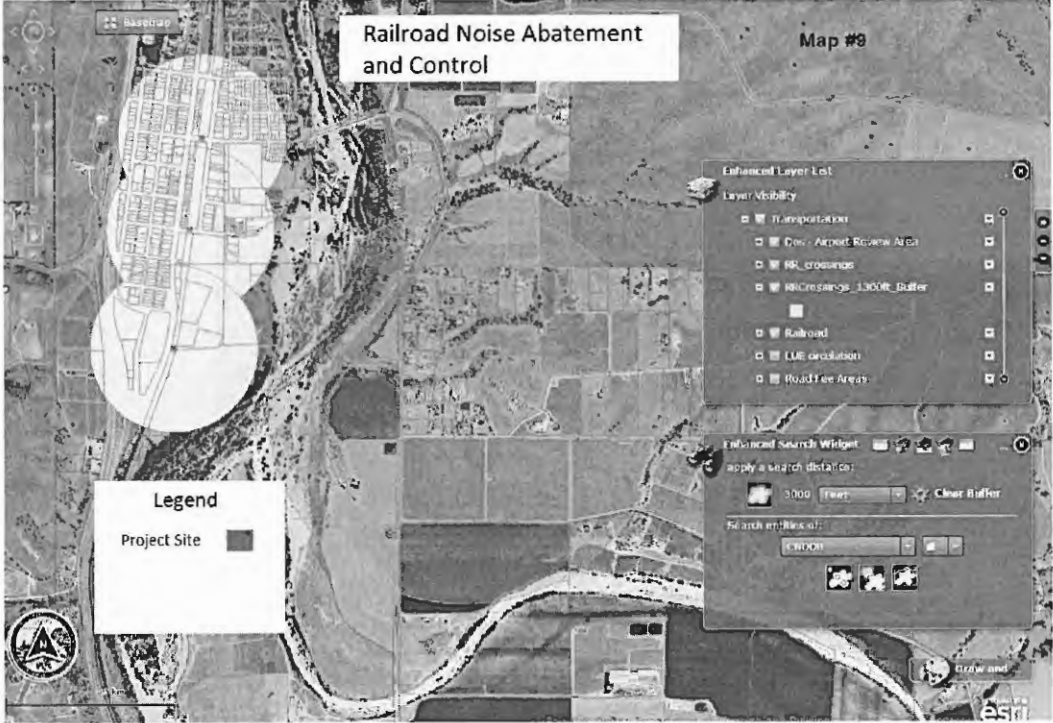
Map #8– Floodplain Management



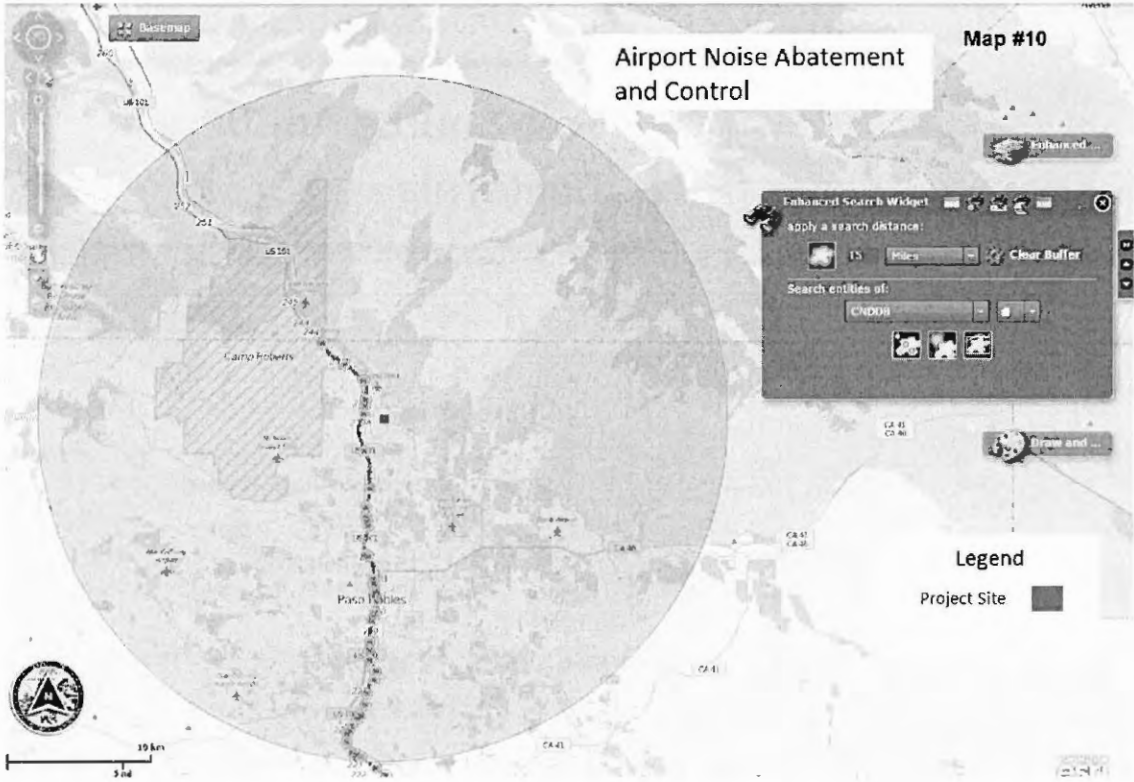
Map #9 – Noise Abatement and Control (Major Highways)



Map #10– Noise Abatement and Control (Major Railroads)



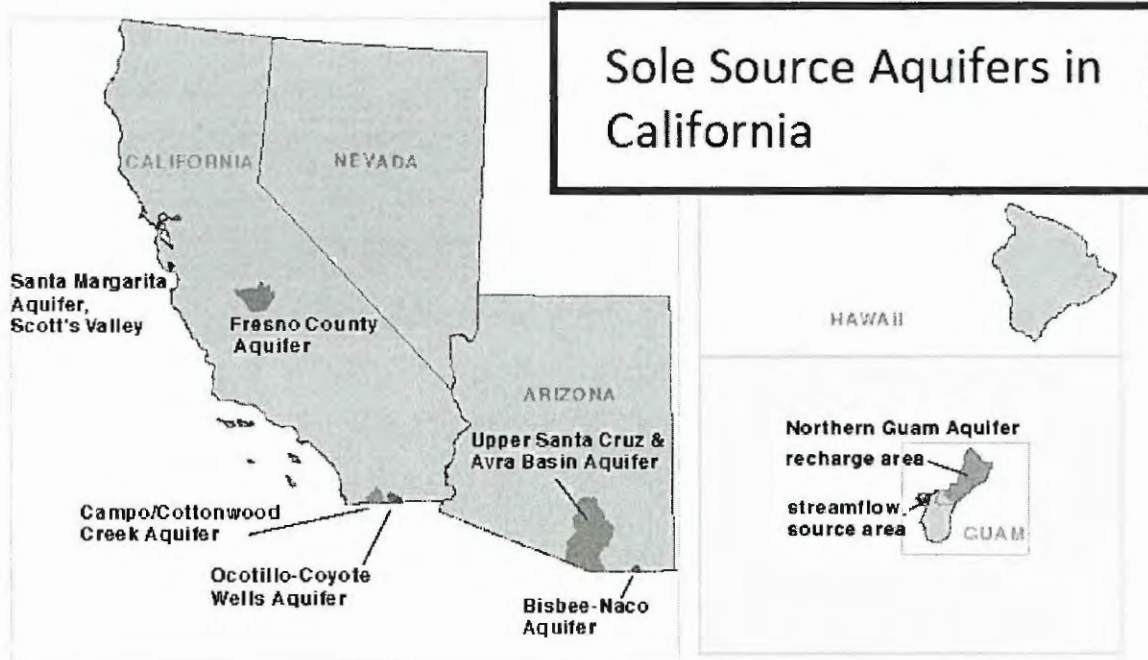
Map #11 – Noise Abatement and Control (Military Airport)



Map #12 – Sole Source Aquifers

Click here for a link to the free Adobe Reader

In Region 9, nine sole source aquifers have been designated:



Maps

Click here for a national layer including all available coverage for Sole Source Aquifers (SSA) that can be used in Geographic Information Systems (GIS)

State	Sole Source Aquifer Name	Federal Reg. Cit	Publ. Date	Map
AZ	Upper Santa Cruz & Avra Basin Aquifer	49 FR 2948	01/24/84	KMZ PDF (1 pg, 1.3M)
AZ	Bisbee-Naco Aquifer	53 FR 38337	09/30/88	KMZ PDF (1 pg, 175K)
CA	Fresno County Aquifer	44 FR 52751	09/10/79	KMZ PDF (1 pg, 1.3M)
CA	Santa Margarita Aquifer, Scotts Valley	50 FR 2023	01/14/85	KMZ PDF (1 pg, 434K)
CA	Campo/Cottonwood Creek	58 FR 31024	05/28/93	KMZ PDF (1 pg, 321K)
CA	Ocotillo-Coyote Wells Aquifer	61 FR 47752	09/10/96	KMZ PDF (1 pg, 337K)

Map #11

Map #13 – Wetland Protection



Map #14 – Wild and Scenic Rivers

NATIONAL WILD AND SCENIC RIVERS SYSTEM

HOME

NATIONAL SYSTEM

MANAGEMENT

RESOURCES

PUBLICATIONS

CONTACT US

KID'S SITE

Map #13

Continental United States
Alaska



1602 Spring Street, Paso Robles, CA 93446
(805) 237-9626 • Fax (805) 237-9181 • www.althouseandmeade.com

December 9, 2016
Project 945.02

San Miguel Community Services District
Kelly Dodds, Utility Supervisor/Assistant Fire Chief
1150 Mission Street
San Miguel, CA 93451

Re: Biological Letter Report for SLT Blending Line, Martinez Dr., San Miguel

Dear Mr. Dodds:

This letter report provides the results of a biological survey on portions of two parcels (APN 027-251-029 and 027-251-017) on Martinez Drive in San Miguel, San Luis Obispo County, California (Figure 1, attached). The survey was focused on identifying potential habitat for federally listed plants and wildlife. The Study Area is defined as approximately 1.93 acres of land within the two parcels that will encompass the proposed project activities (Figure 2, attached).

The proposed project is to install an eight inch dedicated water line from an existing well site to an existing tank site approximately 600 feet to the northeast. This new dedicated water line would be installed adjacent to an existing six inch water line already feeding the tank and would empty into the top of the existing tank.

Methods

The Study Area was surveyed for biological resources on August 5 and November 3, 2016 by Althouse and Meade, Inc. biologists Lisa Gadsby and Monica Brick. Biological surveys were conducted on foot in order to compile species lists, to search for special status plants and animals, to map habitats, and to photograph the Study Area. The entire 1.93-acre Study Area was surveyed. Because these surveys were conducted outside the typical bloom period for most plants, this survey does not constitute a protocol level botanical survey. Instead, we provide an analysis of potential habitat for federally listed plants in the Study Area. Protocol level surveys for federally listed wildlife were not conducted as part of this assessment.

We conducted a search of the California Natural Diversity Database (CNDDDB; November 3, 2016 data) and the California Native Plant Society (CNPS) On-line Inventory of Rare and Endangered Plants of California for federally listed species known to occur in the following 9 USGS 7.5-minute quadrangles including and surrounding the Study Area: Bradley, San Miguel, Ranchito Canyon, Adelaida, Paso Robles, Estrella, York mountain, Templeton, and Creston. Figure 3, attached, shows the locations of federally listed species reported in the vicinity of the Study Area.

Existing Conditions

The Study Area is defined as a linear corridor connecting an existing well on a private parcel on Martinez Drive and encompasses an existing water tank approximately 600 feet to the northeast (Photos 1 and 2). A buried six inch water line that connects the well and water tank lies within the Study Area. The majority of the water line is on a southwest-facing hill on private property east of Martinez Drive. Habitat is annual grassland consisting of introduced grasses and some weedy forbs (Photo 3; Figure 4). The land has been planted for hay in the past, is routinely plowed and has recently been grazed by horses. A small stand of planted eucalyptus trees is located north of the well, east of the existing water line (Photo 4). A few native plants found near the water tank include coyote brush and wild heliotrope, both of which are species that recruit after disturbance. The tank and well are surrounded by gravel and the well is enclosed by chain-link fence.

Potential Special Status Species

The CNDDDB and CNPS On-line Inventory of Rare and Endangered Plants of California contain one federally listed plant and 4 federally listed animals reported to occur in the vicinity of the Study Area (refer to Tables 1 and 2, and Figure 3 attached).

Four federally listed animals are reported from the San Miguel area. Suitable habitat is not present in the Study Area for vernal pool fairy shrimp, California red-legged frog, or least Bell's vireo. The Study Area is moderately suitable habitat for San Joaquin kit fox. No federally listed wildlife was observed on the site during our site surveys in 2016.

Vernal Pool Fairy Shrimp (*Branchinecta lynchi*) is a small freshwater crustacean that is federally listed as threatened. The species is endemic to California and southern Oregon and has an ephemeral life cycle, existing only in vernal pools or vernal pool-like habitats. The vernal pool fairy shrimp occurs only in cool-water pools. Individuals hatch from cysts during cold-weather winter storms; they require water temperatures of 50 °F or lower to hatch. The time to maturity and reproduction is temperature dependent, varying between 18 days and 147 days, with a mean of 39.7 days and immature and adult shrimp are known to die off when water temperatures rise to approximately 75 °F. The species is typically associated with smaller and shallower vernal pools (typically about 6 inches deep) that have relatively short periods of inundation and relatively low to moderate total dissolved solids and alkalinity.

California Red-Legged Frog (*Rana draytonii*) is a federally listed threatened species known from sporadic occurrences documented throughout San Luis Obispo County. It generally requires seasonal pools or streams that hold water until late summer for successful breeding. Bullfrogs and introduced fish are detrimental to its breeding success, and have severely reduced many populations in larger watercourses and perennial ponds. Suitable aquatic habitat for California red-legged frog does not occur in the Study Area.

Least Bell's Vireo (*Vireo bellii pusillus*) is listed as endangered under both the California and federal Endangered Species Acts. This vireo nests in low riparian vegetation from Central to Southern California, preferring to place its nest on low branches of willows (*Salix* spp.), mule fat (*Baccharis salicifolia*), and mesquite bushes (*Prosopis* spp.) that extend into pathways. Nesting least Bell's vireos were found in the

Salinas River in the Bradley quadrangle of Monterey County in 1983 (CNDDDB #120). This occurrence is approximately twenty miles downstream (north) from the Study Area. Suitable nesting habitat for least Bell's vireo does not occur in the Study Area.

San Joaquin Kit Fox (*Vulpes macrotis mutica*) is a federally listed endangered species and a state listed threatened species. They occur in the Carrizo Plain, Bitterwater Valley, Cholame Valley and historically at Camp Roberts, with transient individuals known to move between the populations. The last sighting in Camp Roberts was in 2007, approximately 7 miles northwest, and that population is presumed to be locally extinct. There are no recent reports of kit fox from the San Miguel area. Grassland habitat on the site is moderately suitable for San Joaquin kit fox. No dens or other sign of kit fox were observed in the Study Area during our site surveys.

Steelhead - South/Central California Coast ESU (*Oncorhynchus mykiss irideus*) is a federally listed threatened species in this area of California. Steelhead critical habitat includes the Salinas River which flows northward through the San Miguel area. The Study Area does not contain steelhead habitat

One federally listed plant, Santa Lucia purple amole, is known from the San Miguel area. Suitable habitat is not present in the Study Area for Santa Lucia purple amole. The level of disturbance from plowing and grazing has left any potential grassland habitat unsuitable for this species to occur.

Santa Lucia Purple Amole (*Chlorogalum purpureum* var. *purpureum*) is a federally listed threatened species endemic to Monterey and San Luis Obispo Counties. It occurs in grassy areas within blue oak woodland habitat, usually in heavy clay soils. The closest reported occurrence is on Camp Roberts, approximately 7 miles northwest of the Study Area. Santa Lucia purple amole was not observed during the surveys and is very unlikely to occur due to the level of disturbance and lack of suitable habitat within the Study Area.

Biological Survey Results

The Study Area consists of disturbed and developed lands (Figure 4, attached). Open areas are mapped as California annual grassland habitat (1.55 acres). The developed areas include the well site and water tank site and surrounding permanently disturbed areas (0.29 acres). A small patch of eucalyptus trees occupies approximately 0.09 acres of the Study Area. The grassland habitat is vegetated with introduced annual grasses typical of disturbed or grazed lands, with the dominant species consisting primarily of oats (*Avena* ssp.) and bromes (*Bromus* ssp.). Some portions of the grassland habitat are part of an annual tilling program for fire breaks, and may be planted to dry-farmed grain in good rainfall years. The grassland habitat is considered potential habitat for San Joaquin kit fox, however occurrence of this species on the site would be very unlikely. San Joaquin kit fox have not been documented in San Miguel area for nine years. The presence of vernal pool fairy shrimp and California red-legged frog is highly unlikely, due to the lack of potential habitat observed for both species in the Study Area. No sign of vernal or ephemeral pool-like habitats, required to sustain vernal pool fairy shrimp, were observed. Similarly, seasonal pools, streams, or perennial ponds necessary to support California red-legged frog are not present. The existing water tank showed no sign of leakage or potential for a man-made source of water accumulation. These observations were the result of surveys conducted during both the dry and wet season. In addition, the potential for least Bell's vireo to occur in the

Study Area is also highly unlikely due to the lack of riparian vegetation (the obligate nesting habitat for this species). Common wildlife such as red and grey fox, coyote, mule deer, skunk, and gopher snake are expected to occur in the area and could utilize habitat in the Study Area, including developed areas.

The disturbed condition of the Study Area precludes potential for federally listed plant occurrence.

Discussion

Installation of the eight inch water line will have a temporary impact on the Study Area. An approximately two-foot wide trench will be excavated, the pipe will be placed, and then the trench will be backfilled, covering the pipe. The temporary impact to low quality annual grassland habitat is expected to be approximately 0.23 acres. No sensitive species are anticipated to occur in the project footprint. Standard mitigation recommendations for San Joaquin kit fox are attached. No other mitigation measures are recommended for this project.

Thank you for allowing us to be of assistance. If you have any questions or concerns, please call our office at (805) 237-9626.

Sincerely,



Jason Dart
Senior Biologist

Attachments:

- References
- Photographs
- Figures
- San Joaquin Kit Fox Standard Mitigation Recommendations
- San Joaquin Kit Fox Habitat Evaluation

References

- Baldwin, B. G., D. H. Goldman, D. J. Keil, R. Patterson, T. J. Rosatti, and D. H. Wilken, editors. 2012. *The Jepson manual: vascular plants of California*, second edition. University of California Press, Berkeley.
- California Department of Fish and Game (CDFG). 2000. *Guidelines for Assessing the Effects of Proposed Projects on Rare, Threatened, and Endangered Plants and Natural Communities*. Revised May 8, 2000.
- California Department of Fish and Game (CDFG). 2009. *Protocols for Surveying and Evaluating Impacts to Special Status Native Plant Populations and Natural Communities*. November 24.
- California Department of Fish and Wildlife, Natural Diversity Database (CDNNB). 2016. *Special Animals List*. Periodic publication. 51 pp. April.
- California Department of Fish and Wildlife (CDFW), California Natural Diversity Database. 2016. *Special Vascular Plants, Bryophytes, and Lichens List*. Quarterly Publication. 126 pp. April.
- California Native Plant Society (CNPS). 2015. *Inventory of Rare and Endangered Plants* (online edition, v8-02). California Native Plant Society. Sacramento, CA. Accessed on 11/3/2016.
- Sawyer, John O., Todd Keeler-Wolf, and Julie M. Evens. 2009. *A Manual of California Vegetation, Second Edition*. California Native Plant Society, Sacramento, California.

Photographs



Photo 1. Existing well, view southeast. 8/5/2016.

