

SAN MIGUEL COMMUNITY SERVICES DISTRICT  
 BOARD OF DIRECTORS  
 JUNE 27, 2019 REGULAR MEETING MINUTES  
 MEETING HELD AT DISTRICT OFFICES  
 1150 MISSION STREET  
 SAN MIGUEL, CA 93451

- I.** Meeting Called to Order by Vice President Sangster – 6:00 P.M.
- II.** Pledge of Allegiance lead by Director Kalvans.
- III. Roll Call:** Directors Present: Green, Sangster, Parent, and Kalvans  
 Director Green arrived at 6:03 P.M.  
 Directors Absent: Palafox  
 District Staff in attendance: Rob Roberson, Tamara Parent, Kelly Dodds, Paola Freeman, Scott Young and District General Counsel Seikaly  
 District Staff Absent: None
- IV. Adoption of Regular Meeting Agenda:**
- Motion by Director Kalvans to adopt Regular Meeting Agenda with an added moment of silence for former Director Jarvis
- Seconded by Director Sangster Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT
- V. ADJOURN TO CLOSED SESSION:**  
 Closed Session convened at 6:03 p.m.
- A. CLOSED SESSION AGENDA:**
1. **CONFERENCE WITH DISTRICT GENERAL COUNSEL-ANTICIPATED LITIGATION**  
 Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:(1 case)WO
  2. **CONFERENCE WITH LABOR NEGOTIATORS** (Pursuant to Government Code Section 54954.5(f) and Government Code Section 54957.6)  
 Unrepresented Bargaining Units: Non-Management Non-Confidential Unit and Non-Management Confidential Unit

- VI. Call to Order for Regular Board Meeting/Report out of Closed Session: 7:02 P.M.**  
Report out of closed session by District General Counsel Seikaly, Board of Directors will return to closed session at end of regular meeting.

*Moment of silence was taken in memory of former Director Connie Jarvis who passed away on June 17<sup>th</sup>, 2019*

- VII. Public Comment and Communications for matters not on the Agenda:** Laverne Buckman, San Miguel Resident voiced that she has been to the Park Meetings and would like the Fire Department to get involved because they are talking about taking over the old fire station and community center. Board asked staff to call Elizabeth Kavanaugh Parks & Trails Planner San Luis Obispo County Parks and Recreation and SLO Supervisor John Peschong.  
Owen Davis asked if Supervisor Peschong is ever seen at the District board meeting

**VIII. Special Presentations/Public Hearings/Other:**

**PUBLIC HEARING: Consider approving Resolution No 2019-25 confirming the 2019 Weed Abatement Cost Report and Authorizing Collection of the charges on the County Tax Rolls.** Director Green presented item explaining that it was time and place for a public hearing relating to the district's proposed approval of Resolution 2019-25 confirming the 2019 weed abatement cost report and authorizing collection of the charge on the county tax roll. Interim General Manager/Fire Chief Rob Roberson presented staff report.

*Director Green Opened the Public Hearing portion asking for testimony from the public.*

**Public Comment:** Owen Davis San Miguel Resident voiced that he had told the Fire Chief that the Landscapers that have been hired are ~~was~~ not good. Mr. Davis informed the Fire Chief that the landscapers were mowing at 2:30 in the afternoon. Laverne Buckman asked about the Tax Bills and if staff could keep track of payments made back to the District.

**Staff Comment:** Interim General Manager Rob Roberson explained he did not disagree with Mr. Davis and would revise the contract. Discussion ensued about Weed Abate.

*Director Green asked for any other Public Comment.*

None

*Director Green Closed Public Hearing on Resolution No 2019-25 confirming the 2019 Weed Abatement Cost Report and Authorizing Collection of the charges on the County Tax Rolls.*

**Board Comment:** Director Kalvans asked about accessibility to lots. Fire Chief explained the procedure they use.

Director Sangster voiced that he would like to see the contract changed to not have weeds abated in the afternoon, less fire risk.

Motion by Director Sangster to approve Resolution No 2019-25 confirming the 2019 Weed Abatement Cost Report and Authorizing Collection of the charges on the County Tax Rolls, Exhibit A.

Seconded by Director Parent. Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT.

