

SAN MIGUEL COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
MAY 28, 2020 REGULAR MEETING MINUTES
MEETING HELD AT DISTRICT OFFICES
1150 MISSION STREET
SAN MIGUEL, CA 93451

- I. Meeting Called to Order by President Sangster – 6:00 P.M.
- II. Pledge of Allegiance lead by Director Kalvans after the closed session.
- III. **Roll Call:** Directors Present: Sangster, Gregory, Palafox, and Kalvans
Directors Absent: Green
- IV. **Adoption of Regular Meeting Agenda:**
Interim General Manager Rob Roberson asked to have the Pledge of Allegiance after the closed session.
Motion by Director Kalvans
Seconded by Director Sangster; Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT and 0 ABSTAINED
- V. **ADJOURN TO CLOSED SESSION:**
Closed Session convened at 6:04 P.M.
 - A. **CLOSED SESSION AGENDA:**
 1. **CONFERENCE WITH DISTRICT GENERAL COUNSEL – Existing Litigation**
Pursuant to Government Code Section 54956.9 (d)(1) Case: *Steinbeck v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-265039* and Case: *Eidemiller v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-269212*
 2. **PUBLIC EMPLOYMENT**
Title: Director of Utilities
Pursuant to Government Code Section 54954.5
 3. **PUBLIC EMPLOYMENT**
Title: Board Clerk/Account Clerk Manager
Pursuant to Government Code Section 54954.5

- 4. CONFERENCE WITH DISTRICT GENERAL COUNSEL-ANTICIPATED LITIGATION** Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:

VI. Call to Order for Regular Board Meeting/Report out of Closed Session: 7:05 P.M. Report out of closed session by District General Counsel Dervin, Direction was given to staff and a Special Closed Session Meeting was scheduled for June 11th at 6 P.M.

VII. Public Comment and Communications for matters not on the Agenda: None

VIII. Special Presentations/Public Hearings/Other:

- 1. PUBLIC HEARING:** Consider Adoption of Resolution No. 2020-16 Adopting the FY 2020-21 Operations and Maintenance Budget. Director Sangster opened the Public Hearing.

Interim General Manager Rob Roberson presented the FY 2020-21 Operations and Maintenance Budget and explained the Revenue and Expense portions of the Budget. Mr. Roberson explained that the proposed Budget was based on the District approved Rate Study performed in 2017. Interim General Manager/Fire Chief Rob Roberson explained that for the Water and Wastewater budgets revenue numbers are predicated on the implementation of the third-rate increase from the Rate Study. If the third-rate increase is not implemented, the Wastewater department will not be able to fund the necessary long-term maintenance or the transfer to capital for the construction of the Wastewater Treatment Facility. The Water Department is no longer in a deficit as a direct result of the rate increases. Suspending the third and subsequent rate increases would likely drop the water department back into a deficit and hamper its ability to operate. The Water Department is also still in litigation that is expected to continue through this fiscal year, without the third rate increase the water department may not be able to fund operations and the mounting legal costs for this litigation. Interim General Manager Rob Roberson listed all department expenses and revenues with budget reserves. Please see FY 20-21 Budget at www.sanmiguelcsd.org

Director Sangster thanked Interim General Manager Rob Roberson and opened for Public Testimony.

Public Comment/Testimony: None

Director Sangster closed Public Hearing for Board of Director's discussion.

Board Comment: Director Gregory asked if the Budget is based on the district rate increase. Interim General Manager Rob Roberson explained that the budget is based on following the rate increases proposed by the rate study performed in 2017.

Director Kalvans thanked the District staff for the work on the budget. Director Kalvans explained that the state is having a 50-million-dollar deficit, and when the state has that big of a deficit, they can raid district tax funds. Director Kalvans gave an example of that happening in late 1990 and explained that he has a few ideas that he will bring up at Board Comment.

Director Sangster thanked the District staff for the efforts.

Motion by Director Palafox to the adoption of Resolution No. 2020-16 approving and adopting the FY 2020-21 Operations and Maintenance Budget

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

2. **PUBLIC HEARING:** Consider approving an Ordinance 01-2020 of the San Miguel Community Services District (“District”) Board of Directors adopting and amending the 2019 edition of the California Fire Code including articles, appendices, amendments, and errata of California Building Code section 7A. Director Sangster opened the Public Hearing.