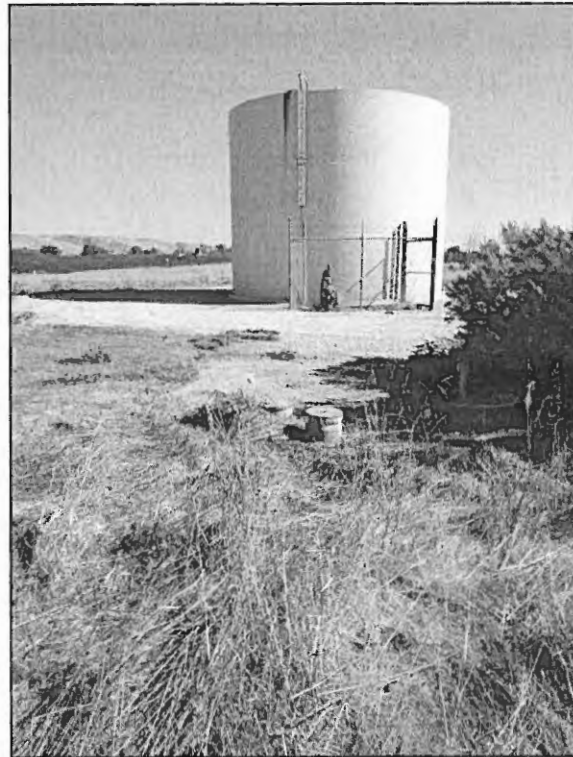


Photo 2. Existing water tank, view east. 11/3/2016.

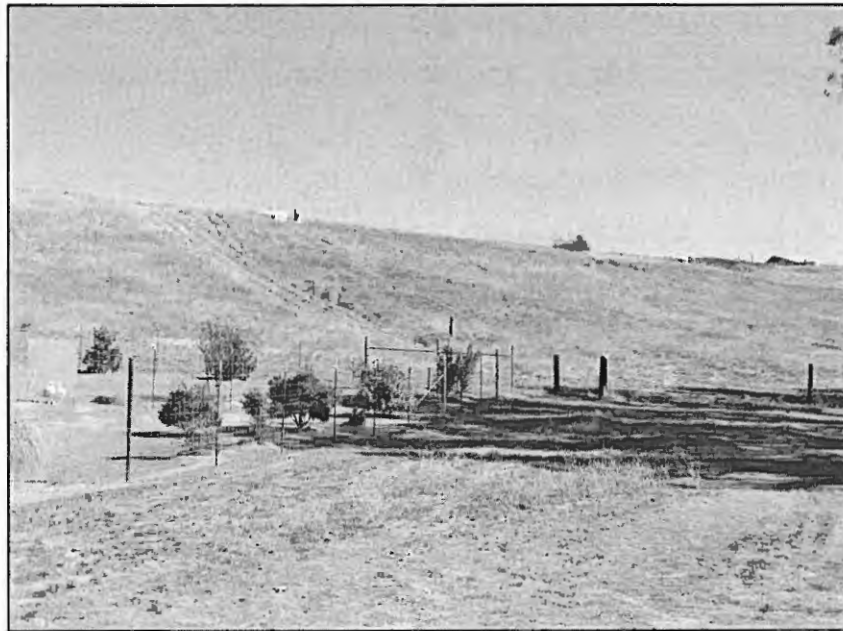


Photo 3. Location of existing water line, view east. 11/3/2016.



Photo 4. Water line route, view southwest. 11/3/2016.

Figures

- Figure 1. USGS Topographic Map
- Figure 2. Aerial Photograph
- Figure 3. CNDDDB and USFWS Critical Habitat (Animals and Plants)
- Figure 4. Biological Resource Map

Figure 1

Figure 2

Figure 3

Figure 4

San Joaquin Kit Fox Standard Recommendations

San Joaquin kit fox could occur in the project area. The project would result in a net loss of kit fox habitat. Construction activities could directly impact (take) San Joaquin kit fox. A San Joaquin kit fox habitat evaluation (see next attachment) for the project produced a score of 54 that translates to a 1 to 1 mitigation, that is one acre required for mitigation for every acre removed as habitat. The following mitigation recommendations are designed to reduce the potential for direct impacts to kit fox to a less than significant level.

BR-1. Prior to issuance of grading and/or construction permits, the applicant shall submit evidence to the City of Paso Robles (City) that states that **one** or a combination of the following three San Joaquin kit fox mitigation measures has been implemented:

- a. Provide for the protection in perpetuity, through acquisition of fee or a conservation easement of **0.23** acres of suitable habitat in the kit fox corridor area (e.g. within the San Luis Obispo County kit fox habitat area, northwest of Highway 58), either on-site or off-site, and provide for a non-wasting endowment to provide for management and monitoring of the property in perpetuity. Lands to be conserved shall be subject to the review and approval of the California Department of Fish and Game (Department) and the City.

This mitigation alternative (a.) requires that all aspects of this program must be in place before City permit issuance or initiation of any ground disturbing activities.

- b. Deposit funds into an approved in-lieu fee program, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area within San Luis Obispo County, and provide for a non-wasting endowment for management and monitoring of the property in perpetuity.

Mitigation alternative (b) above can be completed by providing funds to The Nature Conservancy (TNC) pursuant to the Voluntary Fee-Based Compensatory Mitigation Program (Program). The Program was established in agreement between the Department and TNC to preserve San Joaquin kit fox habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The fee, payable to “The Nature Conservancy”, would total **\$575**. This fee is calculated based on the current cost-per-unit of \$2,500 per acre of mitigation, which is scheduled to be adjusted to address the increasing cost of property in San Luis Obispo County; your actual cost may increase depending on the timing of payment. This fee must be paid after the Department provides written notification about your mitigation options but prior to City permit issuance and initiation of any ground disturbing activities.

- c. Purchase **0.23** credits in a Department-approved conservation bank, which would provide for the protection in perpetuity of suitable habitat within the kit fox corridor area and provide for a non-wasting endowment for management and monitoring of the property in perpetuity.

Mitigation alternative (c) above, can be completed by purchasing credits from the Palo Prieto Conservation Bank. The Palo Prieto Conservation Bank was established to preserve San Joaquin kit fox habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the California Environmental Quality Act (CEQA). The cost for purchasing credits is payable to the owners of The Palo Prieto Conservation Bank, and would total **\$575**. This fee is calculated based on the current cost-per-credit of \$2,500 per acre of mitigation. The fee is established by the conservation bank owner and may change at any time. Your actual cost may increase depending on the timing of payment. Purchase of credits must be completed prior to City permit issuance and initiation of any ground disturbing activities.

BR-2. Prior to issuance of grading and/or construction permits, the applicant shall provide evidence that they have retained a qualified biologist acceptable to the City. The retained biologist shall perform the following monitoring activities:

- i. **Prior to issuance of grading and/or construction permits and within 30 days prior to initiation of site disturbance and/or construction**, the biologist shall conduct a pre-activity (i.e. pre-construction) survey for known or potential kit fox dens and submit a letter to the City reporting the date the survey was conducted, the survey protocol, survey results, and what measures were necessary (and completed), as applicable, to address any kit fox activity within the project limits.
- ii. **The qualified biologist shall conduct weekly site visits during site-disturbance activities** (i.e. grading, disking, excavation, stock piling of dirt or gravel, etc.) that proceed longer than 14 days, for the purpose of monitoring compliance with required Mitigation Measures BR-2 through BR-11. Site disturbance activities lasting up to 14 days do not require weekly monitoring by the biologist unless observations of kit fox or their dens are made on-site or the qualified biologist recommends monitoring for some other reason (refer to BR-2iii). When weekly monitoring is required, the biologist shall submit weekly monitoring reports to the City.
- iii. **Prior to or during project activities**, if any observations are made of San Joaquin Kit fox, or any known or potential San Joaquin kit fox dens are discovered within the project limits, the qualified biologist shall re-assess the probability of incidental take (e.g. harm or death) to kit fox. At the time a den is discovered, the qualified biologist shall contact USFWS and the CDFW for guidance on possible additional kit fox protection measures to implement and whether or not a Federal and/or State incidental take permit is needed. If a potential den is encountered during construction, work shall stop until such time the USFWS determines it is appropriate to resume work.

If incidental take of kit fox during project activities is possible, **before project activities commence**, the applicant must consult with the USFWS. The results of this consultation may require the applicant to obtain a Federal and/or State permit for incidental take during project activities. The applicant should be aware that the presence of kit foxes or known or potential kit fox dens at the project site could result in further delays of project activities.

iv. **In addition**, the qualified biologist shall implement the following measures:

1. **Within 30 days prior to initiation of site disturbance and/or construction**, fenced exclusion zones shall be established around all known and potential kit fox dens. Exclusion zone fencing shall consist of either large flagged stakes connected by rope or cord, or survey laths or wooden stakes prominently flagged with survey ribbon. Each exclusion zone shall be roughly circular in configuration with a radius of the following distance measured outward from the den or burrow entrances:
 - Potential kit fox den: 50 feet
 - Known or active kit fox den: 100 feet
 - Kit fox pupping den: 150 feet
2. All foot and vehicle traffic, as well as all construction activities, including storage of supplies and equipment, shall remain outside of exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, and then shall be removed.
3. If kit foxes or known or potential kit fox dens are found on site, daily monitoring by a qualified biologist shall be required during ground disturbing activities.

BR-3. Prior to issuance of grading and/or construction permits, the applicant shall clearly delineate the following as a note on the project plans: *“Speed signs of 25 mph (or lower) shall be posted for all construction traffic to minimize the probability of road mortality of the San Joaquin kit fox”*. Speed limit signs shall be installed on the project site **within 30 days prior to initiation of site disturbance and/or construction**.

BR-4. During the site disturbance and/or construction phase, grading and construction activities after dusk shall be prohibited unless coordinated through the City, during which additional kit fox mitigation measures may be required.

BR-5. Prior to issuance of grading and/or construction permit and within 30 days prior to initiation of site disturbance and/or construction, all personnel associated with the project shall attend a worker education training program, conducted by a qualified biologist, to avoid or reduce impacts on sensitive biological resources (i.e. San Joaquin kit fox). At a minimum, as the program relates to the kit fox, the training shall include the kit fox’s life history, all mitigation measures specified by the City, as well as any related biological report(s) prepared for the project. The applicant shall notify the City shortly prior to this meeting. A kit fox fact sheet shall also be developed prior to the training program, and distributed at the training program to all contractors, employers and other personnel involved with the construction of the project.

BR-6. During the site-disturbance and/or construction phase, to prevent entrapment of the San Joaquin kit fox, all excavations, steep-walled holes and trenches in excess of two feet in depth shall be covered at the close of each working day by plywood or similar materials, or provided with one or more escape ramps constructed of earth fill or

wooden planks. Trenches shall also be inspected for entrapped kit fox each morning prior to onset of field activities and immediately prior to covering with plywood at the end of each working day. Before such holes or trenches are filled, they shall be thoroughly inspected for entrapped kit fox. Any kit fox so discovered shall be allowed to escape before field activities resume, or removed from the trench or hole by a qualified biologist and allowed to escape unimpeded.

- BR-7. During the site-disturbance and/or construction phase,** any pipes, culverts, or similar structures with a diameter of four inches or greater, stored overnight at the project site shall be thoroughly inspected for trapped San Joaquin kit foxes before the subject pipe is subsequently buried, capped, or otherwise used or moved in any way. If during the construction phase a kit fox is discovered inside a pipe, that section of pipe will not be moved. If necessary, the pipe may be moved only once to remove it from the path of activity, until the kit fox has escaped.
- BR-8. During the site-disturbance and/or construction phase,** all food-related trash items such as wrappers, cans, bottles, and food scraps shall be disposed of only in closed containers. These containers shall be regularly removed from the site. Food items may attract San Joaquin kit foxes onto the project site, consequently exposing such animals to increased risk of injury or mortality. No deliberate feeding of wildlife shall be allowed.
- BR-9. Prior to, during and after the site-disturbance and/or construction phase,** use of pesticides or herbicides shall be in compliance with all local, State and Federal regulations. This is necessary to minimize the probability of primary or secondary poisoning of endangered species utilizing adjacent habitats, and the depletion of prey upon which San Joaquin kit foxes depend.
- BR-10. During the site-disturbance and/or construction phase,** any contractor or employee that inadvertently kills or injures a San Joaquin kit fox or who finds any such animal either dead, injured, or entrapped shall be required to report the incident immediately to the applicant and City. In the event that any observations are made of injured or dead kit fox, the applicant shall immediately notify the USFWS and CDFW by telephone. In addition, formal notification shall be provided in writing within three working days of the finding of any such animal(s). Notification shall include the date, time, location and circumstances of the incident. Any threatened or endangered species found dead or injured shall be turned over immediately to CDFW for care, analysis, or disposition.
- BR-11. Prior to final inspection, or occupancy, whichever comes first,** should any long internal or perimeter fencing be proposed or installed, the applicant shall do the following to provide for kit fox passage:
- i. If a wire strand/pole design is used, the lowest strand shall be no closer to the ground than 12 inches.
 - ii. If a more solid wire mesh fence is used, 8 by 12 inch openings near the ground shall be provided every 100 yards.

- iii. Upon fence installation, the applicant shall notify the City to verify proper installation. Any fencing constructed after issuance of a final permit shall follow the above guidelines.

San Joaquin Kit Fox Habitat Evaluation



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Ventura Fish and Wildlife Office
2493 Portola Road, Suite B
Ventura, California 93003



IN REPLY REFER TO:
08EVEN00-2017-I-0134

January 3, 2017

Suzan Ehdaie, County Planner
Department of Planning and Building
976 Osos Street, Room 200
San Luis Obispo, California 93408

Subject: San Lawrence Terrace Well Blending Pipeline, San Miguel, California

Dear Ms. Ehdaie:

This correspondence responds to your request, dated December 20, 2016, received in our office via electronic mail the same day, for our concurrence with your determination that actions associated with construction of the subject project may affect, but are not likely to adversely affect, the federally listed endangered San Joaquin kit fox (*Vulpes macrotis mutica*). Included in your request was a report entitled "Biological Letter Report for SLT Blending Line, Martinez Dr., San Miguel" (hereafter, the biological report; Althouse and Meade 2016). In an earlier correspondence, you indicated that the U.S. Department of Housing and Urban Development (HUD) has designated the County of San Luis Obispo (County) as their non-Federal agent for purposes of this informal consultation.

Section 7(a)(2) of the Endangered Species Act of 1973, as amended (16 U.S.C. §1538; Act) requires Federal agencies to ensure that any actions they undertake, fund, or authorize are not likely to jeopardize the continued existence of listed species or adversely modify designated critical habitat. As an initial step in complying with section 7(a)(2), the implementing regulations require the Federal agency to determine whether its action "may affect" listed species or critical habitat (50 Code of Federal Regulations 402.14(a)). If the proposed action may affect listed species or critical habitat, the Endangered Species Act requires that the Federal agency consult with the Service (Service).

The proposed project is part of an existing water distribution system and program to monitor arsenic levels in the San Lawrence Terrace water well located near the eastern portion of Martinez Drive in San Miguel, an unincorporated community of the County. It involves the installation of an 8-inch dedicated water line from an existing well site to an existing tank site located approximately 600 feet to the northeast. The new water line would be installed adjacent to an existing 6-inch water line already feeding the tank and would empty into the top of the existing tank.

The 1.93-acre study area is dominated by nonnative annual grassland comprised of introduced grass and forb species. The area had been planted to hay in the past and is routinely plowed. A few native plant species are present near the water tank and include coyote brush (*Baccharis pilularis*) and wild heliotrope (*Heliotropium curassavicum*). A small stand of eucalyptus trees occurs just north of the well. The tank and well sites are surrounded by gravel and the well is enclosed by a chain-link fence. The majority of the water line would be located on a southwest-facing hill.

The biological report addresses the potential for San Joaquin kit fox, least Bell's vireo (*Vireo bellii pusillus*), California red-legged frog (*Rana draytonii*), vernal pool fairy shrimp (*Branchinecta lynchi*), and/or Santa Lucia purple amole (*Chlorogalum purpureum* var. *purpureum*) or their respective habitats to be present in the project area. All of these species are federally listed and known to occur in this region of northern San Luis Obispo County.

Suitable habitat for least Bell's vireo, California red-legged frog, vernal pool fairy shrimp, and Santa Lucia purple amole is not present within the project area; as such no surveys were conducted. Suitable habitat for San Joaquin kit fox is present; however, species presence of within the project area is considered unlikely as the most recent observation in the San Miguel area was nine years ago and the once healthy population at Camp Roberts has been reduced to the point where some biologists believe it may be extirpated. However, as suitable habitat is present minimization measures BR-2 through BR-11 from the biological report are included, by reference, into the project description.

The project area lies within a County and California Department of Fish and Wildlife (CDFW)-identified mitigation area for San Joaquin kit fox and, as such, compensation for the loss of 0.23 acre of habitat will also be provided at a ratio of 1:1 through implementation of one of the three options provided in BR-1 found in the biological report.

After review of the project description and review of the included minimization measures and compensation, we concur with your determination that the proposed action is not likely to adversely affect the San Joaquin kit fox. As such, further consultation pursuant to section 7 of the Act is not necessary. We recommend that CDFW, as well as the Service, be notified regarding any issues that may arise with San Joaquin kit fox as it is also a state-listed species.

If the proposed action changes in any manner that may adversely affect San Joaquin kit fox or any other federally-listed species, you must contact us immediately to determine whether additional consultation is required. If you have any questions, please contact Julie M. Vanderwier of my staff at (805) 644-1766, extension 222 or julie_vanderwier@fws.gov.

Sincerely,



Glen W. Knowles
Assistant Field Supervisor

cc:

Brandon Sanderson, CDFW
Michael Kovalsky, HUD

Attachment C - SHPO Response Letter

STATE OF CALIFORNIA - THE NATURAL RESOURCES AGENCY

EDMUND G. BROWN, JR., Governor

OFFICE OF HISTORIC PRESERVATION
DEPARTMENT OF PARKS AND RECREATION

1725 23rd Street, Suite 100
SACRAMENTO, CA 95816-7100
(916) 445-7000 Fax: (916) 445-7053
calshpo@parks.ca.gov
www.ohp.parks.ca.gov

RECEIVED

7 2016



March 2, 2016

REPLY TO: HUD_2016_0205_003

Suzan Ehadie
County Planner
County of San Luis Obispo
1055 Monterey Street
San Luis Obispo, California 93408

Dear Ms. Ehadie:

RE: San Lawrence Terrace Well Blending Pipeline of San Miguel

Thank you for forwarding the above referenced undertaking to our office for review and comment pursuant to Section 106 of the National Historic Preservation Act and its implementing regulations found at 36 CFR part 800. The regulations and advisory material can be found at the Advisory Council on Historic Preservation's website at www.achp.gov.

Pursuant to 36 CFR §800.4(d) we do not object to your determination that no historic properties will be affected by the undertaking. However, your agency may have additional section 106 responsibilities under certain circumstances set forth at 36 CFR Part 800. For example, in the event that cultural or historical resources are discovered during implementation of the undertaking your agency is required to consult further pursuant to §800.13(b).

Your consideration of historic properties in the project planning process is appreciated. If you have questions, please contact Shannon Lauchner, State Historian II, at (916) 445-7013 or at Shannon.Lauchner@parks.ca.gov.

Sincerely,

A handwritten signature in cursive script, appearing to read "Julianne Polanco".

Julianne Polanco
State Historic Preservation Officer

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT APPROVING THE
SUBRECIPIENT AGREEMENT FOR 2015 COMMUNITY DEVELOPMENT BLOCK
GRANT FUNDS BETWEEN THE COUNTY OF SAN LUIS OBISPO AND THE SAN
MIGUEL COMMUNITY SERVICES DISTRICT.**

WHEREAS, San Miguel Community Services District (“District”) Board of Directors directed Staff to apply for 2015 Community Development Block Grant (“CDBG”) funding assistance from the County of San Luis Obispo for the construction of approximately 620 LF of new 8” HDPE potable water main, extending from the existing San Lawrence Terrace well site, to the existing 50,000 gallon tank (“Project”); and.