#### **IX. STAFF & COMMITTEE REPORTS:**

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

LTC Horvath explained that 8k acers have been reduced, thanked San Miguel Fire for their participation. 5-6k troops will be departing in the next few days. In July 3k troops will be training. LTC Horvath explained that there was a fire in the range that burnt 16 acers but was under controlled. Live fire in August. There will be a reduction in troops after August to 1,100 California Natural Guard.

- 6. Interim General Manager:** Interim General Manager/ Fire Chief Rob Roberson, gave a verbal report. Mr. Roberson updated the Board of Directors about the passing of former Director Jarvis. Mr. Roberson explained that a financial plan is being brought forward and will be requesting board action after final adjustment have been made. General Manager explained that he has met with Steven Nascimento from CSDA and will be coordination with the Coastal Network that focus on legislative advocacy. Interim General Manager/ Fire Chief Rob Roberson updated the Directors on the case Johnson Vs. San Miguel. The Directors were asked to write letters and the case is going to trial tentatively on October 29, 2019

**Board Comment:** Director Kalvans asked if staff could look into security for the District. Discussion ensued about what the District has now and what they District is moving towards.

**Public Comments:** None

- 7. District General Counsel:** Presented by Counsel Seikaly. ChurchwellWhite, LLC. Counsel Seikaly voiced that she would like to have letters in regard to the Johnson case by mid- August.

**Board Comments:** Director Green voiced that he would revise his letter and get it to her.

**Public Comments:** None

- 8. District Engineer:** Written report submitted as is. Dr. Blaine Reely absent, Director of Utilities Kelly Dodds asked for any questions.

**Board Comments:** None

**Public Comment:** None

- 9. Director of Utilities:** Written report submitted as is. Director of Utilities Kelly Dodds updated the Board that the District had a leak on Bonita and 16<sup>th</sup> Street. Mr. Dodds

explained that he has had issues with Security Paving overflowing their trucks with the hydrant meter and has been in touch with them.

**Board Comment:** Director Kalvans asked about the Styrofoam ban and the position the Board would like to take. Director Kalvans also would like to know how many meters radio reads are. Director of Utilities Kelly Dodds explained that about 75% of town are radio read meters and that with the District meter replacement is about 40 meters a year and any that break and that the District replaces on warranty also.

**Public Comments:** Laverne Buckman San Miguel resident asked if she was correct that the meters are only good for 15 years.

Owen Davis San Miguel Resident explained that he feels that all the meters should be replace due to labor cost and asked that the meters be read more often to detect leaks.

- 10. Fire Chief:** Fire Chief Rob Roberson, updates the Board of Directors he has had a meeting with Chief Jalbert about mutual aid, and there will be an additional engine on structure fires. Discussion ensued about reviewing County Blue Ribbon report. Chief Roberson explained that there was a structure fire in the District and thanked Assistant Chief Young and Firefighter Rojas for their quick response. The Fire Department was able to save five structures and only lost an out building.

**Board Comments:** Director Kalvans thanked Assistant Chief Young for his response. Director Green asked about addressing and mailbox. Discussion ensued about the deficiency in addresses and that there will be a notice in the next water billing.

**Public Comment:** None

## X. CONSENT ITEMS:

### 1. Review and Approve Board Meeting Minutes

- a) 5-23-2019 Regular Meeting Minutes

**Board Comment:** Director Sangster voiced that Correction on Page 9- section 7

**Public Comment:** None

Motion by Director Sangster to approve with amendments to page 9.

Seconded by Director Parent. Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT.

## XI. BOARD ACTION ITEMS:

### 1. Review, Discuss, Receive and File the Enumeration of Financial Report for May 2019.

Item was presented by Bookkeeper Paola Freeman, staff report submitted. Mrs. Freeman updated the Board that she is working with CPA on payroll. It was explained that the District has received 23k from 940's for years 14/17/18. Bookkeeper Freeman explained that she is working on year end reconciliations and explained that Director will be issued W-2 this coming year.

**Board Comment:** Director Sangster asked about item 307-120 in wastewater and it was explained that payroll is still being worked on.

Discussion ensued.