Assistant Fire Chief/Fire Prevention Officer Scott Young presented the change made to the previous code with amendments to section 4-5-A, 7A, and adding section 4-17. Assistant Fire Chief Young voiced that the date on page 33 will be changed.

Director Sangster thanked Assistant Fire Chief/Fire Prevention Officer Scott and opened for Public Testimony.

Public Comment/Testimony: None

Director Sangster closed Public Hearing and explained that there will be an Action item for board discussion.

IX. STAFF & COMMITTEE REPORTS:

1. **San Luis Obispo County:** None

Public Comment: None

Board Comment: None

2. **Camp Roberts:** Army National Guard (CON Horvath) CON Horvath explained that Camp Roberts has also been under health-protective measures and explained that it has been quiet. CON Horvath thanked the San Miguel Fire Department for the help with the unscheduled fire, that began about 3 PM and burned about four-thousand acres. Camp Roberts does have a controlled burn scheduled for June 3rd. On June 30th all travel restrictions will be lifted for military, and San Miguel will see an increase in numbers for troops training that cannot be delayed any longer.

Board Comment: Director Sangster thanked CON Horvath for attending.

Public Comment: None

3. **Community Service Organizations: San Miguel Firefighters Association,** Report by Michelle Hido, Treasurer for the San Miguel Firefighters Association, informed the Board of Directors that the San Miguel Firefighters Association has purchased an official “Station Bell” that will be used in Bells Across America. Discussion ensued about the significance of the bell and where it will be displayed. Mrs. Hido explained that she is still working with the San Luis Obispo County Public Works Department about the proposed “Dog Park” at the Father Reginald Park. Discussion ensued about who takes responsibility for the Park.

Boars Comment: Director Sangster asked if she knew if the SLO County Public Works would be maintaining the Father Reginald Park? Mrs. Hido explained that they voiced that they do not maintain the park.

Public Comment: None

4. **Interim General Manager:** Interim General Manager/ Fire Chief Rob Roberson updated the Board of the Director that the County as of May 27th has only one active case of

COVID-19, shelter at home is still in place and restrictions on businesses have started to be lifted; San Miguel has reported 9 cases and all have recovered. Discussion ensued. Interim General Manager/ Fire Chief Rob Roberson also explained that District Financials are on track and once the June financials are completed and when the year-ends for FY2019-2020 are completed, we are planning to start the audit process. We are currently on year two of a three-year contract with Moss, Levy & Hartzheim LLP for District auditing services. An engagement letter for the 2019-2020 services will go out this June. Mr. Roberson updated the Board on where the District was with billing collections and any loss due to COVID-19. An RFP for Accounting Services will be brought to the Board for approval in June 2020. Discussion ensued about ending the current fiscal year with a positive in the District financials.

Board Comment: Director Sangster asked about the Coblenz Biehl & Cramer; Accounting Services and if that had been budgeted for in the new FY 20-21 budget. Interim General Manager/ Fire Chief Rob Roberson voiced that there is a line item in the budget for this item and anticipates that it will be less than last year. Director of Utilities Kelly Dodds explained to answer Director Sangster's question about the Accounting Services line item 325 for the FY20-21 budget line expense is for both Moss, Levy District Auditor, and Coblenz Biehl & Cramer the Districts Consulting Accounting services with a total of \$25,373.00 split between funds.

Director Kalvans asked Chief Roberson why he thought Paso Robles was a “hot spot” for the COVID-19. Interim General Manager/ Fire Chief Rob Roberson voiced that there is a lot of information out there with a lot of people working on it, and at this point, things change rapidly.

Public Comment: None

5. **District General Counsel:** Presented by Counsel Dervin. ChurchwellWhite, LLC. Nothing to report at this time.

Board Comments: None

Public Comments: None

6. **District Engineer:** Written report submitted as-is. Dr. Blaine Reely was not present, and Director of Utilities Kelly Dodds asked for any questions.

Board Comment: Director Sangster asked about projects for grants and wanted to know if they have seen any differences with the grants due to the major deficit in the State Budget and County Budgets for the next year. Director of Utilities Kelly Dodds explained that what he sees is that the Federal Government is pouring money into smaller construction projects and low-income housing and explained that the grants that the District currently have are locked in unless HUD pulls funding from everything. The other grants are unsecured funding and might change but, he has not heard of any funding being pulled.