WHEREAS, on July 14, 2015, the San Luis Obispo County Board of Supervisors approved funding in the amount of \$150,000 from the County’s 2015 CDBG Program for the District to implement the Project; and

WHEREAS, an agreement by and between the County of San Luis Obispo and the District, has been prepared which sets forth the terms and conditions of the Subrecipient Agreement for CDBG grant funds, attached hereto as **Exhibit A**; and

WHEREAS, the District Board of Directors wishes to proceed with the solicitation for competitive bids from qualified contractors to construct the Project but desires to have the CDBG funds secured prior to the award of a contract to construct the Project; and

WHEREAS, the District Board of Directors approves the terms and conditions of the Subrecipient Agreement and directs the President of the Board to execute the Subrecipient Agreement.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, approve the Subrecipient Agreement between the County of San Luis Obispo and the San Miguel Community Services District for CDBG grant funds, and authorizing the President of the Board of Directors to execute the agreement.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, Board President

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager

Douglas L. White, District General
Counsel

**SUBRECIPIENT AGREEMENT FOR 2015 CDBG GRANT FUNDS BETWEEN THE
COUNTY OF SAN LUIS OBISPO AND THE SAN MIGUEL COMMUNITY SERVICES
DISTRICT**

THIS AGREEMENT is made and entered into this ____ day of _____, 2017 by and between the County of San Luis Obispo, a political subdivision of the State of California, hereinafter called "Recipient," and the San Miguel Community Services District, a public special district agency, located in the County of San Luis Obispo, hereinafter called "Subrecipient"; jointly referred to as "Parties."

W I T N E S S E T H

WHEREAS, on July 15, 2015, the San Luis Obispo County Board of Supervisors approved the County of San Luis Obispo Program Year 2015 Action Plan of the Consolidated Plan and projected use of funds pursuant to applicable federal regulations (24 CFR Part 570) (hereinafter referred to as the "2015 Action Plan"); and

WHEREAS, on July 14, 2015, the San Luis Obispo County Board of Supervisors approved funding in the amount of \$150,000 from the County's 2015 Community Development Block Grant (hereinafter referred to as "CDBG") Program for the Subrecipient to implement the "San Lawrence Terrace Well Pipeline Project," hereinafter referred to as the "Project;" and

WHEREAS, the Parties' participation in the programs funded by the Housing and Community Development Act of 1974, hereinafter referred to as the "Act," complies with all applicable federal laws, regulations and executive orders; and

WHEREAS, the total funding described herein shall be used for the Project; and

WHEREAS, the agreement shall remain in effect throughout the implementation of projects specified in the Urban County of San Luis Obispo's Program Year 2015 Action Plan of the 2015 Consolidated Plan and any amendments thereto; and

WHEREAS, the Subrecipient is a "Subrecipient" as defined in the Code of Federal Regulations at 24 CFR 570.500(c); and

WHEREAS, the Parties desire to enter into this Agreement to govern the use of the CDBG funds for the Project and for Program Administrative; and

WHEREAS, according to federal regulations 24 CFR 570.503, before disbursing any Community Development Block Grant (CDBG) funds to a subrecipient a written agreement shall be signed by the Recipient and Subrecipient; and

WHEREAS, the agreement shall remain in effect throughout the implementation of projects specified in the Urban County of San Luis Obispo's Program Year 2015 Action Plan of the 2010 Consolidated Plan and any amendments thereto; and

WHEREAS, the Grant Agreement establishes the rights and responsibilities of the U.S. Department of Housing and Urban Development, hereinafter referred to as "HUD," and the County.

NOW THEREFORE, pursuant to the provisions of Title 24, Chapter V, of the Code of Federal Regulations, the Parties agree as follows:

This Agreement sets forth the responsibilities of the Recipient and the Subrecipient in accomplishing the objectives of the CDBG program (CFDA Title #14.218) as set forth in the Act, as amended.

Pursuant to 24 CFR 200, 24 CFR 570.500(c) and 24 CFR 570.501(b), the Recipient may provide CDBG funds to public or private nonprofit agencies, authorities or organizations, or for-profit entities authorized under 570.201(o) (referred to collectively and individually as "sub-recipients") to be used by the sub-recipients to provide certain eligible services in connection with the Recipient's desire to develop viable urban communities, through community development activities, as specified in 24 CFR 570.200 ("CDBG Program"); and

Recipient agrees to fund the services of the Subrecipient, and the Subrecipient agrees to perform the services for Recipient hereinafter described in Exhibit A – Statement of Work, during the term, and otherwise subject to the covenants and conditions hereinafter set forth.

1. Statement of Work

A. Activity Description

The Subrecipient agrees to perform during the term of this Agreement, all tasks, obligations, and services set forth in the Statement of Work attached to this Agreement as Exhibit A and incorporated into this Agreement by this reference. The Subrecipient shall perform the CDBG-eligible activity described in Exhibit A.

The Statement of Work provides information for the Recipient to effectively monitor performance of the Project being completed under this Agreement. The 2015 Action Plan includes a project description and a budget funded wholly, or in part, by CDBG funds. The Subrecipient may request modification of the tasks, schedule or budget in writing to the Recipient. The Recipient shall review each request to modify tasks, schedule or budget on a case-by-case basis and will respond to the Subrecipient within 30 days of the request. The projects listed in the Statement of Work shall be implemented by the Subrecipient. The Statement of Work includes a concise description of the Project (i.e., project location, project scale, and clientele to be served)

as referred to in the 2015 Action Plan, specifically the Appendix entitled “Listing of 2015 Approved Project U.S. Department of Housing & Urban Development Community Planning Development Consolidated Plan.”

B. National Objectives

All activities funded with CDBG funds must meet one of the CDBG programs’ National Objectives: (1) to primarily benefit low- and moderate-income persons; (2) to aid in the prevention or elimination of slums or blight; or (3) to meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

C. Level of Accomplishment – Goals and Performance Measures

The Subrecipient certifies that the activities carried out under this Agreement will meet the CDBG program national objective of primarily benefitting low- and moderate-income persons. The grant is anticipated to serve up to 2,510 (estimated) residents of the unincorporated community of San Miguel, CA. Program effectiveness is measured through an on-going evaluation of the CDBG program. The Subrecipient agrees to provide the levels of program services according to the goals in Exhibit A.

D. Staffing

Any changes in key personnel assigned or their general responsibilities under this project as described in Exhibit A must be reported to the Recipient.

E. Performance Monitoring

The Recipient will monitor the Subrecipient’s performance against goals and performance standards, as stated above. Substandard performance, as determined by the Recipient, will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Recipient, Agreement suspension and/or termination procedures will be initiated by the Recipient.

The Recipient will use the Subrecipient’s performance reports to monitor the delivery of the Program requirements under this Agreement. In addition, the Recipient’s representative may visit the Subrecipient’s offices to inspect the records required by HUD to be maintained to document expenditures funded by this grant. These records include copies of the original source documentation demonstrating that the program clients are eligible to receive HUD-funded services, and that funds were expended to deliver the services described in item 1.A., “Activity Description,” above.

2. Payment for Services

The Recipient shall reimburse the Subrecipient for the services performed by the Subrecipient pursuant to the terms of this Agreement and in accordance with the terms set forth in the "Schedule of Compensation" attached hereto as Exhibit B. The compensation shall be paid at the time and manner set forth in Exhibit B. Further, the "Schedule of Compensation" shall be based on the Approved Line Item Budget as set forth in Exhibit B. The Reimbursement Amount shall constitute reimbursement only for allowable costs incurred as a result of the Project Services/Program Expenses. The Parties understand and agree that such reimbursement, if any, shall be conditioned upon the Recipient's receipt of CDBG Program funds from the federal government or accumulation of CDBG Program Income, as set forth in Section 15 and as a result of this Agreement, and shall not be a charge on any other funds of the Recipient.

All requests for reimbursement shall be submitted as per Section 9 for costs incurred under this Agreement, along with one (1) set of copies of original source documentation supporting the expenditures by the Subrecipient for the projects identified in Exhibit A – Statement of Work, which shall be submitted to the Recipient in such form acceptable to the Recipient in its sole and absolute discretion. Such documentation shall be submitted prior to any payment, in whole or in part, by the Recipient of the Reimbursement Amount.

3. Availability of Funds/Modifications

The Recipient's provision of funding to the Subrecipient pursuant to this Agreement is contingent on the availability of CDBG funds and continued federal authorization for CDBG program activities, and is subject to amendment or termination due to lack of funds or authorization. This Agreement is subject to written modification and termination as necessary by Recipient in accordance with requirements contained in any future Federal legislation, regulations or Recipient policy. All other modifications must be in written form and approved by both Parties.

4. Obligation of Funds

The Subrecipient shall not obligate any funds, incur any costs, or initiate identified project(s), which are the subject of the Agreement, until all environmental review has been completed and certified by Recipient's Department of Planning and Building and Recipient has issued a written "Authorization to Obligate Funds and Incur Costs."

5. Term of Agreement

The term of this Agreement shall commence on October 13, 2015 and terminate March 1, 2018, unless said work is completed prior to the date or unless sooner terminated as herein provided. Prior to the end of this Agreement, the Director of the Department of Planning and Building may extend the term 60 days upon receiving and approving in writing, a written request from the Subrecipient prior to the termination of this Agreement. The written request must include an explanation for the extension and remediation plan to resume the program activity(ies).

6. Time for Performance

The Subrecipient shall not perform any work under this Agreement until Recipient gives the Subrecipient a written approval (which shall serve as an Authorization to obligate funds and incur costs). All services required of the Subrecipient under this Agreement shall be completed on or before the end of the term of the Agreement.

7. Designated Representative

A. The Recipient’s representative is as follows:

Name and Title:	Tony Navarro, Planner III
Address:	County of San Luis Obispo Department of Planning and Building 976 Osos Street, Rm. 300 San Luis Obispo, CA 93408
E-mail Address:	tnavarro@co.slo.ca.us
Telephone No.:	(805) 781-5787
Fax No.:	(805) 781-5624

B. The Subrecipient’s representative who shall be responsible for job performance, negotiations, contractual matters, and coordination with the Recipient Representative is as follows:

Name and Title:	Rob Roberson, Interim General Manager
Address:	San Miguel Community Services District P.O. Box 180 1150 Mission Street San Miguel, CA 93451
E-mail Address:	rob.roberson@sanmiguelcsd.org
Telephone No.:	(805) 467-3388

8. Timely Completion and Expenditure

Timely completion of the Project is the highest priority of this Agreement. To ensure timely completion and expenditures, the Subrecipient will demonstrate reasonable progress in the implementation of the Project by completing and expending allocated CDBG Project funds by March 1, 2018.

Failure to meet established performance goals and standards and/or non-compliance with applicable rules and regulations shall constitute non-compliance with the terms of this Agreement.

The Agreement requires the Subrecipient to develop and submit a remediation plan to the Recipient for its review and approval. The purpose of the remediation plan is to outline a detailed course of action to complete the project and drawdown funds in compliance with applicable regulations.

Failure to comply with this Agreement and remediation plan will trigger administrative requirements in accordance with 2 CFR Part 200.338 and 2 CFR Part 200.305(b) (6).

9. Compensation and Method of Payment

For such performance of the Project description, County shall reimburse the Subrecipient an amount not to exceed \$150,000 ("Reimbursement Amount"), which shall constitute full and complete compensation hereunder for the Project. The Reimbursement Amount will only be paid if reimbursable from the federal government under the Act for the amount indicated above, or from CDBG program income, as described in 24 CFR 570.500(a), and accumulated as a result of this Agreement. The Reimbursement Amount shall constitute reimbursement only for allowable costs incurred as a result of the Project.

The Parties understand and agree that such reimbursement, if any, shall be conditioned upon the County's receipt of CDBG program funds from the federal government or accumulation of CDBG program income, as set forth in Section 15 and as a result of this Agreement, and shall not be a charge on any other funds of the County. The Subrecipient shall use the Payment Request Form (Exhibit "A" of this Agreement) for reimbursement purposes.

All reimbursement requests shall be submitted via the Request for Payment Form supporting the invoice for costs incurred under this Agreement, along with one (1) set of copies of all original source documentation supporting the expenditures by the Subrecipient for the Project, which shall be submitted to the Recipient in such form acceptable to the Recipient in its sole and absolute discretion. Such supporting documentation shall be submitted prior to any payment, in whole or in part, by the Recipient of the Reimbursement Amount.

10. Compliance

The Subrecipient agrees that it undertakes hereby the same obligations to Recipient that Recipient has undertaken to HUD pursuant to Recipient's CDBG application and certifications. The obligations undertaken by the Subrecipient include, but are not limited to, the obligation to comply with all federal laws and regulations described in Subpart K of 24 CFR Part 570 and specifically with each of the following:

A. The Act (Public Law 93-383) as amended, and legislative changes contained in the Housing and Urban-Rural Recovery Act of 1983; and the Housing and Community Development Act of 1987;

B. Final regulations of the Department of Housing and Urban Development relating to Community Development Block Grants (Title 24, Chapter V, Part 570 of the Code of Federal Regulations commencing with Section 570.1) dated September 6, 1988; and revisions to 24 CFR Part 570 at Subpart J entitled "Grant Administration" and dated March 11, 1988;

C. Regulations of the U.S. Department of Housing and Urban Development relating to environmental review procedures for the Community Block Grant program (Title 24, Subtitle A, Part 58 of the Code of Federal Regulations, commencing at Section 58.1) except that the Subrecipient does not assume Recipient's environmental responsibilities as described in 24 CFR Part 570.604;

D. Title VI of the Civil Rights Act of 1964 (Public Law 88-352) as amended; Title VIII of the Civil Rights Act of 1968 (Public Law 90-284) (affirmatively furthering fair housing) as amended; Section 104(b) and Section 109 of title I of the Act as amended; Section 3 of the Housing and Urban Development Act of 1968 (employment priorities for new hires); Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11246 as amended by Executive Orders 11375 and 12086; Executive Order 11063 as amended by Executive Order 12259; and HUD regulations heretofore issued or to be issued to implement these authorities relating to civil rights and 24 CFR 570.904(d) and 2 CFR Part 200.321:

1. Contracting with Small and Women and Minority Owned Businesses (W/MBE). The Subrecipient will take all necessary affirmative steps to assure that minority owned and/or women owned businesses are used when possible. Such firms and businesses have 50% or more ownership by an ethnic minority person(s) and/or by woman/women. All construction projects receiving HUD funds and all contractors and subcontractors who receive \$10,000 or more in HUD funds shall fulfill these hiring requirements. Affirmative steps shall include the following:

- (a) Placing small businesses and minority owned and/or women owned businesses on solicitation lists;
- (b) Assuring that qualified small businesses and minority owned and/or women owned businesses are solicited whenever they are potential sources;
- (c) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small businesses and minority owned and/or women owned businesses;
- (d) Establishing delivery schedules, where the requirement permits, which encourage participation by small businesses and minority owned and/or women owned businesses;
- (e) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
- (f) Requiring subcontractors to take the five affirmative steps listed above.

2. Land Covenants. This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the County and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

E. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and regulations adopted to implement the Act in the Code of Federal Regulations, Title 24, Part 42;

F. Equal Employment Opportunity and (EEO/AA); The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer;

G. 2 CFR Part 200 entitled "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards";

H. The following laws and regulations relating to preservation of historic places: Public Law 89-665 the Archaeological and Historical Preservation Act of 1974 (Public Law 93-291), and Executive Order 11593 including the procedures prescribed by Advisory Council on Historic Preservations in 36 Code of Federal Regulations, Part 800;

I. The Labor Standards Regulations set forth in Section 570.603 of 24 CFR Part 570; and HUD Handbook 1344.1.

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276, 327-333) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wages requirements of this part. Such documentation shall be made available to the Recipient for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation of residential property designed for residential use for less than eight (8) households, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair of any building or work financed in whole or in part with assistance provided

under this Agreement, shall comply with federal requirements adopted by the County pertaining to such contract, and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR, Parts 3, 1, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph, for such contracts in excess of \$10,000.00.

J. The Architectural Barriers Act of 1968 (42 U.S.C. Section 4151 and the Americans with Disabilities Act of 1990 (ADA));

K. The Hatch Act relating to the conduct of political activities (Chapter 15 of Title 5, U.S.C.);

L. The Flood Disaster Protection Act of 1973 (Public Law 93-234 and the regulations adopted pursuant thereto) Section 202(a) and the regulations in 44 CFR parts 59 through 79;

M. The Clean Air Act (42 U.S.C. Chapter 85) and the Federal Water Pollution Control Act, as amended (33 U.S.C. Section 1251 et seq.) and the regulations adopted pursuant thereto;

N. Executive Order 12372, which requires State Clearinghouse review and comment of any CDBG project for the planning, construction, reconstruction, and/or installation of water or sewer facilities;

O. Section 401(b) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831 (b)); and

P. Provision of 24 CFR Part 570.609, and 24 CFR 5.105(c) for procurement activities regarding use of debarred, suspended, or ineligible contractors or subcontractors and 24 CFR Part 24 for non-procurement activities, regarding use of debarred, suspended, or ineligible contractors or subcontractors.

Contractors excluded, disqualified or otherwise ineligible (e.g., suspension, debarment, or limited denial of participation) for Federal procurement and non-procurement programs per 24 CFR 570.609 shall not be considered for contract award. This applies to any CDBG-assisted contracts for the procurement of goods and services, professional services, public services, and construction activities (prime and sub-prime contractors).

The Subrecipient shall work with the Recipient to verify eligibility for all contractors subject to procurement requirements prior to contract award by the

Subrecipient. The Subrecipient shall not use a self-certification letter or form signed by the contractor as a substitute for evidence of their eligibility.

To verify and document a contractor's eligibility the Recipient shall check the General Services Administration System for Award Management site (<http://www.sam.gov/portal/SAM###1>) to assure the contractor's eligibility and shall submit the verification to the Subrecipient **prior** to the notification and award of the contract. The Recipient and the Subrecipient shall retain a copy of the verification(s) for their file to verify for each consultant/contractor.

The Subrecipient further agrees to comply with any environmental, procurement, construction, and other guidelines provided by the Recipient. All local code regulations must be recognized and services provided must conform to the said standards.

The Subrecipient also agrees to submit an annual performance and evaluation report no later than 30 days after the completion of the most recent program year showing the status of all activities as of the end of the program year. The purpose of the performance and evaluation report is to assist the Recipient in complying with its reporting obligations under 24 Code of Federal Regulations section 570.507(a) and under 24 Code of Federal Regulations Part 91. The Recipient shall specify the content and format of this report.

In the event that the Subrecipient violates any such regulations, laws and/or executive orders, and such violation(s) result in the Recipient incurring expenses and/or making payments to HUD attributable to some or all of the CDBG funds received by the Subrecipient, then the Subrecipient shall pay to Recipient, on the demand of Recipient, all of the said expenses incurred by Recipient and all of the payments made by Recipient as a result of the Subrecipient's said violation(s).

As required by Section 33, the Subrecipient shall obtain any necessary permits, licenses and certificates that may be necessary for its performance under this Agreement. Failure to meet established performance goals and standards and/or non-compliance with applicable rules and regulations shall constitute non-compliance with the terms of this Agreement. The Recipient is entitled to use one or more of the following remedies for non-compliance, temporarily withhold cash payments pending correction of deficiencies by the Subrecipient; disallow all or part of the cost of the activity or action not in compliance; wholly or partly suspend or terminate the current award for the Subrecipient's program; withhold further awards for the program; and/or take other remedies that may be legally available.