**Public Comment:** Laverne Buckman asked about pages 43, lift station and PG&E. Page 57-2704 Legal Services. Page 52 Street lighting /6200 fire account. Page 55 896 to 1 million Page 58 Cash report and would like to see payroll reports. Mrs. Buckman discussed the shortage for Water and interfund District transfers. Discussion ensued with Bookkeeper Paola Freeman and she explained that she would look at the issues and get an answer for the Board and Laverne Buckman.

Motion by Director Sangster to Receive and File the Enumeration of Financial Report for May 2019

Seconded by Director Kalvans. Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT.

**2. Discuss auditing firm proposals and award a contract for annual financial audit services for three-year period for years ending June 30, 2019, 2020, and 2021.**

Item was presented by Interim General Manager/ Fire Chief Rob Roberson explaining that there were three qualified auditors interviewed at the June 19<sup>th</sup> meeting.

**Board Comments:** Directors discussed qualifications and flexibility of each auditor. Staff was asked for their opinion. Discussion about how to motion with negotiations was asked to the District General Counsel Seikaly. Discussion ensued.

**Public Comments:** None

Motion by Director Sangster to award contract to Moss, Levy, & Hartzman with negotiations of cost with a not to exceed amount.

Seconded by Director Green. Motion was approved by Vote of 3 AYES and 0 NOES and 1 ABSENT 1 ABSTAINED.

**3. Review and approve a RESOLUTION 2019-23 revising the Investment Policy for San Miguel CSD.** Item presented by Interim General Manager/ Fire Chief Rob Roberson explained that there are no changes except changing the dates to this next Fiscal Year.

**Board Comment:** None

**Public Comment:** None

Motion by Director Sangster to approve a Resolution 2019-23 revising the Investment Policy for San Miguel CSD.

Seconded by Director Kalvans. Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT.

**4. Review and Discuss and Approve Resolution No 2019-27 Continuing investment management services with Cantella & Company for the District for up to a period of**

**5 years.** Item presented by Interim General Manager/ Fire Chief Rob Roberson explained that he would like to continue the current investments for the life of the CD's.

**Board Comment:** None

**Public Comment:** Laverne Buckman San Miguel resident asked about approving some kind of firm safeguards and not having all the Districts investment with one firm.

Motion by Director Sangster to approve Resolution No 2019-27 Continuing investment management services with Cantella & Company for the District for up to a period of 5 years.

Seconded by Director Kalvans. Motion was approved by Vote of 3 AYES and 1 NOES and 1 ABSENT.

- 5. Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project** Item presented by Director of Utilities Kelly Dodds explained that the District is still waiting on the State for grant fund and design plans, funding needs to be available by December 2019 to stay on schedule. The plant has been at 86% highest and steady at 72%. IWMA has informed the District that they have 125k to develop recycling at the new Wastewater Treatment Facility for San Miguel. The District has 1 year 9 months to complete project.

**Board Comment:** Director Sangster asked if it would be likely the state would give the District an extension based on the District has shown their due diligence. Director of Utilities Kelly Dodds voiced that DWRCB is in support of this project.

Director Kalvans voiced that he would like a press release done when we start the ground breaking, for the new facility.

**Public Comment:** Owen Davis San Miguel resident voiced that he did not understand why the District would do any recycling at the new facility because we have a great waste management with San Miguel Garbage. It was explained that the recycling that the District is talking about will help San Miguel Garbage. Director of Utilities Kelly Dodds explained that these recycling options are at no cost, this is to keep the rubbish off the streets of San Miguel. Discussion ensued about the recycling program.

*Informational item only*

- XII. BOARD COMMENT:** Director Green asked that staff work on SOP for accounting procedure. District inventory checks and a hierarchy chart. Director Green voiced that he wanted to make sure staff works within the scope of the CSD. Director Sangster asked Counsel if the District had a regular contract for services? Counsel Seikaly explained that, no but she does have one she uses. Ideally counsel will look at each contract. Contract will go to District Counsel per Board direction. Discussion ensued.

*District General Counsel Seikaly voiced that the Board would be going back into closed session at 10:08 P.M.*

**Report out of Closed Session:** 10:40 P.M. Counsel Seikaly voiced that staff was given direction.

**XIII. ADJOURNMENT TO NEXT MEETING 7-25-2019 Regular Meeting:** 10:45 P.M