Director Kalvans voiced that he read that CBDG funds are being directed to the homeless. Discussion ensued about how CBDG is funded.

Director Gregory asked for clarification about who funds the Grants. Director of Utilities Kelly Dodds explained that CBDG is federally funded and distributed by the County.

Interim General Manager/ Fire Chief Rob Roberson explained that the District is only 17% of the tax rate and will be watching any changes proposed closely and will update the Board of Directors if he sees any changes, but to keep in mind that there is potential for cuts.

Public Comment: None

7. **Director of Utilities:** Written report submitted as-is and asked for any questions.

Board Comment: Director Kalvans asked when it was scheduled to start work on the District Master plans for Water and Wastewater. Director of Utilities Kelly Dodds explained that he has a meeting planned for next week to start the process.

Public Comments: None

8. **Fire Chief & Asst. Fire Chief:** Fire Chief Rob Roberson, and Assistant Chief Young submitted the report as written. Fire Chief Roberson explained that the Department had a large fire on the terrace and would speak more of that in next month's meeting.

Board Comments: Director Kalvans asked, who was doing the fire investigation? Fire Chief Rob Roberson explained that San Miguel Fire is the lead.

Public Comment: None

- X. **CONSENT ITEMS:** Director Sangster asked to discuss item number one and Director Kalvans asked to discuss item number three.

1. Review and Approve Board Meeting Minutes

- a. 04-23-2020 Regular Board Meeting

Board Comment: Director Sangster voiced that page 70 spelling item 7 under board comment, impressed changed, and page 79 revised Board Comment, to be more understandable in regarding the “size” change with fire ordinance.

Public Comment: None

Motion by Director Sangster to approve Consent items 1.a as amended.

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

2. Review and approve RESOLUTION 2020-17 adopting the County of San Luis Obispo 2019 Multi-jurisdictional Hazard Mitigation Plan update.

Board Comment: None

Public Comment: None

Motion by Director Kalvans to approve RESOLUTION 2020-17 adopting the County of San Luis Obispo 2019 Multi-jurisdictional Hazard Mitigation Plan update.

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

3. Review and approve RESOLUTION 2020-18 adopting the County of San Luis Obispo 2019 Public Improvement Standards and Drawings and modifications for San Miguel Community Service District.

Board Comment: Director Kalvans voiced that he did have a conversation with the Director of Utilities Kelly Dodds about some of the issues that he has with the County Standards. Director Kalvans voiced he has issues and feels that there are deficiencies in the

County Standard. One issue is that there are barricades at the end of developments where roads stop, which might be used in the future and landscaping standards. Director of Utilities Kelly Dodds, issue with the barricade; it is only when roads do not need the access. Discussion ensued about access and barricades or gates. Assistant Fire Chief Scott Young voiced that Appendix D of the District Fire Code addresses that issue. Director Kalvans asked about the District Lighting Standards and would like to have some landscaping standards. The county does have landscaping standards for drought tolerance, Director of Utilities Kelly Dodds voiced that the District is much more proactive and is reviewing all plans, Discussion ensued.

Director Palafox asked what standards the District has been using? Director of Utilities Kelly Dodds replied that the District has been using the San Luis Obispo Standards that the District adopted in 2014 and explained that this was brought to the Board of Directors to catch up to the 2019 County standards and make it official.

Public Comment: None

Motion by Director Kalvans to approve RESOLUTION 2020-18 adopting the County of San Luis Obispo 2019 Public Improvement Standards and Drawings and Modifications for San Miguel Community Service District

Seconded by Director Sangster Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT and 0 ABSTAINED

XI. BOARD ACTION ITEMS:

- 1. Review, Discuss, Receive, and File the Enumeration of Financial Report for April 2020.** Item was presented by Interim General Manager/ Fire Chief Rob Roberson and Financial Officer Paola Freeman asking for any questions.

Board Comment: None

Public Comment: None

Motion by Director Palafox to Receive and File the Enumeration of Financial Report for April 2020.