11. Subcontracts

The Subrecipient shall incorporate the same or substantially equivalent requirements as are contained in this Agreement in all subcontracts which utilize any CDBG funds and/or support any CDBG program(s) covered by this Agreement; when program(s) utilize(s) from CDBG funds and other funding sources, all funds shall be

subject to CDBG regulations. The Subrecipient, by entering into any such subcontract for performance of any portion of its CDBG program, is not relieved of its responsibilities to Recipient as set forth in this Agreement.

12. Non-Discrimination/Religious Activities

No person with responsibilities in the operation of any project under this Agreement will discriminate because of race, creed, color, national origin, ancestry, religion, age, sex, political affiliation, sexual orientation, gender identity, disability, beliefs, marital or familial status or status.

The Subrecipient will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

The Subrecipient will ensure that every effort is made to provide equal opportunity to every potential minority and women's business vendor, contractor and subcontractor.

13. Standard of Conduct/Conflict of Interest and Lobbying

No member, officer or employee of the Subrecipient or its designee or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the process thereof, for work to be performed in connection with the program activities assisted under this Agreement.

No member, officer or agent of the Subrecipient shall participate in the selection of the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or

with respect to proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this Section, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Recipient, the Subrecipient, or any designated public agency.

By entering into this Agreement, the Subrecipient certifies:

A. No federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant loan, or cooperative agreement in accordance with the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD'S 24 Code of Federal Regulations (CFR) 87.

B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the Subrecipient shall complete and submit Standard Form LL, “Disclosure Form to Report Lobbying,” in accordance with its instructions, and other federal disclosure forms as requested.

C. The Subrecipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

14. Fiscal Control

The Subrecipient shall be responsible for the internal control and monitoring of fiscal and programmatic/operational goals and procedures. The Subrecipient shall establish such fiscal controls and fund accounting procedures as required by Federal regulations, or as may be deemed necessary by HUD and Recipient to ensure the

proper disbursement of, and accounting for, funds paid to the Subrecipient under the CDBG programs.

Disbursement of Funds: CDBG funds shall generally be disbursed by Recipient to the Subrecipient on a reimbursement for actual expenses basis.

The Recipient agrees to pay the Subrecipient progress payments at the time and in the manner set forth in the Schedule of Compensation, Exhibit B. Payment by the Recipient is not to be construed as final in the event HUD disallows reimbursement for the project or any portion thereof. Source documentation, as specified by the Recipient, supporting the invoice(s) shall be submitted by the Subrecipient with request for payment.

The Subrecipient shall be liable for all amounts which are determined to be due by HUD including, but not limited to, disallowed costs which are the result of the Subrecipient's or its contractor's conduct under this Agreement. The Subrecipient shall be notified in writing and shall be permitted to respond regarding any controversy or proceeding between the Recipient and HUD arising from this Agreement.

All financial transactions must be supported by complete and verifiable source documents. Records shall provide a clear audit trail and shall be maintained as specified in Section 18 of this Agreement.

15. Program Income

Program Income is defined in Subpart J of 24 CFR Part 570.504 and is described as gross income received by the Subrecipient and directly generated from the use of CDBG funds.

Program income includes, but is not limited to, the following:

- A. Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG funds;
- B. Proceeds from the disposition of equipment purchased with CDBG FUNDS;
- C. Gross income from the use or rental of real or personal property acquired by the Subrecipient with CDBG funds, less costs incidental to generation of the income;
- D. Gross income from the use or rental of real property owned by the Subrecipient that was constructed or improved with CDBG funds, less costs of the non-CDBG portion.
- E. Payment of principal and interest on loans made using CDBG funds except as provided in 24 CFR Part 570.500(a)(3);

F. Proceeds from the sale of loans or obligations secured by loans made with CDBG funds;

G. Interest earned on program income pending its disposition; and

H. Funds collected through special assessments made against properties owned and occupied by households not of low or moderate income where the assessments are used to recover all or part of the CDBG programs portion of a public improvement.

During the effective term of this Agreement, the Subrecipient shall report all program income as defined in 24 CFR 570.500(a), generated by activities carried out with CDBG funds under this Agreement. Program Income may be retained by the Subrecipient subject to the provisions of the Cooperative Agreement #1 and Cooperative Agreement #2, the Act, and its regulations. Any program income retained must only be used for eligible activities in accordance with all CDBG requirements.

It shall be the Subrecipient's responsibility to manage and use the program income in compliance with the standards and requirements set forth in section 570.504(a) & (b) (1) through (b)(3). The transfer of CDBG funds from the Recipient to the Subrecipient shall be adjusted to reflect any program income in accordance with the principles set forth in section 570.504(b) (2) (i) and (ii). In addition, all of the provisions of this Agreement shall apply to the management and use of the program income.

Recipient shall monitor the use of any program income, requiring appropriate record keeping and reporting by the Subrecipient as may be needed for this purpose, and shall report the use of such program income to HUD. In the event of close-out as defined in section 570.509 of the federal regulations or change of status of the Subrecipient, (i.e., from Subrecipient to entitlement), all program income on hand or received by the Subrecipient subsequent to the close-out or change of status shall be paid to the Recipient.

Program income attributable to projects funded under this Agreement and on hand with the Subrecipient when Agreement expires, is terminated with or without cause, or received after the Agreement expiration, shall be paid to the Recipient as required by 24 CFR Part 570.503(b)(7) when the Subrecipient ceases to be under continuous Agreement with the Recipient for the operation of CDBG programs. As long as there is no break in the Agreement period, program income shall be governed by the provisions of this Section.

The Project shall continue to meet the CDBG program national objective per 24 CFR 570.208 as required by 24 CFR 570.503(b) (7) (i). If the Project is not used in accordance with 24 CFR 570.503(b) (7) (i) the Subrecipient shall reimburse the Recipient to comply with the requirements of 24 CFR 570.503 (b) (7) (ii).

16. Reversion of Assets

Upon expiration of this Agreement, the Subrecipient shall transfer to the Recipient any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds. Any real property under the Subrecipient's control that was acquired and/or improved in whole or in part with CDBG funds (including CDBG funds provided to the Subrecipient in the form of a loan) in excess of \$25,000 shall be either:

A. Used to meet one of the national objectives in 24 CFR Part 570.208 until five (5) years after expiration of this Agreement, the length of time to be further prescribed by mutual agreement of the Parties and delineated in Section 15, of this Agreement.

B. Disposed of in such manner that the Recipient is reimbursed in the amount of the fair market value of the property at the time of disposition of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition and/or improvement of such property. The payment is Program Income to the recipient.

If the Subrecipient is a private non-profit organization, the Subrecipient further agrees to a voluntary lien on above-reference property as to any CDBG funds received and that such lien will be notarized and recorded in the Office of the County Recorder, will utilized form specified by the Recipient, and will be subject to provisions listed in Section 15 of this Agreement.

17. Procurement/Equipment

Equipment, which shall be defined as tangible, nonexpendable, personal property having a useful life of more than one (1) year and an acquisition cost of \$1,000 or more per unit, is eligible for purchase using CDBG funds only upon prior approval of the Recipient and subject to 24 CFR Part 570.207(b)(1). Such equipment shall be used by the Subrecipient in the project for which it was acquired as long as needed, regardless of whether such project continues to be supported by Federal funds; at the time, equipment may be used in other activities currently or previously supported by a Federal agency. Use of such equipment is also subject to provisions of 2 CFR 200.313(c). The Subrecipient shall also establish procedures for managing equipment, which meet the requirements of 2 CFR 200.313(d)). Further, proceeds from disposition of such equipment shall be treated as program income as specified in Section 15 and 16 of this Agreement.

18. Records and Reports

The Subrecipient agrees to supply to the Recipient, on a quarterly basis, any progress reports and/or other documentation as may be required by the Recipient to audit performance of this Agreement and/or to enable the Recipient to analyze and evaluate Subrecipient's operation of the Project. The Subrecipient shall maintain

separate accounting and financial records for each funding (revenue) source in support of the project(s).

A. Payment Request Form: The Subrecipient shall submit a Payment Request Form (Exhibit "C") and copies of the original supporting documents for payment to the Recipient.

B. Progress Reports: Progress reports shall be made using the Quarterly Report Form (Exhibit D) and shall address project status and, if applicable, explanation of any problems/delays encountered and/or anticipated and measures to be taken to correct such problems; revised milestones including anticipated schedule for project completion; direct benefit statistics; and a summary of expenditures, obligations, program income, and drawdown to date. In addition, the Subrecipient shall provide as part of the progress report any citizen comments received during the reporting period relative to the project(s), and responses to such comments, and additional project information, as needed. The Subrecipient shall submit such report quarterly within thirty (30) days of the close of report period including in the event that no expenditures occurred, which shall be documented in the quarterly report.

C. Completion Report: The Subrecipient shall prepare and submit to the Recipient a Completion Report within thirty (30) days of project completion. Said report shall consist of an overview and evaluation of the project, a comparison of milestones' progress, total costs incurred, listing of files, listing of personnel, and other reasonable information requested by the Recipient. The Completion Report shall be made as part of the Quarterly Report Form.

D. HUD/Recipient Reports: The Subrecipient shall submit to the Recipient in a timely manner other reports as requested/required by HUD and/or the Recipient including, but not limited to the Certified Payroll Reports, and Wage Determination documentation, and provide, as requested by HUD and/or the Recipient, information necessary to prepare the Consolidated Annual Performance and Evaluation Report, and other such reports and/or plans.

E. Audit: The Subrecipient shall be responsible for conducting an annual audit of its CDBG program in compliance with Title CFR Part 200.500 – 200.520 issued pursuant to the Single Audit Act of 1984 and the Single Audit Amendments of 1996, P.L. 98-502, as applicable. A copy of said audit shall be forwarded to the Recipient upon completion. Any costs associated with the annual audit shall be the responsibility of and paid for by the Subrecipient.

F. The Subrecipient shall use the Community Development Block Grant Program On-Site Monitoring Checklist No.4 – Public Facilities – Construction, hereinafter referred to as "the Checklist," (see Attachment 1) to collect and retain all Project documents to provide the Recipient for its records.

19. Project Review Conference:

In the event that quarterly reports indicate funds will not be expended by March 1, 2018, or within the agreed upon schedule, the Subrecipient will notify the Recipient of the completion deficiencies and the Subrecipient will have 45 calendar days to provide its plan for meeting time and expenditure agreements. Failure to correct the deficiency within 45 calendar days will require the Recipient to schedule a Project Review Conference. The Subrecipient must also comply with the term extension requirement in Section 5 of this Agreement, if necessary.

Upon failure to develop a plan for meeting completion and expenditure requirements, the Recipient will schedule a Project Review Conference. The Project Review Conference will serve to identify reasons for delayed performances and weaknesses in the project implementation plan. Based on the Project Review Conference discussions, both the Recipient and the Subrecipient will generate a remedial plan that may include but is not limited to re-design of the Project, amendments to the Project, extending the term of the Project, or re-allocation of the funds to another eligible CDBG project.

20. Agreement Responsibility for Monitoring and Records

HUD, the Office of the Inspector General (OIG), and the designated representatives of the Subrecipient, and other appropriate officials shall have access to all personnel records, management information, and fiscal data of the Subrecipient and any agency or contractor with whom the Subrecipient executes a subcontract necessary to carry out any CDBG program(s) for monitoring purposes (2 CFR Part 200.328 and 200.327 and 200.336). The Subrecipient shall respond in a timely manner to all identified corrective action needs as a result of HUD, Recipient, or other monitoring. The Subrecipient shall submit to Recipient all required reports and monitoring corrective action plans on a timely basis, as delineated by the Recipient. Records shall be maintained as follows:

A. The Subrecipient agrees to retain all pertinent records under CDBG program, including financial records, until advised by the Recipient that further retention is unnecessary. Generally, records shall be retained for a period for five (5) years from the end of the fiscal year in which the last project covered by the Recipient's annual agreement with HUD is completed. Records shall be open and available for inspection by auditors and/or other staff assigned by HUD and/or the Recipient during the normal business hours of the Subrecipient. If at the end of such five-year period, there is ongoing litigation, claims, negotiations, audit or other action involving the Subrecipient's or the Recipient's records, which has started before expiration of the five (5) year period, the Subrecipient will retain the records until the completion of the action and resolution of all issues which arise from it as stated in 2 CFR Part 200.333.

B. Consistent with applicable state and local laws regarding privacy and obligations of confidentiality, the Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder

and will permit access to its books, records and accounts to the Recipient, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein. The Subrecipient also must provide citizens with reasonable access to records on the past use of CDBG funds (24 CFR 570.508).

C. Records for nonexpendable property shall be retained for a period of five (5) years after final disposition of the property, if applicable.

21. Inspection Rights

The Subrecipient agrees to allow the Recipient to inspect physical premises of any project(s) upon 24-hour advance notice.

22. Request for Technical Assistance

The Subrecipient shall refer to the Recipient any regulatory or procedural questions regarding operation of its CDBG program. All formal requests for technical assistance shall be submitted in writing. Requests should specify the problem area, particular assistance being requested and proposed solution if applicable. Informal questions regarding day-to-day program operation may be directed to the designated Recipient representative.

23. Hold Harmless and Indemnification

The Subrecipient shall hold the Recipient and the Recipient's officers, employees, agents and volunteers harmless and free from any and all claims, liabilities or expenses, including attorney's fees, arising out of or relating to any negligent act, negligent omission, or other wrongful conduct related in any way to the Subrecipient's performance of its services pursuant to this Agreement. In the event the Recipient and/or any of the Recipient's officers, employees, agents or volunteers are named in any lawsuit, or should any claim be made against it or any of them by lawsuit or otherwise arising out of or relating to such negligent act, negligent omission or other wrongful conduct, the Subrecipient shall indemnify them for any judgment rendered against them, any sums paid out in settlement or otherwise, and all costs incurred by them in their defense, including, but not limited to attorney's fees.

The Subrecipient also understands and agrees that it is being employed to perform the services provided for by this Agreement because of the Subrecipient's professed expertise and experience in performing the services provided for under this Agreement. In addition the Subrecipient understands and agrees that while the Recipient and the Recipient's officers or agents may elect to do so, they have no duty to review, inspect, or supervise the work performed by the Subrecipient pursuant to this Agreement, except as otherwise expressly provided for by this Agreement. As a consequence, the Subrecipient waives any right of contribution against the Recipient or any of the Recipient's officers, employees, agents and volunteers arising out of such failure to inspect, review, monitor or supervise the work performed by the Subrecipient pursuant to this Agreement.

24. Insurance

Subrecipient shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Subrecipient, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an “occurrence” basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 0001 covering, Code 1 (any auto), or if Subrecipient has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation** insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease. If Subrecipient will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage shall also include an Alternative Employer endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Subrecipient’s operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen’s compensation law or any federal occupational disease law.

If the Subrecipient maintains higher limits than the minimums shown above, the County requires and shall be entitled to coverage for the higher limits maintained by the Subrecipient.

A. Professional Liability/Errors and Omissions

Insurance covering Subcontractor’s liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Subrecipient understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement’s expiration, termination or cancellation.

B. Additional Insured Status

The County, its officers, officials, employees, and volunteers are to be covered as insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Subrecipient; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Subrecipient including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Subrecipient's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

C. Primary Coverage

For any claims related to this contract, the Subrecipient's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Subrecipient's insurance and shall not contribute with it.

D. Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except after thirty (30) days' prior written notice** (10 days for non-payment) has been given to the County.

E. Failure to Maintain Insurance

Subrecipient's failure to maintain or to provide acceptable evidence that it maintains the required insurance shall constitute a material breach of the Contract, upon which the County immediately may withhold payments due to Subrecipients, and/or suspend or terminate this Contract. The County, at its sole discretion, may obtain damages from Subrecipient resulting from said breach.

F. Waiver of Subrogation

Subrecipient hereby grants to County a waiver of any right to subrogation which any insurer of said Subrecipient may acquire against the County by virtue of the payment of any loss under such insurance. Subrecipient agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement for the insurer.

G. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the County. The County may require the Subcontractor to provide proof of ability to pay losses and related investigation, claim administration, and defense expenses within the retention.

H. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the County.

I. Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work.**
3. If coverage is canceled or non-renewed, and not **replaced with another claims-made policy form with a Retroactive Date** prior to the contract effective date, the Subrecipient must purchase "extended reporting" coverage for a minimum of **five (5) years** after completion of contract work.

J. Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitation.

K. Verification of Coverage

Subrecipient shall furnish the County with original certification and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Subrecipient's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Certificates and copies of any required endorsements shall be sent to:

San Luis Obispo County
Department of Planning and Building
Attention: Tony Navarro, Planner III
976 Osos Street, Rm. 300
San Luis Obispo, CA 93408

L. Subcontractors

Subrecipient shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

M. Special Risks or Circumstances

County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

25. Covenants and Conditions

Each term and each provision of this Agreement to be performed by the Subrecipient shall be construed to be both a covenant and a condition.

26. Use of Funds for Entertainment, Meals or Gifts

The Subrecipient represents and warrants that it will not use funds provided through the Agreement to pay for entertainment, meals or gifts.

27. Effect of Termination

A. Termination of Agreement for Convenience: In accordance with 24 CFR 570.509(e) and 2 CFR 200.339, the Agreement may be terminated for convenience by either party before the completion of the grant-assisted activities. The terminating party must provide thirty (30) days written notice of intention to terminate, setting forth the reasons and the effective date of such termination, has been given to the other party, provided, however, that no notice of termination given by the Subrecipient shall be effective unless HUD has agreed to release Recipient from its obligations pursuant to the program activity(ies) in Exhibit A – Statement of Work. Alternatively, the Agreement will automatically terminate in the event that the United States Government terminates the CDBG programs or terminates the program activity(ies) which is the subject of the Agreement.

B. Termination of Agreement for Cause: In accordance with 24 CFR 570.509(f) and 2 CFR 200.339, the Parties hereto understand that pursuant to the Recipient's execution of the HUD application, the Recipient assumed responsibility as to the performance of the projects. If through any cause the Subrecipient fails to fulfill in a timely and proper manner its obligations under this Agreement to undertake, conduct or perform the project(s) identified in this Agreement, or if the Subrecipient violates any of the covenants, agreements, or stipulations of this Agreement, the Recipient shall thereupon have the right to terminate this Agreement by giving written notice of such termination and specifying the effective date thereof at least (5) days before the effective date of such termination. Notwithstanding the above, the Subrecipient shall not be relieved of liability to the Recipient for damages sustained by the Recipient by virtue of any payments to the Subrecipient for the purpose of set-off until such time as the exact amount of damages due the Recipient from the Subrecipient is determined.

C. Upon termination, as stated in subsections (a) or (b) above of this Agreement, the Recipient shall be liable to the Subrecipient only for work done by the Subrecipient up to and including the date of termination of this Agreement, unless the termination is for cause, in which event the Subrecipient need be compensated only to the extent required by law.

D. If this Agreement is terminated pursuant to this Section, the Subrecipient shall remain responsible for compliance with the requirements in 2 CFR 200.343 (Closeout) and 2 CFR 200.344 (Post-closeout adjustments and continuing responsibilities).

E. The Subrecipient hereby expressly waives any and all claims for damages for compensation arising under this Agreement except as set forth in this Section in the event of such termination.

28. Taxpayer Identification Number

The Subrecipient shall provide the Recipient with a complete Request for Taxpayer Identification Number and Certification, Form W-9 (Rev. 2007), as issued by the Internal Revenue Service.

29. Modification of Agreement

Except as provided in Section 3, the tasks described in this Agreement and all other terms of this Agreement may be modified only upon mutual written consent of the Recipient and the Subrecipient.

30. Use of the term “Recipient”

Reference to “Recipient” in this Agreement includes the designated Recipient representative, or any authorized representative acting on behalf of the Recipient.

31. Assurances

The Subrecipient hereby assures and certifies that it has complied with the HCD Act, applicable regulations, policies, guidelines and requirements, 2 CFR Part 225, as amended and that it will comply with all applicable Federal, State and local laws and regulations as they relate to acceptance and use of Federal funds for this Federally-assisted program. Also, the Subrecipient represents and warrants with respect to the Statement of Work specified in Exhibit A, that it will comply with all of the provisions of 24 CFR Part 570, as applicable. The Subrecipient further represents and warrants that it will comply with any further amendments or changes to said required assurances and certifications that during the term of the AGREEMENT it will maintain current copies of said assurances and certifications at the address specified below.