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

- 2. First reading of proposed ORDINANCE 02-2020 SMCSO Solid Waste and Recycling Ordinance** Item was presented by Interim General Manager/ Fire Chief Rob Roberson that explained that this is the first reading of the proposed Solid Waste and Recycling. Interim General Manager/ Fire Chief Rob Roberson read the summary of the proposed Ordinance and asked for any comments or changes needed. The Ordinance will be brought back for Board approval as a Public Hearing in June 2020.

Board Comment: Director Kalvans voiced that Aron Kardashian from San Miguel Garbage was present and asked if they have reviewed the proposed ordinance. Mr. Kardashian from San Miguel Garbage voiced that he has reviewed and agrees with the ordinance.

Director Kalvans asked about Section 6/E; E. Solid waste, organics, and recyclables shall be placed in the containers furnished by the Franchisee. Aron Kardashian explained that they do supply green waste containers and that it is okay for customers to compost if it does not become a nuisance to neighbors.

Director Klavans voiced that he would like to add verbiage that reads that San Miguel supports zero waste and feels that it will only help the District in the future with any grant applications. Discussion ensued about Zero Waste and SB13. Director Kalvans asked about recyclable and Discussion ensued about what will be recyclable in the future. Mr. Kardashian voiced that there will be a lot of education coming in the future for recycling. Director Sangster voiced that he feels the best place to add the verbiage to Section 33 of the proposed ordinance. Legal will need to advise on language.

Board consensus is to add the language to new section number 33 to say that San Miguel supports and promotes zero waste with a legal review.

Public Hearing for approval will be held on June 25th, 2020 regular scheduled meeting.

Public Comment: None

3. **Consider Adoption of ORDINANCE 01-2020 SMCSO Fire Code for ratification by the San Luis Obispo Board of Supervisors** Item presented by Assistant Fire Chief/Fire Prevention Officer Scott Young updating the Board that this item was presented as a Public Hearing and now it was time to approve the Ordinance 01-2020 to present to the San Luis Obispo Board of Supervisors. Mr. Young voiced that page 33 dates will be amended.

Board Comments: Director Gregory asked about restrictions on propane tanks and what those if any restrictions are; giving the example of the San Miguel Mission and would like to have more verbiage about agricultural land. Assistant Fire Chief/Fire Prevention Officer Scott Young voiced that the restrictions are per the CA State Fire Code and that it is different for properties outside the URL, and will be looked at separately. The San Miguel Mission is grandfathered in.

Director Sangster asked about gun powder. Discussion ensued about gun power storage and restrictions and the District not being able to inspect on private property.

Director Kalvans asked about natural gas in the community and if it is available. Assistant Fire Chief/Fire Prevention Officer Scott Young explained that the CSD is going by the California Fire Code standards, a discussion ensued. The Board of Directors voiced that they would like to bring back the Fire Code when changes to the California Fire Code change every three years. Mr. Young voiced that the review of this ordinance now is to take to the San Luis Obispo County Board of Supervisors, which will help with plan reviews. Discussion ensued.

Public Comment: None

Motion by Director Kalvans to amendment section A dates, and to review said ordinance one-year from the date approved; and approves adoption of ORDINANCE 01-2020 SMCSO Fire Code

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

- 4. Review and approve a RESOLUTION 2020-21 revising the Investment Policy for San Miguel** Item presented by Interim General Manager Rob Roberson explaining that this item is brought each year with the Budget. Only dates have been changed.
Board Comment: Director Palafox asked what CD's the District owns? Interim General Manager Rob Roberson explained that the San Miguel Lighting fund owns two five-year CDs.
Public Comment: None

Motion by Director Sangster to approve a RESOLUTION 2020-21 revising the Investment Policy for San Miguel C.S.D.

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

- 5. Review and approve RESOLUTION 2020-22 approving the proposal from Martinelli Landscape Construction Inc for the ongoing maintenance of landscaping along Mission Street and at the Gateway Signs.** Item presented by Director of Utilities Kelly Dodds updating the Board of Directors that this item was brought back per Board direction. Mr. Dodds explained that Martinelli Landscaping proposed a maintenance contract for the three sections and each cost proposal was discussed. Per Board Direction the District's Utility staff has finished the clean-up and irrigation repairs and is working through the plantings. An invoice will be prepared for the San Miguel Chamber for reimbursement once the planting is completed.
Board Comment: Director Sangster asked how much the cost has been to get the downtown cleaned up and irrigation working? Director of Utilities Kelly Dodds explained that to date around 1,500.00 dollars. Discussion ensued about the Father Reginald Park and Utility Staff maintaining the three sections of landscaping maintenance. Director of Utilities Kelly Dodds informed the Board of Directors that he feels that with the staffing the District has now; they could do the continued maintenance being discussed.
 Director Palafox asked if farm labor/staff agency labor would be of use? Discussion about the use of a staffing agency labor being used if needed in the future.
 Director Kalvans thanked the staff and explained that the community voiced that they are thankful.
 Director of Utilities Kelly Dodds thanked San Miguel Garbage for the wood chips and Awalt for the donation of fittings. Discussion ensued about a Press Release with the interim General Manager voicing that he would be the one to contact the press.
Public Comment: Michelle Hido and Scott Young San Miguel Resident voiced that the San Miguel Firefighters Association is working on taking on the Father Reginald Park. Michelle Hido voiced that there are issues with the sprinklers and that they are using a large amount of water. Discussion ensued about how to make this idea happen, and how the San Miguel CSD can help.

Consensus of the Board is to table the item and bring back with a resolution formalizes the Board's position on the landscaping maintenance and authorizes the expense of Lighting Department funds for the purposes of performing the landscape maintenance activities. The District will perform the maintenance on the landscaping on the West side of Mission Street between 11th and 14th, Father Reginald Park, and the North and South Gateway monuments.

- 6. Review and approve RESOLUTION 2020-19 authorizing the Director of Utilities to negotiate the purchase of a light-duty truck for the utilities department in an amount not to exceed \$35,000.** Item was presented by Director of Utilities Kelly Dodds explaining that with the increase in workload and the recent purchase of equipment, there is an immediate need to purchase a ½ ton (or better) pickup, with a standard truck bed. This new truck will be used to perform normal daily tasks, move equipment and materials around the district, and to attend meetings and picking up materials. This utility vehicle is not currently budgeted, and this request is to be paid from Capital Reserves.

Board Comment: Director Kalvans voiced that he heard that Hertz was selling their Ram Trucks for around twenty-three thousand; due to bankruptcy and would like staff to look into it. Director of Utilities Kelly Dodds explained that he has a quote for a new Ram truck for twenty-seven thousand and explained that for three thousand more the District would know what they are getting.

Director Gregory voiced that she feels that rental vehicles tend to be abused, Discussion ensued.

Director Sangster asked if we have looked at surplus vehicles?

Director Kalvans asked about an energy-wise vehicle and if the District could get any grants?

Director Kalvans asked about the other District vehicles and their life span. Discussion ensued about the life span of the district vehicles and each vehicle is essential. Director Sangster voiced that he has avenues that might help and would like to give Director of Utilities Kelly Dodds some of his connections and asked to table the item until next month to research other options. Discussion ensued about what the District's needs are in a vehicle.

Public Comment: None

Consensus of the Board is to table this item for next month, and have Director Sangster work with the Director of Utilities Kelly Dodds on options and bring back to the Board in June.

- 7. Review and approve RESOLUTION 2020-23 authorizing the Director of Utilities to negotiate the purchase of an equipment trailer for the utilities department in an amount not to exceed \$10,000.** Item presented by Director of Utilities Kelly Dodds explaining that with the increase in workload in the Utilities Department there is a need to purchase an equipment trailer to move materials and equipment around the District. To move some District equipment and materials, we either must rent a trailer or use employee's trailers that can't be moved in the District's dump trailer. After initial pricing

received, we are confident that we can negotiate a price for a trailer for less than the requested amount including all taxes and delivery. Director of Utilities Kelly Dodds asked that the Board authorize the Director of Utilities to negotiate for this trailer up to a maximum of \$10,000 to be paid from Lighting, Wastewater, Water, and Solid Waste equally. This trailer is not currently budgeted, and this request is to be paid from Capital Reserves.

Board Comment: Director Sangster asked if this is for a new trailer and has, he investigated used. Director of Utilities Kelly Dodds explained that he thinks that it is in the best interest of the District to buy new because it is a trailer. Director Sangster also asked where the quotes were from. Discussion ensued about local retailers and the specs needed. Director Palafox asked if he was correct that the need is for dimensions of 20 ft by 8 ft dual axel, low approach trail. Director of Utilities Kelly Dodds explained that he was correct, and discussion ensued about why the District needed a low approach trailer.