32. Notices

All notices given, or required to be given, pursuant to this Agreement shall be in writing and may be given by personal delivery or by mail as identified in Section 7. Notice sent by mail shall be addressed to each party’s designated representative as set forth above. When addressed in accordance with this Section, such notice shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices shall be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this Section.

33. Permits and Licenses

The Subrecipient, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.

34. Waiver

A waiver by the Recipient of any breach of any term, covenant, or condition contained in this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement whether of the same or different character.

35. Governing Law

The terms of this Agreement shall be interpreted according to the laws of the State of California. Should litigation occur, venue shall be in the County of San Luis Obispo.

36. Entire Agreement

This agreement sets forth the full and entire understanding of the Parties regarding the matter set forth herein, and any other prior or existing understandings or agreements by the Parties, whether formal or informal, regarding such matters are hereby superseded or terminated in their entirety. No verbal agreement or implied covenant shall be held to vary the provisions of this Agreement. This Agreement shall bind and inure to the benefit of the Parties to this Agreement and any subsequent successors and assigns.

37. Patents & Royalties

A. The County will provide two HMIS licenses for the Subrecipient. Subrecipient shall provide and pay for all licenses and royalties necessary for the legal use and operation of any of the equipment or specialties used in the Project.

Certificates showing the payment of any such licenses or royalties, and permits for the use of any patented or copyrighted devices shall be secured and paid for by Subrecipient and delivered to the County upon completion of the Project, if required.

B. Subrecipient shall assume all costs arising from the use of patented materials, equipment, devices, or processes used in or incorporated in the Project and agrees to indemnify and hold harmless the County and its duly authorized representatives from all suits of law, or actions of every nature for or on account of the use of any patented materials, equipment, devices, or processes.

38. Copyright

Any reports, maps, documents or other materials produced in whole or part by the Subrecipient, its contractor or any subcontractor or person responsible to the Subrecipient under this Agreement shall be the property of the Recipient and none shall be subject to an application for copyright by or on behalf of the Subrecipient, contractor, subcontractors or any person responsible to the Subrecipient during performance of this Agreement.

NOW, THEREFORE, the Parties hereto have caused this Subrecipient Agreement to be executed and attested by their proper officer thereunder duly authorized, and their official seals to be hereunto affixed, all as of the day first above written.

The San Miguel Community Services District, a Public Special District Agency

BY: _____

Anthony Kalvans
President, San Miguel Community Services District Board of Directors

DATED: _____

BY: _____

Rob Roberson
Interim General Manager, San Miguel Community Services District

DATED: _____

COUNTY OF SAN LUIS OBISPO

BY: _____
Marvin A. Rose
Interim Director, Department of Planning and Building

DATED: _____

APPROVED AS TO FORM AND EFFECT:
RITA L. NEAL
County Counsel

BY: _____
Deputy County Counsel

DATED: _____

EXHIBIT A

STATEMENT OF WORK

Community Development Block Grant Agreement between the Recipient and the Subrecipient for 2015 Community Development Block Grant funds

As part of the County of San Luis Obispo 2015 Action Plan, the County Board of Supervisors allocated CDBG funds to the projects as follow:

San Miguel Community Services District CDBG funded San Lawrence Terrace Well Pipeline Project	Budget
San Lawrence Terrace Well Pipeline Project	\$150,000
Total	\$150,000

SAN LAWRENCE TERRACE WELL PIPELINE PROJECT DESCRIPTION

The Subrecipient will use CDBG funds specifically to reduce and monitor arsenic levels in potable well water (San Lawrence Terrace Well), which provides drinking water to San Miguel residents, by blending waters from an existing water tank and the San Lawrence Terrace Well (SLT) through implementing the following steps:

1. Construct a dedicated 8" diameter feed line, from the SLT well head, to the SLT tank, of approximately 620 linear feet.
2. Extend this pipeline to the top of the SLT tank, penetrate the tank to provide a separate tank fill line with air gap separation (currently, the tank has a single fill/draw line at the bottom of the tank that does not afford adequate mixing capability), repair and re-coat tank at penetration
3. Provide new level transducer at well site, to monitor tank level (discharge pressure at well pump) and control well pump on/off operation.

The Subrecipient agrees that Recipient has sole discretion to determine whether the Subrecipient has complied with the following Project milestones and dates.

1. Issue Notice to Proceed/Start Construction: September 4, 2017
2. Construction 60% complete: October 15, 2017
3. Construction 100% Complete: January 2, 2018
4. Final Inspection/Project Acceptance: February 15, 2018
5. All CDBG Project Funds Drawn: March 1, 2018

At the discretion of the County Director of Planning and Building, the Recipient may revise or grant a time extension to any portion of the above Project schedule. The Project Manager, on behalf of the Subrecipient, must submit a written request for a time extension prior to the specific schedule deadline for the extension. The Subrecipient and Recipient must maintain all Agreement amendment documentation as evidence and transparency of compliance with the conditions of this Agreement.

The Subrecipient will complete and expend all 2015 CDBG funds allocated to the Project no later than March 1, 2018.

The Project will benefit an estimated 2,510 residents of the unincorporated community of San Miguel, CA, a predominately low- and moderate-income community in San Luis Obispo County.

Project completion date

Final invoices and copies of the original source documentation for administrative expenses by the Subrecipient must be submitted to the County of San Luis Obispo no later than March 1, 2018.

EXHIBIT B

San Miguel Community Services District for Community Development Block Grant funds

SCHEDULE OF COMPENSATION

1. AMOUNT OF COMPENSATION. For performing and completing all work and services described in Exhibit A, and for providing all materials required therefore, Recipient shall pay Subrecipient the total amount of:

San Miguel Community Services District CDBG funded San Lawrence Terrace Well Pipeline Project	Budget
San Lawrence Terrace Well Pipeline Project	\$150,000
Total	\$150,000

San Lawrence Terrace Well Pipeline Project

San Miguel Community Services District - CDBG funded San Lawrence Terrace Well Pipeline Project	Budget
Preparation of environmental documents	\$ 3,550
Kit Fox Mitigation	\$ 575
Construction	\$133,000
Activity Delivery Costs (ADC)	\$ 7,875
Retainer (\$2,000 from construction/\$3,000 from ADC)	\$ 5,000
Total	\$150,000

The above total amount listed shall include all out-of-pocket expenses incurred by Subrecipient in the performance of such services.

2. BILLING. At the end of each quarter in which the services are performed or expenses are incurred under this Agreement. Subrecipient shall submit an invoice and copies of all original supporting documentation to the Recipient at the following address:

County of San Luis Obispo
Department of Planning and Building
Attn: Soutsida Inpravongviengkham, Accountant
976 Osos Street, Room 300
San Luis Obispo, California 93408

In the event a quarterly report is not submitted on a timely basis, the reimbursement of a submitted invoice may be upheld until the Subrecipient complies with the terms stated in Section 19 of this Agreement.

3. METHOD OF PAYMENT. Payment to Subrecipient of the compensation specified in Section 1 of this Exhibit shall be made as follows:

A. Subject to the maximum allowable compensation set forth in Section 1 of this Exhibit, the Recipient shall pay the Subrecipient, based on the submittal and approval of an invoice, on the basis determined by this Agreement during the term of this Agreement.

Exhibit C
COUNTY OF SAN LUIS OBISPO
PAYMENT REQUEST FORM – SAN MIGUEL COMMUNITY SERVICES DISTRICT:

Instructions: Complete this form, have an authorized person sign and date it, and mail it to **Soutsida Inpravongviengkham, Accountant**, Planning and Building Department, County Government Center, Room 300, San Luis Obispo, CA 93408-2040, (805) 781-4377. If you want the county to expedite processing of a payment, you can fax this form to Soutsida at (805) 781-5624 before mailing the original. **Do not** send this form directly to the County Auditor-Controller’s Office.

Contact name and address: (payment will be mailed to this address) Rob Roberson, Interim General Manager S.M.C.S.D. P.O. Box 180 1150 Mission Street San Miguel, CA 93451	Requested by: Signature: _____ Date: _____ Name: _____ Phone: _____ FAX: _____					
Funding Source	Total funds Budgeted	Amount of this Request	Previous Requests	Balance after this Payment	IDIS #	SAP I/O
2015 CDBG - San Lawrence Terrace Well Pipeline Project	\$150,000	\$	\$	\$		
Total	\$150,000	\$	\$	\$		

Comments:

Exhibit D

**SAN MIGUEL COMMUNITY SERVICES DISTRICT
 QUARTERLY REPORT FORM
 FOR THE PERIOD FROM _____ TO _____**

1. Contact name and address: San Miguel C.S.D. <i>Rob Roberson, Interim General Manager</i> P.O. Box 180 1150 Mission Street San Miguel, CA 93451	2. Contact Person: Rob Roberson, Interim General Manager 3. Phone Number: (____) _____	4. Program Year: <u>2015</u> <u>CDBG</u> 5. Report Period: _____ To _____	County of San <u>Luis Obispo</u> Date Received: Reviewed and Filed:				
Project (a)	Budget (b)	Expenses (c) this period	Expenses (d) previously reported	Expenses (e) to date (c+d)	Funds (f) received to date	Other Funds (g) received to date	Balance (h) available (b-e)
2015 CDBG - San Lawrence Terrace Well Pipeline Project	\$150,000						
Total	\$150,000						

Narrative - Status of Approved Activities:

Problems Encountered & Corrective Actions taken:



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.9.

SUBJECT: Review and Approve Resolution 2017-__ Approving Monsoon Consulting's Proposal to Provide Plans, Specifications, and Support Services for the Replacement of the 11th and 10th Street Waterlines at a Cost not to Exceed \$25,000.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-__ approving the proposal by Monsoon Consulting to provide plans, specifications, and support services for the replacement of the 11th and 10th street waterlines at a cost not to exceed \$25,000.

BACKGROUND:

As the Board is aware, in September last year, there were failures in the water lines on 10th and 11th Street. Both lines need replacement and are in locations which could be problematic if a major rupture were to occur. One line crosses Mission Street. The other crosses the railroad tracks. Both lines are in locations that will require contracting out for replacement services.

This item was reviewed at the May 25, 2017, meeting at which time staff received a consensus from the Board to bring back an item for engineering and environmental work on this project in order to have a "Shovel Ready" project in the event San Luis Obispo Community Development Block Grant monies became available.

FUNDING:

Funding for the planning and environmental portions of this project are proposed to be from the Water Capital Reserve, but a budget amendment will be necessary.

FISCAL IMPACT:

- The proposal by Monsoon Consulting is not to exceed \$6,500 without further approval from the District.

- There will be other costs related to surveying and environmental mitigation that are unknown at this time but were estimated and included in the 2017-18 budget.
- Costs for permits from CALTRANS and UPRR are not estimated or included at this time as they will not be known until the permit process is started.

Staff Recommendation:

Staff recommends the Board approve resolution 2017-__ approving the proposal by Monsoon Consulting to provide plans, specifications, and support services for the replacement of the 11th and 10th street waterlines at a cost not to exceed \$25,000.

PREPARED BY:

Kelly Dodds

Kelly Dodds, Utilities Supervisor

APPROVED BY:

Rob Roberson, Interim General Manager

Attachment(s):

Exhibit A: Resolution

- Monsoon Consulting Proposal

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT APPROVING MONSOON
CONSULTING'S PROPOSAL TO PROVIDE PLANS, SPECIFICATIONS, AND
SUPPORT SERVICES FOR THE REPLACEMENT OF THE 10TH AND 11TH STREET
WATERLINES AT A COST NOT TO EXCEED \$25,000.**

WHEREAS, San Miguel Community Services District ("District") has the responsibility to maintain the community's public water supply and distribution system; and

WHEREAS, in 2016 there were failures that occurred in two (2) segments of the District's water distribution system of pipelines, including one segment that lies beneath the UPRR tracks on 11th Street, and one segment that lies beneath Mission Street on 10th Street; and

WHEREAS, these two (2) segments of pipeline are critical to the operation of the District's water system and failure of either of these line segments will cause disruption of service, significant damage, and possible risk to human life; and

WHEREAS, Monsoon Consulting submitted a scope of services to the District to provide engineering and support services in connection with the replacement of the 10th and 11th street waterlines at a cost not to exceed Twenty Five Thousand Dollars (\$25,500), attached hereto as **Exhibit A**; and

WHEREAS, the Board directs the Interim General Manager to execute the agreement between Monsoon Consulting and the District, in an amount not to exceed Twenty Five Thousand Dollars (\$25,000); and

WHEREAS, the District Board of Directors authorizes the Interim General Manager to direct the District Engineer to perform the required engineering, prepare construction documentation, and submit UPRR and Caltrans right-of-way construction permit applications to allow the District to advertise for bids from qualified contractors to replace the subject line segments; and

WHEREAS, a Fiscal Year 2016-2017 budget amendment is needed for the costs associated with directing the District Engineer to perform the necessary services for the waterline replacement engineering and construction documentation; and

WHEREAS, the Board authorizes District staff to effectuate a Fiscal Year 2016-2017 budget amendment as necessary.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, approve the agreement between Monsoon Consulting and the District and further directs the Interim General Manager to execute the agreement.

BE IT FURTHER RESOLVED, the Board does, hereby, authorize District staff to effectuate a Fiscal Year 2016-2017 budget amendment, if necessary, to effectuate the purposes of this Resolution.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, Board President

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager
Counsel

Douglas L. White, District General



P.O. Box 151
 San Luis Obispo, CA 93406
 (805) 280-1051
breely@monsoonconsultants.com

No. P2017.06.003

X

Proposal
 Invoice
 Change Order No.
 Work Authorization

Submitted To:	Project Information:
---------------	----------------------

Client:	San Miguel Community Services District	Project Name:	Engineering, Construction Documentation & Permitting for Replacement of two (2) segments of existing waterline on 11 th Street & 10 th Street
Attn:	Rob Roberson / Interim General Manager	Project No.:	2017.06.003
Address:	1150 Mission Street San Miguel, California 93451	Proposal Date:	June 15, 2017
E-mail:	tamara.parent@sanmiguelcsd.org		
Phone:	(805) 467-3388	Location:	San Miguel, California
Fax:	N/A	Owner:	San Miguel CSD

Monsoon Consultants (MONSOON) Hereby Submits: Our fee proposal and work authorization for . . .
--

Basic Scope of Work

The San Miguel Community Services District Interim General Manager has requested a proposal from MONSOON to provide design, engineering, construction documentation & permitting assistance for the replacement of two (2) segments of existing waterline. The subject waterline segments are located within the 10th Street and 11th Street rights-of-way. As the Board is aware in September last year, there were failures in both of these segments, which required repairs by the District utility staff. Both line segments that are in need of replacement and are in locations which could be problematic, if a major rupture were to occur. The 10th Street line crosses Mission Street. The 11th Street crosses the UPRR tracks. Both lines are in locations that will require contracting out for replacement services.

The scope of services to be provided shall be generally described as follows:

- Data Collection
 - Initial Data Acquisition: Collect data from existing utility records to incorporate protection and/or relocation of potentially affected utilities into the design of the proposed improvements. Each of the utility companies which are known to have buried and/or overhead utilities will be contacted to obtain relevant utility location data.
 - Topographic Survey: Monsoon will identify the scope of work and coordinate the activities of a third party surveyor who will perform topographic survey for the design work, including the following: Establish vertical and horizontal control on established datum's and perform topographic survey as required to develop our design and produce construction and bidding documents.
- Engineering Preliminary Design
 - MONSOON will consult and coordinate with District staff to establish design criteria, pipeline alignments and sizes. MONSOON will utilize topographic mapping, utility atlas data, field inspection, "As-Built" construction drawings, District staff institutional knowledge, and applicable regulations, to develop recommendations for design criteria, recommended alignments, constructability, utility avoidance and water service disruption avoidance.

- Engineering Final Design
 - Preparation of Construction Documents: For purposes of this proposal, MONSOON plans on submitting a 50% Design Development set of drawings, and a 90% Construction Document set for District review prior to the Final Bid Documents. The design drawings will be 24"x36" design plan sheets in conformance with District and County design standards, and include the following, at a minimum:
 - A. Cover Sheet
 - B. General Site Plan
 - 1. All topographic features, including utility alignments, hydrants, valves, and appurtenances will identified, as well as locations of service connections, and other topographic features deemed appropriate.
 - 2. All streets and existing ROW / easements.
 - C. Waterline Plan and Profile
 - 1. Include pipe size, material and overall length
 - 2. Locate appurtenances such as hydrants, fittings, service connections, etc.
 - 3. Location of other utilities which may be affected during the construction process.
 - D. Miscellaneous Details
 - 1. Sheets will contain details on items as necessary. Wherever possible, District Standard and/or other San Luis Obispo County Standard details and specifications will be used to minimize the need for specialized equipment detailing.
 - Technical Specifications: MONSOON will prepare technical specifications and combine with the District's upfront general specifications for a complete set of biddable construction documents. This will include reviewing the District's upfront portion and incorporating the appropriate project specific information. Technical specifications will be included at the 50% Design Development submittal, and the complete specifications package will be included at the 90% Construction Document submittal.
 - Bid Schedule and Engineer's Estimate: Along with the final plans and specifications, the MONSOON team will prepare a bid schedule and an accompanying Engineer's Estimate of Probable Cost to give the District an idea of what the project will cost to construct. This estimate will be included in the 50%, 90%, and final submittal packages.
 - Coordination Meetings: The MONSOON design team will meet to review the 50% and 90% submittal drawings with District staff upon review to go over comments, questions, and items to incorporate into the final package.
- Permitting Assistance
 - Prepare permit applications for the UPRR railroad and CALTRANS highway right-of-way encroachment permits. (Note: Permit fees are not included in the cost estimates provided below)
- Bidding & Construction Support
 - Attend Pre- Bid meeting and respond to bidders questions. Issue Addendums as required. Attend bid opening and prepare a bid tabulation, including a recommendation for contract award. Assist the District in contract award and contract documentation.
 - Respond to RFI's: The MONSOON design team will respond to RFI's during the bidding period and throughout the construction period regarding the design.
 - Preparation of Record Drawings: The MONSOON design team will incorporate mark-ups delivered by the District from the Contractor into the CAD drawings. Final deliverable to the District will include a PDF file, CAD files, and a hard copy set of the drawings.
 - Necessary Redesign based on field conditions: The MONSOON design team will redesign as necessary based on actual field conditions encountered during the project. If necessary, MONSOON will prepare Field Orders and / or Change Orders as appropriate.
 - Additional Construction Support: Other services that may be included are review of submittals, permit compliance, SWPPP compliance, construction management, or construction inspection. For purposes of the proposal, no time is attributed to these services, and they can be performed on a time and materials to a maximum basis or other amount estimated based on services selected by the District.
- Meetings & Reports
 - MONSOON will participate in coordination and progress meetings as may be required to insure that the project is progressing efficiently and that the District staff is satisfied with project progress and quality. Our project manager will attend all meetings, at the request of the District.



P.O. Box 151
San Luis Obispo, CA 93406
(805) 280-1051
breely@monsoonconsultants.com

Items Not Included In Scope of Work

It should be noted that any costs required for any other services not specifically described in the Basic Scope of Work description above are not included in the estimated fee and if requested by the client will be subject to a contract addendum. There will be a requirement for a 3rd Party Surveyor to perform a pre-design topographic survey. Monsoon will provide the scope of work for the survey and assist the District in the procurement of the surveyor, but the cost of the survey shall be borne as a separate cost to the District. In addition to the 3rd Party Surveyor, there may be a requirement for environmental review services. Any costs associated with environmental and/or soils investigations or review are not included in the fee estimate presented below.

Fee

MONSOON's fees for the scope of services described herein shall be based on manhours expended by staff, billed at the hourly rates presented below. Under no circumstances will the total cost of services to be provided by MONSOON, which are directly related to this matter, exceed \$6,500.00, without prior authorization from the client. In addition, the UPRR and CALTRANS permit fees are not included in the fee estimate.

Labor Rates

Principal Engineer / Hydrologist	\$110.00 / Hr
Staff Engineer / Scientist	\$110.00 / Hr
GIS / CAD Technician	\$90.00 / Hr
Administrative Support Staff	\$45.00 / Hr

Schedule

MONSOON can initiate the scope of work described herein, immediately upon receipt of a Notice to Proceed.

Limit of Liability

Neither MONSOON, its employees, nor MONSOON'S sub-consultants and their agents or employees shall be jointly, severally, or individually liable to the owner in excess of the compensation to be paid pursuant to this agreement or of Twenty Five Thousand Dollars (\$25,000.00), whichever is greater, by any reason of any act or omission, including breach of contract or negligence not amounting to a willful or intentional wrong.

Please return a signed copy of this proposal to authorize us to proceed with the project and authorization of payment.

Blaine T. Reely

Blaine T. Reely, Ph.D., P.E.
Monsoon Consultants

June 19, 2017

Date

Acceptance by Client:

Client's Signature

Date

Printed Name

Firm/Company (Printed)



QUALIFICATIONS

PROPOSAL

1. Proposals are valid for thirty (30) consecutive calendar days from the date of MONSOON's signature, after which MONSOON reserves the right to reevaluate its proposal with respect to, but not limited to, costs, schedules, delays, scope of work, etc.
2. Proposals do not include any overtime charges unless specifically stated.
3. Proposals do not include reimbursable charges unless specifically stated.
4. Proposals do not include costs for permits, fees, taxes, and plan review processes of governing jurisdictions. Such costs will be considered as reimbursable charges.
5. Reimbursable charges are added charges to proposal value indicated.
6. Proposals are based on a defined and agreed upon scope of work and schedule.

INVOICE

1. Invoice payment is due within thirty (30) business days from date of MONSOON'S invoice.
2. Remit payment with a copy of this form for proper processing.
3. Make all checks payable to MONSOON CONSULTANTS.
4. Payments are past due the 31ST business day from the date of MONSOON'S invoice, after which a penalty of one and one-half percent (1 1/2%) of the unpaid balance will be assessed per month until payment in full is received, including penalty assessments.

CHANGE ORDER

1. Change order represents a change in the original scope of work for which MONSOON was contracted.
2. Change order may be due to many reasons such as, but not limited to, change in technical scope, schedule, costs, delays, permits, fees, travel, etc.
3. Change order does not change the basic language of the original contract for which the change order is addressed.
4. Change order may or may not show the associated cost for the work described. If a cost is not shown, it is agreed that both parties will meet to finalize the cost prior to completion of work defined in the change order.
5. Change orders must be signed by MONSOON and the Client or Client's authorized representative.
6. Acceptance by Client or Client's authorized representative constitutes authorization to proceed with the work associated with the change order and Client further agrees to fully compensate MONSOON for the work.
7. Change order date is the date of acceptance by the Client or Client's representative.
8. Acceptance signatures are considered by MONSOON to be binding for the Client.

WORK AUTHORIZATION

1. Work authorization date is the signature date of the Client or Client's authorized representative.
2. Acceptance signatures are considered by MONSOON to be binding for the Client.
3. Work authorization in conjunction with a proposal or change order constitutes acceptance of the proposal or change order.
4. **MONSOON WILL NOT PROCEED WITH THE WORK OR INCUR ANY COSTS ASSOCIATED WITH A PROPOSAL OR CHANGE ORDER WITHOUT AN ACCEPTANCE SIGNATURE FOR WORK AUTHORIZATION.**



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.10.

SUBJECT: Review and approve Resolution 2017-__ Authorizing the Interim General Manager to Enter an Agreement with Monsoon Consulting to Update the Water and Wastewater Master Plans at a Cost not to Exceed \$43,300.

STAFF RECOMMENDATION:

Staff recommends the Board approve Resolution 2017-__ authorizing the Interim General Manager to enter an agreement with Monsoon Consulting to update the Water and Wastewater Master plans at a cost not to exceed \$43,300.

BACKGROUND:

The District is currently utilizing water and wastewater master plans that are over 10 years old. As the District is currently progressing through a Rate Study, updating these masterplans is an essential part to ensuring the Rates that are presented reflect the needs of the District over the next 5-10 years.

FISCAL IMPACT:

- The proposal by Monsoon Consulting is not to exceed \$43,300.

STAFF RECOMMENDATION:

Staff recommends the Board approve resolution 2017-__ authorizing the Interim General Manager to enter an agreement with Monsoon Consulting to update the Water and Wastewater Master plans at a cost not to exceed \$43,300.

PREPARED BY:

Kelly Dodds

Kelly Dodds, Utilities Supervisor

APPROVED BY:

Rob Roberson, Interim General Manager

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT AUTHORIZING THE INTERIM
GENERAL MANAGER TO ENTER AN AGREEMENT WITH MONSOON
CONSULTING TO UPDATE THE WATER AND WASTEWATER MASTER PLANS AT
A COST NOT TO EXCEED \$43,300.**

WHEREAS, San Miguel Community Services District (“District”) has the responsibility to maintain the community’s public water supply and distribution system; and

WHEREAS, a critical resource that the District relies on are the Water and Wastewater Master Plans when considering numerous key activities, including planning for future capital improvements, setting future usage rates and connection fees, budgeting for preventative maintenance activities, and other operational and maintenance projects and expenditures; and

WHEREAS, the existing Water and Wastewater Master Plans for the District are currently out of date and require updating; and

WHEREAS, the District Board of Directors authorizes the Interim General Manager to enter an agreement with Monsoon Consulting to perform the required engineering and prepare construction updated Water and Wastewater Master Plans for the District; and

WHEREAS, the Board authorizes the Interim General Manager to expend District funds, in an amount not to exceed Forty Three Thousand Three Hundred Thirty Dollars (\$43,330); and

WHEREAS, a Fiscal Year 2016-2017 budget amendment is needed for the costs associated with directing the District Engineer to perform the necessary services for the preparation of current Water and Wastewater Master Plans; and

WHEREAS, the Board authorizes District staff to effectuate a Fiscal Year 2016-2017 budget amendment as necessary.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, direct the Interim General Manager to execute an agreement between the District and Monsoon Consulting to perform the required engineering and prepare construction updated Water and Wastewater Master Plans for the District and further directs the

BE IT FURTHER RESOLVED, the Board does, hereby, authorize District staff to effectuate a Fiscal Year 2016-2017 budget amendment, if necessary, to effectuate the purposes of this Resolution.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:
ABSTAINING:

the foregoing Resolution is hereby passed and adopted this 29th day of June, 2017.

Anthony Kalvans, Board President

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager

Douglas L. White, District General
Counsel



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XII.11.

SUBJECT: Consider Adoption of Resolution No. 2017-__ Authorizing Continuing Appropriations to Pay the District's Normal Operational Costs in 2017-18 and Authorizing Staff to Prepare the Final Budget.

STAFF RECOMMENDATION:

Staff recommends that the Board of Directors approve Resolution No. 2017-__ authorizing continuing appropriations for the District's normal operational costs in 2017-18 and authorizing staff to prepare the Final Budget.

BACKGROUND:

The San Miguel Community Services District ("District") operates on a fiscal year basis which is July – June. The annual operations and maintenance budget of any agency is a spending plan for the upcoming fiscal year to provide services. Due to staff turnover, a consultant is working with materials provided by District staff to develop the budget for the coming fiscal year. It should be noted that the proposed budget for consideration has not been prepared using the Black Mountain System, though materials from the financial system have been utilized for preparation. In order for the budget to be adopted for the new fiscal year, a public hearing notice must be published in a newspaper of general circulation at least two (2) weeks prior to the hearing pursuant to Government Code sections 61110 & 6061.

The resolution before the District Board of Directors ("Board") provides authorization for continuing appropriations at the 2016-2017 level, unless otherwise noted in Exhibit A of the resolution. The new fiscal year begins July 1, and ongoing costs, such as salaries and benefits, utilities, and existing contract costs need to be paid to employees and vendors. Staff will prepare and publish public notices so that the Board may consider the Final Budget at its next regular Board meeting.

Staff anticipates the 2017-2018 budget will be adopted at the next regularly scheduled Board meeting, currently scheduled for July 27, 2017. In order to have a budget to adequately address operational and capital needs, this meeting can be viewed as a budget study session, with the Board providing input. Additionally, staff seeks confirmation with regard to the proposed staffing changes to be incorporated into the 2017-2018 budget.

Item XII.11.

6-29-2017 Special Board Meeting

Staffing Changes

The Board has authorized the funding for two newly created positions that would replace existing positions on the salary schedule and be considered promotions for the incumbents. Direction has been given to include the following two positions:

- Board Clerk/Account Clerk manager – position salary approximately \$55,000 per year. This position would replace the Account Clerk/Operations Coordinator whose annual salary approximates \$39,740, not including benefits. Due to the additional responsibilities of this position, consideration should be given to the hiring of an Account Clerk I to handle the utilities customer service. No funds have been included in the budget for this position.
- Utility Director – position salary approximately \$100,000 per year, and the creation of this position would vacate the Utility Supervisor position which has an approximate annual salary of \$76,000.
- General Manager – this contract employee is currently being filled by Fire Chief Roberson. Direction is needed as to a salary level to budget in 2017-2018 and for how many months.

Capital Projects

Each department developed a capital projects list ranked in order of priority with notations as to a high or medium priority. The listing includes a justification for the outlay. This information has been included in this packet to allow for Board discussion and possible direction. At this point in time, it is unknown the degree of funding capacity available. There will be reliance on District staff to provide guidance as to whether grant opportunities are available, whether any matching funds would be required.

2016-17 Budget Review

In reviewing past budgets, it is clear that the Administration Department Fund 10 has grown exponentially in the past couple of years. One of the key categories of ongoing expenses relates to legal services. A review of materials led to puzzlement over why a matter such as the Steinbeck matter, attributable to the Water Fund would be allocated to the Administration Fund. The resolution includes language that would move this year's costs to the Water Fund, thereby reducing the necessity to transfer funds (as per District percent allocation) that have no direct relation to this legal matter.

There appears to be instances in 2016-2017 (after reviewing a Black Mountain expenditure budget report dated 5/2/17) where there has been double-budgeting or an over-appropriation of funds. Specifically, the water and sewer rate study is showing as budgeted at \$32,440 in the Wastewater Department account 306 Water and Sewer Rate Study and within the same fund, a higher level \$34,000 is budgeted in line item 432 Utility Rate Design Study, which is overstated. Vehicle replacement fund account 440 has budgets in several departments, and also has a budget within the same funds for a transfer.

Development Project Activity

It was noted that water and sewer connection fees collected from projects such as Jazzy Town, Phase 2 (received last September) would be appropriated and designated for District Capital Reserves at least twice a year in August and February. Additional info is needed to determine the value of this type of revenue received during 2016-2017 and if any set-asides took place.

FISCAL IMPACT:

The action before the District Board seeks to make sure that there is no interruption in operational services by having an authorization for Continuing Appropriations at the 2016-2017 level. There is no projected fiscal impact as a result of adopting the proposed resolution.

STAFF RECOMMENDATION:

It is recommended that the Board discuss the budgetary information and adopt Resolution 2017-____ authorizing continuing appropriations for the District's normal operational costs in 2017-18 and authorizing staff to prepare the Final Budget.

PREPARED BY:

Joan Michaels Aguilar

Attachments:

- Exhibit A: Resolution for Continuing Appropriations
- Exhibit B: Schedule GF – Capital Outlay for discussion

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT FOR CONTINUING
APPROPRIATIONS TO PAY THE DISTRICT'S NORMAL OPERATIONAL COSTS IN
2017-2018 AND AUTHORIZING STAFF TO PREPARAE THE FINAL BUDGET**

WHEREAS, San Miguel Community Services District (“District”) is a community services district formed under California Government Code Section 61000 *et seq.* to provide community services within the District’s service area, including water, sewer, lighting, solid waste, and fire protection services; and

WHEREAS, Government Code Section 61110 *et seq.* establishes procedures for the budget adoption of community services districts; and

WHEREAS, Government Code Section 61113 requires the Board of Directors to adopt a resolution establishing it appropriations limits by July 1 of each year; and

WHEREAS, District staff prepared its continuing appropriations, attached hereto and incorporated as Exhibit A, to pay normal operational costs, including salaries and benefits, utilities, and existing contract costs to prevent disruption of service delivery; and

WHEREAS, Government Code Section 61110 subdivision (f) requires the District to adopt the Final Budget by September 1 of each year; and

WHEREAS, a preliminary review of 2016-17 has determined that a budget adjustment is needed as it relates to the Steinbeck legal matter and costs that should not be in the Administration Fund, but allocated specifically to the Water Fund.

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, adopt this Resolution for purposes specified herein and directs staff to prepare the Final Budget and publish a notice of public hearing for Final Budget adoption at their next regular meeting, anticipated to be July 27, 2017.

BE IT FURTHER RESOLVED, the General Manager is hereby authorized to approve payments for goods and services received by the District in accordance with approved policies in order to pay normal operational costs with the District’s continuing appropriations identified in Exhibit A.

BE IT FURTHER RESOLVED, staff is directed to move costs associated with the Steinbeck matter from the Administration Fund to the Water Fund in account 332.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby passed and adopted this ___ day of _____, 2017.

Anthony Kalvans, Board President

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, Interim General Manager

Douglas L. White, District General Counsel

San Miguel Community Services District
Budget 17-18
10 Administration Department

Appropriations

Account	Object	Actual 14-15	Actual 15-16	Adopted 16-17	Projected 16-17	Continuing Appropriation
61000 - Administration						
111	BOD Stipend		5,100	5,000	4,400	5,000
305	Operations & Maint - Building Maint & Cleaning		945	-	600	-
310	Phone & Fax expense			4,710	2,862	4,710
315	Postage, shipping & freight			10	30	10
320	Printing & reproduction		496	300	342	300
324	Professional Services - Audit & IT			10,000		10,000
326	Professional Services-Engineering			-	192	-
327	Professional Services-Legal (General)		93,546	52,500	135,345	52,500
328	Insurance - Property & Liability			24,000	22,436	24,000
330	Contract Labor					-
331	Professional Services (PERB & MOU)			69,000	48,050	69,000
332	Professional Services (Steinbeck)			44,000	34,706	44,000
340	Meetings & Conferences	20		1,200	402	1,200
345	Mileage expense reimbursement	47	13	400	334	400
350	Repairs & maint- computers			-	-	-
351	Repairs & maint - equip			-	580	-
375	Internet Expenses (Charter)			4,116	127	4,116
376	Webpage-Upgrade/Maintenance			2,400	3,800	2,400
380	Utilities - Alarm Service			-	-	-
385	Dues and subscriptions			5,130	312	5,130

386 Education and training	5,447	4,800	-	4,800
393 Advertising & public notices		-	83	-
394 LAFCO Allocations		5,500	5,541	5,500
410 Office Supplies	802	5,200	3,704	5,200
415 Office Equipment		5,000	4,990	5,000
465 Cell phones, radios		1,680	1,225	1,680
475 Computer Supplies & Upgrades		24,118	41,499	24,118
	67	106,349	269,064	311,560
				269,064

San Miguel Community Services District
Budget 17-18
20 Fire Protection Department

Appropriations		Actual	Actual	Adopted	Projected	Continuing
Account	Object	14-15	15-16	16-17	16-17	Appropriation
62000 - Fire						
105	Salaries & Wages	88,828	44,471	75,350	53,558	75,350
110	Payroll Tax Expense	2,174	-	-	1,484	-
115	Payroll Expenses	-	402	-	-	-
120	Workers Compensation	7,730	6,968	7,474	4,985	7,474
121	Physicals	-	1,200	1,600	890	1,600
125	Volunteer Firefighter stipends	(23,829)	21,632	44,281	30,283	44,281
126	Strike Team Pay - VFF OES	(37,616)	33,379	37,523	25,573	37,523
130	Payroll Tax - Fed W/H	(811)	-	22,096	4,221	22,096
135	Payroll Tax - FICA	236	3,435	75	3,682	75
140	Payroll Tax - Medicare	186	1,437	1,734	1,567	1,734
155	Payroll Tax - SUI	262	1,688	6,202	3,324	6,202
160	Payroll Tax - ETT	(159)	81	55	107	55
165	Payroll tax - FUTA	708	3,799	5,687	4,087	5,687
205	Insurance Health	4,043	418	5,694	264	5,694
210	Insurance Dental	1,115	36	609	68	609
215	Insurance Vision	432	6	150	11	150
225	Retirement-PERS	1,201	48	5,090	857	5,090
305	Operations & Maint	3,342	1,948	2,900	2,545	2,900
310	Phone & Fax expense	558	455	-	165	-
315	Postage, shipping & freight	518	604	625	414	625
320	Printing & reproduction	118	-	200	350	200

325 Professional Services - Accounting	585	-	2,500	2,690	2,500
326 Professional Services-Engineering	41	2,676	-	-	-
327 Professional Services-Legal (General)	2,790	4,650	-	-	-
328 Insurance - Property & Liability	7,784	2,219	-	-	-
330 Contract Labor	1,878	3,818	-	-	-
335 Meals Reimbursement	132	84	500	125	500
340 Meetings & Conferences	-		750		750
345 Mileage expense reimbursement	66		350		350
350 Repairs & maint- computers	888	397		-	-
351 Repairs & maint - equip	4,012	4,526	1,500	5,141	1,500
352 Repairs & maint - structures	405	259	350	5,933	350
354 Repairs & maint - vehicles	5,760	8,627	9,500	6,292	9,500
370 Dispatch Services (Fire)	5,340	6,414	8,082	8,082	8,082
375 Internet Expenses (Charter)	122	54			-
380 Utilities - Alarm Service	63	18	285	6	285
381 Utilities - Electric	2,726	1,585	1,850	314	1,850
382 Utilities - Propane	146	164	250	255	250
383 Utilities - trash	19	-	-	-	-
385 Dues and subscriptions	5,013	1,627	1,975	1,851	1,975
386 Education and training	1,042	401	11,526	3,102	11,526
393 Advertising & public notices	50	88	1,025	-	1,025
394 LAFCO Allocations	395	467	-	-	-
395 Community Outreach	907	395	923	628	923
400 Supplies	3	22	-	502	-
410 Office Supplies	(44)	463	-	-	-
440 Vehicle Equip Replacement	-	-	30,000	-	-
450 EMS Supplies	1,704	1,815	2,500	829	2,500
455 Fire Safety Gear & Equip	28,778	4,214	10,600	19,220	10,600
456 VFF Assistance Grant	-	14,269	-	-	-
465 Cell phones, radios	763	713	-	-	-

470 Communication equip	2,414	3,189	15,050	1,418	15,050
475 Computer Supplies & Upgrades	13	28	-	-	-
485 Fuel expense	5,194	5,089	6,500	2,797	6,500
490 Small tools & equip	1,097	394	1,500	-	1,500
495 Uniform Expense	1,749	4,698	4,610	2,363	4,610
500 Capital Outlay	-	4,160	-	-	-
503 Weed abatement Costs	2,160	2,734	2,810	36	2,810
505 Fire Training Grounds	2,272	1,895	2,900	1,055	2,900
510 Fire Station Addition	-	-	49,000	16,782	
710 County hazmat dues	1,000	2,000	2,000	2,000	2,000
715 Licenses, permits & fees	696	54	350	112	350
820 Fireworks clean-up	(1,400)	1,000	1,000	-	1,000
960 Property tax expense	142	721	735	268	735
999 NO DESCRIPTION	-	-	10	-	-
	<u>135,741</u>	<u>207,934</u>	<u>388,276</u>	<u>220,236</u>	<u>309,266</u>