Director Gregory asked if it was like a car trailer and Director of Utilities Kelly Dodds explained that it is like a car trailer but called a tilt trailer. Director Gregory voiced that she has purchased trailers for her business and that she would agree that a new trailer is more beneficial for the District and feels that it is an item that doesn't need to be micromanaged by the Board.

Public Comment: None

Motion by Director Kalvans approve RESOLUTION 2020-23 authorizing the Director of Utilities to negotiate the purchase of an equipment trailer for the utilities department in an amount not to exceed \$10,000.

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

- 8. Review and Adoption of RESOLUTION NO. 2020-20 Authorizing the Abatement of Weeds Within the District Boundaries.** Item presented by Assistant Fire Chief/Fire Prevention Officer Scott Young asking for the Board to approve Resolution 2020-20 to order the abatement by removing the nuisance weeds and/ or fuels located on the properties described in Exhibit "A" attached. Assistant Fire Chief/Fire Prevention Officer Scott Young explained that after the weeds are abated by a contractor the District will hold a Public Hearing on June 25th, 2020, to authorize the cost to be assessed to the SLO County property tax bill. Discussion ensued about the contractor that would be doing the abatement.

Board Comment: Director Gregory asked if she was correct that the property owner is billed for this? Assistant Fire Chief/Fire Prevention Officer Scott Young explained that it is put on the property owner's property taxes and will come back for approval next month.

Public Comment: None

Motion by Director Kalvans to approve RESOLUTION NO. 2020-20 Authorizing the Abatement of Weeds Within the District Boundaries.

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

- 9. Review and approve RESOLUTION 2020-24 authorizing a budget adjustment in the amount of \$10,500 for testing of existing non-district wells to determine prime locations for new District wells** Item presented by Director of Utilities Kelly Dodds explaining that the District is working toward a new location for an additional potable well site, and explained that additional testing is needed of existing wells in our general area to get a better picture of the water quality throughout the area. Staff intends to test eight to ten wells, both private and government, which are available for us to test. The cost is approximately \$10,500 to test for all the naturally occurring regulated contaminants which may prohibit the District from location a well in that areas. This testing will provide vital information regarding whether water treatment would be required in order to pump into the system.

Board Comment: Director Kalvans asked if the data collected will help the District find the best site for future wells and was wondering if the District could use private wells? Director of Utilities Kelly Dodds explained that they will get data from private wells but would not want to develop any wells on private land and explained that the District has the geology but needs the wells tested to see what contaminants there are. Director Kalvans asked what was the most South wells that he would be testing? Mr. Dodds voiced that it would be the Caledonia or the Cemetery because it would have to be cost-effective also. Director Sangster asked when the District would be seeing a new well developed? Director of Utilities Kelly Dodds explained that it would be within the next two years, and all data collected would be viable/stable until then because they will be testing for naturally occurring contaminants that might be deal killers. Discussion ensued about getting a grant for a new well.

Director Gregory asked if the District will be testing any wells on the Eastside? Director of Utilities Kelly Dodds explained that they do have a lot of data already from the Eastside and feels that it is not needed or cost effective.

Public Comment: None

Motion by Director Sangster to approve RESOLUTION 2020-24 authorizing a budget adjustment in the amount of \$10,500 for testing of existing non-district wells to determine prime locations for new District wells.

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

- 10. Discuss setting a date for a District Strategic Planning workshop.** Item presented by Interim General Manager/Fire Chief Rob Roberson informed the Board that Director Kalvans made a formal request on May 3rd to have this item put on the May agenda to address the District long-term strategic planning, and on May 15th, Mr. Roberson met with District Kalvans to review and discuss items to address in a District Long Term Strategic Plan and will need to set a date for a workshop for all District Board Members and the public to attend. Interim General Manager/Fire Chief Rob Roberson explained that over the past few years, there have been several plans suggested by various groups that could

improve the San Miguel community and its surroundings. The CSD has plans that meet requirements for the Water and Wastewater and a general plan for the Fire Department but the District has not vetted a Long-Term General District Strategic Plan. This workshop is to establish a plan with a timeline and set benchmarks that meet the District's needs and goals. The Staff suggested that the meeting is in September.