70000 Transfers Out

327 Professional Services-Legal	-	-	58,150	58,150	58,150
440 Vehicle Replacement Fund	-	-	30,000	30,000	30,000
	<u>-</u>	<u>-</u>	<u>88,150</u>	<u>88,150</u>	<u>88,150</u>

Fire Department Fund Total	135,741	207,934	476,426	308,386	397,416
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San Miguel Community Services District
Budget 17-18
30 Street Lighting Department

Appropriations		Actual	Actual	Adopted	Projected	Continuing
Account	Object	14-15	15-16	16-17	16-17	Appropriation
63000 Lighting						
105	Salaries & Wages	16,158	6,406	12,520	4,702	12,520
110	Payroll Tax Expense	17			315	-
115	Payroll Expenses		329			-
120	Workers Compensation	243	2,363	750	1,057	750
130	Payroll Tax - Fed W/H	(811)		1,625	895	1,625
135	Payroll Tax - FICA	45	221	664	220	664
140	Payroll Tax - Medicare	16	87	182	64	182
155	Payroll Tax - SUI	4	54	190	51	190
160	Payroll Tax - ETT		4	200	4	200
165	Payroll tax - FUTA	30	84	869	105	869
205	Insurance Health	1,013	494	1,050		1,050
210	Insurance Dental	24	33	115	12	115
215	Insurance Vision	4	5	25	2	25
225	Retirement-PERS	727	1,791	1,135	362	1,135
305	Operations & Maint	1,127	222	3,700	3,224	3,700
310	Phone & Fax expense	87	237	-	35	-
320	Printing & reproduction	31	41	75	13	75
325	Professional Services - Accounting	585		750	528	750
327	Professional Services-Legal (General)	2,281	4,284			-
328	Insurance - Property & Liability	745	2,219			-
330	Contract Labor	(103)	3,818			-
340	Meetings & Conferences			300		300

345 Mileage expense reimbursement	12				-
350 Repairs & maint- computers	472				-
351 Repairs & maint - equip		663	500		500
375 Internet Expenses	35	30			-
381 Utilities - Electric	15,156	12,628	15,000	15,340	15,000
382 Utilities - Propane	56	42	-	-	-
383 Utilities - trash	(476)				-
385 Dues and subscriptions	242		-	159	-
393 Advertising & public notices	(200)	11			-
394 LAFCO Allocations	395	467			-
400 Supplies	3	-	-	-	-
405 Software	910	533			-
410 Office Supplies	(211)	294			-
415 Office Equipment		1,744			-
440 Vehicle Replacement Fund			10,000	-	-
465 Cell phones, radios	6	13	-		-
475 Computer Supplies & Upgrades		6			-
485 Fuel expense		185	-	13	-
490 Small tools & equip			500	393	500
500 Capital Outlay		5,655	12,500		12,500
	38,623	44,963	62,650	27,494	52,650

7000 Transfers Out

327 Professional Services-Legal	-	-	-	44,425	-
440 Vehicle Replacement Fund	-	-	10,000	10,000	10,000
	-	-	10,000	54,425	10,000

Lighting Fund Total	38,623	44,963	72,650	81,919	62,650
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San Miguel Community Services District
Budget 17-18
40 Wastewater Department

Appropriations		Actual	Actual	Adopted	Projected	Continuing
Account	Object	14-15	15-16	16-17	16-17	Appropriation
64000 Sanitary						
105	Salaries & Wages	96,990	120,233	141,150	108,419	141,150
120	Workers Compensation	9,639	7,000	8,325	12,084	8,325
130	Payroll Tax - Fed W/H	(3,245)	-	38,200	10,233	38,200
135	Payroll Tax - FICA	696	3,025	691	3,219	691
140	Payroll Tax - Medicare	514	1,760	2,050	1,562	2,050
155	Payroll Tax - SUI	62	615	12,150	912	12,150
160	Payroll Tax - ETT	21	91	2,665	108	2,665
165	Payroll tax - FUTA	1,010	1,053	1,710	1,582	1,710
205	Insurance Health	12,922	8,682	13,788	5,077	13,788
210	Insurance Dental	372	822	1,476	468	1,476
215	Insurance Vision	54	125	245	73	245
225	Retirement-PERS	9,667	8,625	12,445	9,652	12,445
305	Operations & Maint	9,486	3,631	5,500	10,524	5,500
306	Water & Sewer Rate Study	-	-	32,440	-	-
310	Phone & Fax expense	1,421	1,552	-	1,094	-
315	Postage, shipping & freight	2,089	1,970	2,600	2,106	2,600
320	Printing & reproduction	125	279	500	231	500
324	Professional services-Consultant	-	-	1,000	-	1,000
325	Professional Services - Accounting	2,340	-	2,500	6,520	2,500
326	Professional Services-Engineering	9,321	9,006	3,000	3,479	3,000
327	Professional Services-Legal (General)	11,969	19,513	-	-	-

328 Insurance - Property & Liability	5,897	8,840	-	-	-
329 New Hire Screening	-	-	-	20	-
330 Contract Labor	10,900	4,698	-	-	-
340 Meetings & Conferences	488	-	300	-	300
345 Mileage expense reimbursement	158	258	200	289	200
350 Repairs & maint- computers	966	764	-	-	-
351 Repairs & maint - equip	947	1,594	14,000	20,092	14,000
352 Repairs & maint - structures	89	-	925	475	925
353 Repairs & Maint - Infrastructure	1,309	263	3,700	315	3,700
354 Repairs & maint - vehicles	51	470	1,500	1,232	1,500
355 Testing & Supplies (WWTP)	2,422	4,749	3,750	1,125	3,750
375 Internet Expenses	315	168	-	-	-
380 Utilities - Alarm Service	906	767	1,125	374	1,125
381 Utilities - Electric	59,464	55,298	67,000	54,058	67,000
382 Utilities - Propane	281	309	350	418	350
383 Utilities - trash	(1,588)	567	625	477	625
385 Dues and subscriptions	2,455	574	1,500	1,820	1,500
386 Education and training		395	1,250	308	1,250
393 Advertising & public notices	75	45	300	100	300
394 LAFCO Allocations	1,578	1,869	-	-	-
395 Community outreach	-	163	-	-	-
405 Software	3,564	2,133	-	-	-
410 Office Supplies	438	1,307	750	97	750
415 Office Equipment	214	1,889	-	-	-
420 Equip and supplies	8,869	6,910	2,800	754	2,800
432 Utility Rate Study Design	-	-	34,000	2,085	30,355
440 Vehicle Replacement Fund	-	-	3,000	-	-
459 SCADA Maintenance Fees	-	40,165	1,000	2,977	1,000
465 Cell phones, radios	577	477	-	-	-
485 Fuel Expense	3,364	2,338	3,175	2,487	3,175

490 Small tools & equipment	693	647	675	45	675
495 Uniform Expense	97	458	550	317	550
500 Capital Outlay		15,891	-	37,906	-
545 Sewer System Mgmt Plan	1,930	-	-	-	-
553 Manhole & Valve	1,450	-	2,000	-	2,000
560 Sewer Line Repairs	-	171	-	-	-
570 Repairs/Maint & Video	7,800	9,267	9,975	11,298	9,975
581 WWTP Expansion	-	1,549	-	-	-
582 WWTP Plant Maint	10,785	9,671	9,000	7,755	-
583 WWTP Drying Pond Maint	170	500	-	-	-
585 Sludge Removal Project	-	11,358	250	2,695	250
705 Waste Discharge Fees	17,017	-	25,000	14,929	25,000
715 Licenses, permits & fees	2,427	20,502	2,500	3,908	2,500
805 Refundable Water/Sewer/Hydrant	-	6	-	326	-
	311,561	395,012	473,635	346,025	425,550

7000 Transfers Out

327 Professional Services-Legal	-	-	82,470	82,041	82,470
440 Vehicle Replacement Fund	-	-	3,000	3,000	3,000
	-	-	85,470	85,041	85,470

Wastewater Dept. Fund Total	311,561	395,012	559,105	431,066	511,020
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San Miguel Community Services District
Budget 17-18
50 Water Department

Appropriations

Account	Object	Actual 14-15	Actual 15-16	Adopted 16-17	Projected 16-17	Continuing Appropriation
65000 Water						
105	Salaries & Wages	110,300	135,924	141,150	124,686	141,150
109	Stand by hours	-	-	-	3,108	-
120	Workers Compensation	2,595	7,007	8,270	12,084	8,270
130	Payroll Tax - Fed W/H	(3,245)	-	38,200	10,233	38,200
135	Payroll Tax - FICA	696	3,030	6,235	3,368	6,235
140	Payroll Tax - Medicare	543	1,973	2,050	1,795	2,050
155	Payroll Tax - SUI	62	671	12,200	1,008	12,200
160	Payroll Tax - ETT	23	106	2,670	124	2,670
165	Payroll tax - FUTA	1,018	1,149	1,705	1,726	1,705
205	Insurance Health	13,069	10,396	13,788	7,024	13,788
210	Insurance Dental	380	950	1,476	559	1,476
215	Insurance Vision	55	145	245	87	245
225	Retirement-PERS	9,743	9,791	12,337	9,530	12,337
305	Operations & Maint	10,997	5,069	4,500	8,478	4,500
310	Phone & Fax expense	1,880	2,076	-	1,094	-
315	Postage, shipping & freight	2,505	1,938	2,108	2,273	2,108
320	Printing & reproduction	381	506	575	231	575
325	Professional Services - Accounting	2,340	-	2,500	6,520	2,500
326	Professional Services-Engineering	11,570	1,950	3,500	2,526	3,500
327	Professional Services-Legal (General)	30,375	71,983	-	-	-
328	Insurance - Property & Liability	7,120	8,840	-	-	-

329 New Hire Screening			-	20	-
330 Contract Labor	(63)	4,530	-	-	-
335 Meals Reimbursement	-	31	-	-	-
340 Meetings & Conferences	474	-	750	-	750
345 Mileage expense reimbursement	387	291	300	274	300
350 Repairs & maint- computers	971	764	-	-	-
351 Repairs & maint - equip	6,396	2,957	3,500	677	3,500
352 Repairs & maint - structures	405	972	1,000	318	1,000
353 Repairs & maint - Infrastructure	21,115	6,360	8,000	14,162	8,000
354 Repairs & maint - vehicles	51	589	1,500	1,232	1,500
356 Testing & supplies-Well#3	2,280	26,152	2,000	1,670	2,000
357 Testing & Supplies-Well #4	2,029	1,205	2,000	1,654	2,000
358 Testing & Supplies SLT Well	4,843	4,684	5,000	4,198	5,000
359 Testing & supplies Other	7,522	7,167	7,800	4,550	7,800
362 Cross Connection Control	761	1,145	1,200	573	1,200
375 Internet Expenses	314	168	-	-	-
380 Utilities - Alarm Service	590	837	-	644	-
381 Utilities - Electric	31,796	28,050	31,000	27,706	31,000
382 Utilities - Propane	281	309	350	418	350
383 Utilities - trash	(1,588)	567	650	477	650
385 Dues and subscriptions	2,884	6,883	6,875	3,425	6,875
386 Education and training	-	1,129	1,200	422	1,200
393 Advertising & public notices	225	200	210	245	210
394 LAFCO Allocations	1,578	1,869	-	-	-
395 Community outreach	638	163	-	-	-
400 Supplies	-	-	150	-	150
405 Software	3,564	2,133	-	-	-
410 Office Supplies	438	2,108	750	97	750
420 Equip & Supplies	8,869	7,097	8,000	754	8,000
431 SLT Blending Line CDBG			18,123	37,054	18,123

432 Utility Rate Design Study			32,440	2,085	30,355
433 K Street Waterline Replace	-	-	25,200	13,049	25,200
440 Vehicle Replacement Fund	-	-	3,000	-	3,000
459 SCADA Maintenance Fees	-	160,643	1,000	108	1,000
465 Cell phones, radios	577	477	-	-	-
475 Chemicals - Well #3	1,681	2,370	2,500	1,397	2,500
482 Chemicals - Well #4	1,922	1,134	2,500	2,732	2,500
483 Chemicals - SLT Well	219	-	1,550	344	1,550
485 Fuel expense	3,032	2,127	3,200	2,245	3,200
490 Small tools & equipment	739	671	800	90	800
495 Uniform Expense	97	458	550	85	550
500 Capital Outlay	-	15,891	-	86,435	-
520 Water Main Valve Replace	-	3,965	4,250	-	4,250
525 Water Meter Replacement	13,678	7,793	23,000	28,522	-
535 Water Line Repairs	-	502	3,000	1,582	3,000
553 Manholes & Valve Raising	1,420	1,062	1,200	-	1,200
605 USDA Loan Payment	40,814	66,381	41,000	41,481	41,000
715 Licenses, permits & fees	10,909	(915)	7,500	6,249	7,500
805 Refundable Water/Sewer/Hydrant	305	3,248	200	3,035	-
	374,560	637,671	506,757	486,463	481,472

70000 Transfers Out

327 Professional Services-Legal	-	-	-	82,041	-
440 Vehicle Replacement Fund	-	-	-	3,000	-
	-	-	-	85,041	-

Water Department Fund Total	374,560	637,671	506,757	571,504	481,472
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San Miguel Community Services District
Budget 17-18
60 Solid Waste Department

Appropriations		Actual	Actual	Adopted	Projected	Continuing
Account	Object	14-15	15-16	16-17	16-17	Appropriation
66000- Solid Waste						
105	Salaries & Wages	-	-	-	-	-
110	Payroll Tax Expense	-	-	-	-	-
120	Workers Compensation	-	-	-	-	-
305	Operations & Maint		28	-	-	-
320	Printing & reproduction	-	-	-	2	-
325	Professional Services - Accounting	-	-	2,500	43	2,500
327	Professional Services-Legal (General)	-	6,642	-	-	-
340	Meetings & Conferences	-	-	500	-	500
384	Trash receptacles	-	4,758	900	-	900
385	Dues and subscriptions	-	-	100	-	100
386	Education and training	-	-	-	-	-
393	Advertising & public notices	-	799	250	-	250
905	????		-	508	-	508
		-	12,227	4,758	45	4,758
70000 Transfers Out						
327	Professional Services-Legal	-	-	508	508	508
		-	-	508	508	508
Solid Waste Department Fund Total		-	12,227	5,266	553	5,266

Summary of Continuing Appropriations

Department	Amount
Administration	269,064
Fire	397,416
Street Lighting	62,650
Wastewater	511,020
Water	481,472
Storm Drain	5,266
	1,726,888

Schedule GF -- A FY 2017 Capital Outlays

Wastewater -- Capital Projects Projected for 2017-18 & 2018-19				
Rank	Priority	Description	Cost	Justification for Outlay
FY2017-2018 (HIGH PRIORITY)				
1	High	Aerator upgrade to bubbler/ blower system	\$85,000	The upgrade of the current aerators is needed to meet the requirements of our operating permit as well to reduce energy costs at the WWTP. By upgrading to a bubbler/ blower system it is possible to reduce our aeration horse power by 40%. This upgrade will also help maintain the required level Dissolved Oxygen (DO) in the ponds, DO is a requirement of our permit and helps facilitate the breakdown of solids in the ponds. District will contact PG&E to investigate potential funding assistance opportunities.
2	High	Installation of replacement and new DO meters at wwtp	\$7,000	The existing DO meters in ponds 1 and 2 are aging out. District also needs to install new DO meters in ponds 3 and 4, changing all the DO meters to be the same type, brand, age will reduce overall maintenance cost and can potentially help identify issues with DO in ponds 3 and 4 by regularly monitoring them. We are required to monitor for DO in the first two ponds as part of our permit to operate. To ensure that the DO levels are accurate an upgrade will be required so that we can integrate the DO levels into our SCADA. When we move from Surface aeration to a bubbler type system, we will need to install additional DO monitors on ponds 3 and 4. Replacing them all at the same time will simplify the integration and installation.
3	High	Update WASTEWATER Master Plan	\$35,000	
4	High	SSMP audit and update	\$30,000	Both are over do
5	High	Additional utility vehicle 1 ton (W/WW)	\$32,500	This vehicle is needed to stop the use of private vehicles in the performance of normal utility work. With additional staffing it will be needed to support repair and construction activities as well as provide transportation for the third person during normal daily operations. It is not feasible to one have one vehicle, multiple vehicles are needed to provide better service and to become more efficient. The cost of this vehicle is being split evenly between the Water & Wastewater departments.
6	High	Prepare Preliminary Design / Engineering Report & Submit Application(s) for funding WWTP Expansion	\$45,000	A recent assessment by the Wallace Group indicates that the treatment capacity of the WWTP is approaching a threshold level that requires the initiation of the planning and design of an expansion (or replacement) of the WWTP. As an initial step, it is recommended that preliminary planning and engineering be performed that will be part of the application for PROP 1 funding assistance.
7	High	Facility Siting / Architectural Planning Study for new CSD Administrative Offices		Use of the fire station is no longer efficient. The district administration has out grown the useful space of the fire department and needs to either relocate to a separate office building that can meet the needs of the district over the foreseeable future or they need to add on to the fire station the space needed. Then fire station has also evolved to a point where it will need the space in the fire station for fire activities. The cost of this vehicle is being split evenly between the Water, Wastewater & Fire departments.
8	Medium	Replace pole lighting at WWTP with led conversions	\$5,500	We have continual problems with the existing HPS lighting not operating correctly. Replacing the lighting would not only save money on energy costs but would provide reliable security and work lighting for the WWTP. District will contact PG&E to investigate possible funding assistance opportunities.
9	Medium	TESCO reporting module for SCADA (W/WW)	\$3,900	The reporting ability for SCADA is necessary to complete the ability for SCADA to provide the information needed for regular reporting in order to save staff time and provide data at consistent intervals daily, in the future the district will need to track addition information to comply with GSA and potentially new wastewater permitting. The cost of this vehicle is being split evenly between the Water & Wastewater departments.
9	Medium	(2) Tablets for service orders and access to GIS for utilities (W/WW)	\$1,000	In order to better respond to and receive service orders and access GIS data we are requesting 2 Surface tablets to be integrated into our existing network. The cost of these tablets is being split evenly between the Water & Wastewater departments.
9		Laptop for sewer video trailer	\$1,000	Currently we do not have a laptop for the sewer video trailer. A dedicated laptop will allow the videos to be recorded and for the video program to be loaded on it permanently
10		Trench plates (2) 4 x 8 rated plates (W/WW)	\$1,000	plates are used for most repairs in the street. Currently we rent them but are at the mercy of the plate rental company to have them, deliver them and pick them up.
FY2018-2019 (MEDIUM PRIORITY)				
1	High	Replace approximately 300' of sewer on Prado	\$60,000	This section of sewer is undersized, under depth and has extensive root intrusion
2	Medium	Relocate diesel tank and Install Gasoline tank at yard (W/WW/F)	\$5,000	In order to better utilize the space at the WWTP relocation of the existing diesel tank is needed, in order to have gasoline on hand for emergencies a gasoline fuel tank is needed. The cost of this vehicle is being split evenly between the Water & Wastewater departments.
3	Medium	Acquire option for Land Purchase for WWTP expansion	N/A	Pending the completion of the Planning & Preliminary Engineering Study for the WWTP expansion, consider acquiring the parcel of land adjacent to the WWTP.
4	Low	Trailer mounted sewer jetter	\$25,000	The purchase of a sewer jetter trailer would enable utility staff to clean our own sewer lines and address backups without having to call in another agency or private company to do the work. Annually we spend approximately 7-8000 to clean the entire system. so theoretically it could pay itself off in 3-4 years
Beyond FY2018-19 (LOW PRIORITY)				
1	Medium	Lining of manholes	N/A	Some of the existing manholes are deteriorating and need to be rehabilitated. This will need to be planned out, this is a project that will be more cost effective as a larger project to reduce the mobilization and demobilization costs. There are approximately 30 manholes in the system that are in need of rehabilitation. The scope of work and budget will be refined pending the completion of the SSMP and Wastewater Masterplan updates.
2	Medium	Lining of Sewer lines	N/A	Some of the existing sewerlines are deteriorating and need to be rehabilitated. This will need to be planned out, this is a project that will be more cost effective as a larger project to reduce the mobilization and demobilization costs. There is approximately 9 miles of sewer lines in the system that are in need of rehabilitation. The scope of work and budget will be refined pending the completion of the SSMP and Wastewater Masterplan updates.

\$336,900

Schedule GF -- A FY 2017 Capital Outlays

Fire --Capital Projects for FY 2017-18 & 2018-19				
RANK	PRIORITY	Description	Cost	Justification for Outlay
FY2017-2018 (HIGH PRIORITY)				
1	High	Response Staffing (SAFETY)	\$130,000	Look at all options for additional staffing with reserve coverage, stipend coverage.
2	High	Replacement SCBA's (SAFETY)	\$175,000	Current SCBA's are out of compliance for age and interconnection per NFPA standards
3	High	10 sets of turnouts new and replacement (SAFETY)	\$50,000	Some new Structure firefighting turnouts for new personnel, some replacement for existing Structure firefighting turnouts that are damaged or aged out, The general recommended and warranted life of Structure turnouts is 10 years. This is based on the accepted NFPA guideline. By replacing sets annually we minimize the possibility of a single large outlay in the future.
4	High	Additional Fire Radios (10) (SAFETY)	\$12,000	Continuance of the replacement and standardization of fire radios for safety and ease of maintenance and programing.
5	High	Install emergency generator at the station	\$30,000	Installation of a permanent backup generator will allow for instant emergency power and allow for continued emergency operations in the event of a natural disaster or power outage
6	High	Additional remodel of Fire Station	\$60,000	Continue developing station into livable space to allow for overnight coverage
7	Medium	Report writing Work station in app bay	\$4,000	A report writing station will allow personnel to submit reports electronically and allow reports to be entered into our existing reporting software. Submitting reports electronically will reduce staff time in entering manual reports as well as time compiling statistics for local and state reports.
8	Medium	Fire Training Curriculum IFSTA (TRAINING)	\$3,000	Need to update to the 7th addition to ensure that we are training to the current standard and that we provide up to date informational references to the firefighters
9	Medium	Replace Utility 8630	\$65,000	This vehicle meets the criteria set by the board for replacement under the vehicle replacement policy. Both for age and for repairs, this vehicle is also fully depreciated.
10				
FY2018-2019 (MEDIUM PRIORITY)				
1	High	Water Tender	\$225,000	Meet the ISO standards with 4000 gal of mobile water for an increased ISO rating, Meet the needs for Fire Suppression and part of the community disaster plan for water and fire.
2	Medium	Relocate diesel tank and install Gasoline tank at yard (W/WW/F)	\$5,000	In order to better utilize the space at the WWTP relocation of the existing diesel tank is needed, in order to have gasoline on hand for emergencies a gasoline fuel tank is needed.
3	Medium	3 AED (SAFETY)	\$6,000	EMS Equipment for 8600, 8601 and in the front office of the fire station
4	Medium	Replacement Rescue tools (1 set per FY)	\$23,000	Although we currently have 1 set of rescue tools in service and 1-2 other used sets that were donated we need to plan on replacing them with new sets, as with any mechanical tool they eventually wear out and this is a tool that needs to work when it is needed without question. THE set that is in service is 15 years old and the others are 12 years old.
5	Medium	2 Lap Top Computers MDC	\$15,000	Fire Reports, Training Meeting, Chiefs Meeting, on scene reporting and ability to get and transmit information during an incident.
6				
7				
BEYOND FY2018-2019 (LOW PRIORITY)				
1				
2				
3				

803,000

Schedule GF -- A FY 2017 Capital Outlays

RANK	PRIORITY	Water -- Capital Projects Projected for FY 2017-18 & 2018-19	
		Description	Cost

Justification for Outlay

FY2017-2018 (HIGH PRIORITY)

1	High	SLT Well Arsenic Blending Line	\$150,000	CDPH is requiring that the District implement a well/tank blending project, to better blend the "arsenic water" from the well with the distribution system water held in the San Lawrence Terrace (SLT) tank, a 50,000-gallon potable water tank in close proximity to the SLT well. Engineering is underway by the Wallace Group. Construction is anticipated to be in FY 2017-2018. A CDBG Grant has been awarded for this project in the amount of
2	High	Replace water line on 11th from N st to Mission	\$350,000	This line under the RR tracks is a welded steel line in a steel culvert pipe. It has already had multiple failures and poses an extreme cost if it ruptures under the RR tracks. This is also a main artery between the east and west sides of the tracks. Engineering & Construction are planned for FY 2017-2018. A CDBG Grant has been applied for this project in the amount of \$350,000.
3	High	Update WATER SYSTEM master plan	\$25,000	The existing WATER SYSTEM master plan is outdated and need to be updated with the current needs of the water district.
4	High	Replace water line on 10th under Mission St	\$200,000	This line under Mission street is a welded steel line in a steel culvert pipe. It has already had multiple failures and poses an extreme cost if it ruptures. This is also a main artery between the east and west sides of the tracks. Funding assistance opportunities will be explored to assist with the funding of the Engineering & Construction of this project.
5	High	Additional utility vehicle 1 ton (W/WW)	\$32,500	This vehicle is needed to stop the use of private vehicles in the performance of normal utility work. With additional staffing it will be needed to support repair and construction activities as well as provide transportation for the third person during normal daily operations. It is not feasible to have only one vehicle, multiple vehicles are needed to provide better service and to become more efficient. The cost of this vehicle is being split evenly between the Water & Wastewater departments.
6	High	Facility Siting / Architectural Planning Study for new CSD Administrative Offices	\$12,000	Use of the fire station is no longer efficient. The district administration has out grown the useful space of the fire department and needs to either relocate to a separate office building that can meet the needs of the district over the foreseeable future or they need to add on to the fire station the space needed. Then fire station has also evolved to a point where it will need the space in the fire station for fire activities. The cost of this vehicle is being split evenly between the Water, Wastewater & Fire departments.
7	Medium	TESCO reporting module for SCADA (W/WW)	\$3,900	The reporting ability for SCADA is necessary to complete the ability for SCADA to provide the information needed for regular reporting in order to save staff time and provide data at consistent intervals daily, in the future the district will need to track addition information to comply with GSA and potentially new wastewater permitting. The cost of this vehicle is being split evenly between the Water & Wastewater departments.
8	Medium	(2) Tablets for service orders and access to GIS for utilities (W/WW)	\$1,000	In order to better respond to and receive service orders and access GIS data we are requesting 2 Surface tablets to be integrated into our existing network. The cost of these tablets is being split evenly between the Water & Wastewater departments.
9	Low	Trench plates (2) 4 x 8 rated plates (W/WW)	\$1,000	plates are used for most repairs in the street. Currently we rent them but are at the mercy of the plate rental company to have them, deliver them and pick them up.

FY2018-2019 (MEDIUM PRIORITY)

1	High	Water meter replacement for meters ANNUAL Program	\$14,500	In order to continue to replace water meters that are aging and falling in accuracy we need to continue to replace the oldest meters. Based on the remaining meters to be replaced and the eventual replacement of meters in the future we should be replacing 55 meters per year to stay ahead of a 15 year replacement plan. at the current meter cost that is approximately \$14,500 per year.
2	Medium	Replacement of the SLT Tank	\$150,000	The existing tank is in severe deterioration and undersized for the area that it serves. The Tank needs to be replaced with a new larger tank so that additional storage is available and so that there is more water to blend the SLT well water with. There is the potential for a new residential development to occur in the SLT Service Zone, which is served by this Tank. If that project moves forward, the new SLT Tank may be constructed by the developer. A decision regarding whether the District or the Developer will replace the Tank should occur in FY 2017-2018.
3	Medium	Relocate diesel tank and install Gasoline tank at yard (W/WW/F)	\$5,000	In order to better utilize the space at the WWTP relocation of the existing diesel tank is needed, in order to have gasoline on hand for emergencies a gasoline fuel tank is needed. The cost of this vehicle is being split evenly between the Water & Wastewater departments.
4	Medium	Rebuild and repave access road to the tank	\$175,000	The existing road is in severe decay It was suppose to be replaced in 2009 with the new tank but wasn't. It is a huge liability as is has shown in previous years that it is prone to washouts
5	Medium	Install emergency isolation valves at bridge ends	\$50,000	This item has been discussed several time over the last 10 years with E & F and the Board. The purpose of the valves is to provide a safeguard against water loss in the event that the bridge shifts, or fails completely. Currently in those events an operator would have to manually shut the valves on both sides of the bridge. This may take some time if it is after hours, resulting in total loss of water on the Terrace and serious or total loss of

Beyond FY2018-19 (LOW PRIORITY)

1		Water meter replacement for meters ANNUAL Program	\$14,500	In order to continue to replace water meters that are aging and falling in accuracy we need to continue to replace the oldest meters. Based on the remaining meters to be replaced and the eventual replacement of meters in the future we should be replacing 55 meters per year to stay ahead of a 15 year replacement plan. at the current meter cost that is approximately \$14,500 per year.
2		Installation of additional mains to support better flows as identified in Water Master plan	N/A	The scope of this infrastructure will be better defined pending completion of the Water System Masterplan update. After project scoping is complete, the District will explore funding assistance opportunities to assist with the funding of the Engineering & Construction of this project.
3		Replacement of 4" water lines in alleys	N/A	The scope of this infrastructure will be better defined pending completion of the Water System Masterplan update. After project scoping is complete, the District will explore funding assistance opportunities to assist with the funding of the Engineering & Construction of this project.
4		New Water Supply Well	N/A	The scope of this infrastructure will be better defined pending completion of the Water System Masterplan update. After project scoping is complete, the District will explore funding assistance opportunities to assist with the funding of the Engineering & Construction of this project.

\$1,184,400

Lighting -- Capital Projects for FY 2017-18 & 2018-19

RANK	PRIORITY	description	Cost
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Justification for Outlay

FY 2017-18 (HIGH PRIORITY)

1	High	Flat tilt trailer 6x12	\$5,000	A flat tilt trailer is needed to transport the scissor lift, it may also be used to move the tractor or mini ex but would mainly be for the lift. Water and Sewer did buy a dump trailer last year however, the scissor lift cannot be loaded into that trailer due to the height off of the ground. The lift cannot drive into that trailer. Currently in order to move the lift from the place to place we need to either drive it or rent a trailer, purchase of the trailer will allow the lift to be
2	High	Facility Siting / Architectural Planning Study for new CSD Administrative Offices	\$12,000	Use of the fire station is no longer efficient. The district administration has out grown the useful space of the fire department and needs to either relocate to a separate office building that can meet the needs of the district over the foreseeable future or they need to add on to the fire station the space needed. Then fire station has also evolved to a point where it will need the space in the fire station for fire activities.
3	Medium	Convert 24 existing street lights to LED	\$24,000	Converting the existing street lights on mission to LED will save money in the long term. The conversion for the existing HPS ballast and bulbs would be entirely internal to the light poles, the existing ballast and bulbs would be removed and replaced with the LED conversion kit. on average a LED fixture will use about 1/4-1/2 the wattage of a traditional HPS or Incadesent fixture
4				
5				

FY 2018-19 (MEDIUM PRIORITY)

1	High	Installation of approximately 15- 20 new	\$25,000	Installation of additional street lights has been brought up multiple times and should be pursued for safety reasons. Although we do not have specific identified locations for the proposed street lights, they would be at the intersections
2	Medium	Instal additional street lights along mission	\$50,000	Providing llighting along Mission, leading to the mission will provide a lit walking path to the Mission from down town area. Light poles along this section of Mission street was proposed with the extension of the sidewalks from 11th to
3				
4				
5				

116,000



San Miguel Community Services District Board of Directors

Staff Report

June 29, 2017

AGENDA ITEM: XII.13.

SUBJECT: Review and Discuss the 2016 Vehicle Assessment and Replacement Recommendation.

STAFF RECOMMENDATION:

Staff recommends that the Board review and discuss the assessment of current District vehicles and review recommendations for replacement and new vehicles.

BACKGROUND:

In 2015 the San Miguel Community Services District (“District”) Board of Directors (“Board”) adopted a vehicle replacement policy that included an assessment platform. This assessment platform allows for the uniform assessment of vehicles and large equipment annually so that assets could be replaced before their maintenance costs became so great that they exceeded the value of the vehicle or equipment.

As part of this program the District currently operates three fire trucks, two fire utilities, one water/sewer utility, two tractors, three trailers, and two emergency generators.

Currently there is only one vehicle which ranks high enough for replacement. This is the 2004 Ford F150 which is currently used by the District Fire Department. In the last year it has become increasingly expensive to maintain and there is currently approximately \$1,500 to \$2,000 in needed repairs. According to *Kelly Blue Book* this vehicle has a trade-in value of \$4,200, based on its current condition.

The other two utilities have received some repairs in the last year, but neither are in need of major repairs, and both rank as excellent or very good.

Staff’s recommendation is to replace the existing 2004 Ford F150 with a similar vehicle within this fiscal year. The proposed replacement cost is estimated at \$40,000, plus outfitting with necessary striping, logos, radios, and lights needed for the Fire Department.

Item XII.12.

6-29-2017 Special Board Meeting

FISCAL IMPACT:

Staff estimates replacing the 2004 Ford F150 will cost the district Forty Thousand Dollars (\$40,000). However, staff will not proceed with replacing the truck until approved by the Board at a future meeting.

STAFF RECOMMENDATION:

Staff recommends the Board Direct staff to bring back an item for the replacement of the 2004 Ford F150 Utility at the next available Board meeting.

PREPARED BY:

Kelly Dodds

Utility Supervisor

Attachment:

Exhibit A: Assessment sheet

San Miguel CSD Vehicle and equipment

June 2017

Attachment B Depreciation Value/ Formula	Attachment C Points / Classification	NOTE	Funds	Identifier	Make	Model	Body	Extra Equipment	Year	Engine Hrs	Pump Hrs	Mileage	Drive	Fuel	GVWR
(9,600) B	35 Poor	2	20	8630	Ford	F150	Crew Cab short bed	Camper shell	2004			119,800	4x4	Gas	<14000
12,000 B	20 Excellent	2	20	8600	Ford	F150	Crew Cab short bed	Camper shell	2010			66,000	4x4	Gas	<14000
23,000 B	26 Very Good	1	40/50	8632	GMC	2500	Utility body single cab	Utility body	2006	1445		66,046	2x4	Gas	<14000
93,600 B	19 Excellent	1	20	8668	Ford	F550	Crew Cab Utility body	Utility body /skid pump	2010		75	6,256	4x4	Diesel	14000
192,000 B	16 Excellent	1	20	8687	GMC/ Ferrara	6500	Crew Cab fire engine	Fire pump	2006	879		14,796	2x4	Diesel	25950
310,200 B	13 Excellent	1	20	8696	HME/ Ferrara		Fire Engine	Fire Pump	2009	369		7,181	2x4	Diesel	42180
3,500 A	30 Good	1	40/50		John Deere	5205	Tractor		2005	680			4x4	Diesel	
35,550 A	26 Very Good	4	50		Onan	Generator	100 KW		1994	149.6				Diesel	
38,250 A	0 Excellent	3	40		MQ Power	Generator	70 KW		2003	287.7				Diesel	
17,719 A	0 Excellent	1	40/50		kubota	U35 Mini Ex	Mini Excavator		2016	48				Diesel	
17,719 A	7 Excellent	1	40/50		Sullair	185	Trailer mounted air compressor		2014	2				Diesel	
1,870 A	17 Excellent	2	20		Miller	Bobcat 225	Welder/ generator		2002	268.7				Gas	
1,418 A	18 Excellent	1	40/50		Ingersoll Rand	Compressor	Air compressor		2004	200				Gas	
49,500 A	18 Excellent	3	20		Morbark	2070xl	Trailer mounted chipper		2005	243				Diesel	
	C 0 Excellent	1	40/50		PJ	7x12	Dump Trailer		2015						
	C 0 Excellent	1	40		Pace	6x10	Cargo Trailer		2015						
(2,090) C		1	20		Controlled	Air stream	Positive pressure fan #1		2002	260				Gas	
(2,090) C		1	20		Controlled	Air stream	Positive pressure fan #2		2002	260				Gas	
(780) C		1	20		Honda	EV1000	Generator 1000 watt #1		2004	325				Gas	
(780) C		1	20		Honda	EV1000	Generator 1000 watt #2		2004	325				Gas	
(4,375) C		1	20		Honda	3500s	Generator 3500 watt		2000	250				Gas	
(1,625) C		1	20		Partner	K950	Rotary saw		2004	90				Gas	
2,720 C		1	40/50		Stihl	TS700	Rotary saw		2014	30				Gas	
(18,750) C		1	20		Champion	gx200	Hydraulic rescue tool pump		2000	200				Gas	
(3,125) C		1	40/50		Northstar		Trash Pump		2000	200				Gas	
(650) C		1	20		Stihl	MS 460	Chain saw		2005	30				Mix gas	
(646) C		1	40/50		Stihl	FTS110	Weed wacker		2002	625				Mix gas	
15 C		1	40/50		Poulan	Pro	Leaf Blower		2009	30				Gas	
(38,750) C		3	20		Bauer		Breathing air bottle station		1998	1038				Gas	
- C		1	40/50		Honda	2000i	Generator		2016	0				Gas	
		3	40		RS		Sewer Video Equipment								

Special notes: 1 - Purchased New, 2 - Purchased used, 3 - Received on donation or grant, 4 - This is a tier 1 engine and will need to be replaced if any major repairs are needed per APCD permit.



San Miguel Community Services District

Board of Directors Staff Report

June 29, 2017

AGENDA ITEM: XI. 13.

SUBJECT: Discuss Options for Temporary Operator Services to Relieve the Utility Supervisor from 24/7 on Call Status.

STAFF RECOMMENDATION:

Discuss options for temporary Operator Services to Relieve the Utility Supervisor from 24/7 on Call Status and provide necessary direction to staff for acquiring temporary Operator services.

BACKGROUND:

The San Miguel Community Services District (“District”) is currently understaffed and in need of temporary Utility Operator services to alleviate the duties currently imposed on Utility Supervisor Kelly Dodds. The Utility Supervisor currently maintains 24/7 on call status. Staff developed several options for the Board’s consideration to relieve the Utility Supervisor from 24/7 on call status. Immediately after the former General Manager left the District, staff expressed an urgent need to alleviate the Utilities Supervisor from on call duty. The District is in the process of hiring an emergency utility supervisor to perform some on call services, however, additional services are needed to alleviate the Utility Supervisor from on call duty.

Option 1: Contract with a third party specializing in assisting agencies with on call services. The District could enter a contract for a specified period of time while it evaluates its staffing needs and recruits an additional Utility Operator.

Option 2: Hire a second emergency utility Operator to provide on call services.

Staff recommends Option 1. Contracting with a third party to perform on call services, which provide the District time to evaluate its work load and staffing needs. At the June 29, 2017, Special Board meeting, the Board will consider creating Board Clerk and Director of Utilities Positions, in addition to authorizing staff to hire another Utilities Operator. The District is undergoing major staffing changes and needs time to reevaluate its staffing needs in light of the recent hires. Upon hiring a Utilities Operator, the District may no longer need emergency on call services.

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Moreover, it will require additional time to recruit and hire a second emergency Utility Operator. If the District contracts with a third party, it can enter the contract quickly and solve its utility staffing problem without hiring a full time employee for a temporary term.

FISCAL IMPACT:

At this time, the Board is exploring its options with regard to emergency utility services. No financial impact will occur until the Board takes further action at a future meeting.

STAFF RECOMMENDATION:

Discuss options for temporary operator services to relieve the Utility Supervisor from 24/7 on call status and provide necessary direction to staff for acquiring temporary operator services.

PREPARED BY:

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