Board Comment: Director Sangster asked if September 10th would work for everyone?

Kalvans voiced that he has done a lot of research and there are at least ten different County documents that he feels need to be reviewed. Discussion ensued about what would be discussed, and that District does need a plan moving forward.

Director Kalvans voiced that he would like to use the process of having a Master Plan that is per fund and have more flexibility. Discussion ensued about keeping tax funds in the District. Director Kalvans explained that he will be sending information to the clerk to get the information to the rest of the Board and would also request that the District hold off on any LAFCO changes. District Clerk informed the Board that LAFCO has sent paperwork to start an update of the District's sphere of influence (SOI), and Municipal Service Review (MSR). District Clerk voiced that the project is large and would need help getting LAFCO all the requested information. Director Kalvans asked that we wait until after the Strategic Planning Workshop to do anything with the LAFCO documents.

Public Comment: None

Consensus of the Board of Directors is to schedule a District Strategic Planning Workshop for September 10, 2020, at 6:00 P.M. and to wait on the LAFCO SOI & MSR.

- 11. Continued discussion on the Fire Department Temporary Housing unit.** Item was presented by Assistant Fire Chief/Fire Prevention Officer Scott Young updating the Board of Directors that he has followed up about the temporary housing that is currently at the Sheriff Station in Templeton and was informed that it is off the table for San Miguel due to CalFire having plans for it in San Luis Obispo. Assistant Fire Chief/Fire Prevention Officer Scott informed the Board that he has talked to the owner of the property just south of the current fire station and the owner was okay with a lease to put a temporary housing for the San Miguel Fire Department at that location. Discussion ensued.

Board Comment: Raynette Gregory asked what would happen after the temporary housing. Assistant Fire Chief/Fire Prevention Officer Scott Young informed Director Gregory that the District is interested in having a Sheriff office at the station.

Director Sangster voiced that the goal is to have the current station be only for the Fire Department and have the SLO County Sheriff office here as we expand/remodel.

Informational item only

- 12. Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project.** Item presented by Director of Utilities Kelly Dodds updating the Board of Directors that in April the plant averaged 155,411 gallons per day, 78% of hydraulic design capacity with a max day of 176,423 gallons that is 88% of hydraulic design capacity. Director of Utilities Kelly Dodds updated the Board that they have fixed all the issues that USDA had with the engineering report and plans on that going back to

them next week for their review. The Board approved DUDEK for environmental work and they have started their review and will be out at the District next week. Director of Utilities Kelly Dodds explained that the goal is to have construction funds by the end of the year and have a bid process after that.

Board Comment: None

Public Comment: None

Informational item only

XII. BOARD COMMENT: Director Kalvans voiced that he has two comments. First, he was reading the information about the “time of use water meters” (AMI) and asked if that would be something that the District could be a trial on. Director of Utilities Kelly Dodds explained that to get started with AMI meters would cost the District approximately one-hundred-thousand dollars to get started. District Clerk voiced that it was explained that the meter companies have already picked the trial areas. Director of Utilities Kelly Dodds explained that the District has almost completed the “Radio” (AMR) read meter change-outs within the District. Discussion ensued about the differences between AMI and AMR. Director Kalvans also explained that he has been in contact with Mr. Rybeck from “SmallTowns” and he informed Director Kalvans that he would be willing to do a Webinar at a lower cost. Discussion ensued about the cost with Mr. Kalvans voicing that he would like to continue the discussion on the land tax. Discussion ensued.

Director Sangster asked what the feedback was from the SLO County Assessor? Director Kalvans voiced that the SLO County Assessor was worried about all the other entities in the tax base. Director Kalvans explained that he had District Counsel look into the Rossi case and that the Districts Counsel said that it was legal; the voters have the right to lower their taxes, and the County cannot lock any tax in. Discussion ensued.

Director Sangster asked if everyone would be watching the webinar separately or all together? Director Kalvans explained that it would be all together and as a live webinar would need to be scheduled as a special meeting or workshop. The other Board of Directors asked Director Kalvans to look into having a recorded webinar that they could watch individually. Information Director Kalvans will be sent out through the Clerk.

XIII. ADJOURNMENT TO NEXT MEETING: Adjournment at Approximately 10:11 P.M.