



**BOARD OF DIRECTORS**

Raynette Gregory, President                      Anthony Kalvans, Vice-President  
 Ward Roney, Director                              Hector Palafox, Director                      Ashley Sangster, Director

**REGULAR MEETING MINUTES  
 7:00 P.M. Opened Session  
 SMCS D Boardroom 09-23-2021**

I.	<b>Call to Order:</b>	9:00 PM	<b>Video part 1/4 Time: 0:01</b>
II.	<b>Pledge of Allegiance:</b>	Kalvans	
III.	<b>Roll Call:</b>	<i>Sangster, Kalvans, Gregory, Roney, Palafox</i>	ABSENT: <i>None</i>

IV. **Approval of Regular Meeting Agenda:**  
 Motion by: Director Gregory to approve Agenda  
 Second by: Director Kalvans  
 Motion: Voice Vote

Board Members	Ayes	Noes	Abstain	Recuse	Absent
R. Gregory	X				
A. Kalvans	X				
H. Palafox	X				
A. Sangster	X				
W. Roney	X				

**Public Comment for items on closed session agenda**  
 NONE

V. **ADJOURN TO CLOSED SESSION:**  
 A. **CLOSED SESSION AGENDA:** None

VI. **Call to Order for Regular Board Meeting/Report out of Closed Session 7:00 PM**  
**Time:** 7:00 PM

VII. **Public Comment and Communications for items not on the Agenda:** **Video part 1/4 Time: 01:48**  
 Public comment made by Owen Davis (San Miguel District Resident).  
 Director Sangster read statement about Special Board Meeting on 8-19-2021; aloud and asked District General Counsel what legal item was holding up the board packet this month. *(statement available at District office)*

VIII. **Special Presentations/Public Hearings/Other:** **Video part 1/4 Time: 10:30**  
 NONE

IX. **Staff & Committee Reports – Receive & File:**  
**Non-District Reports:**  
 1 San Luis Obispo County: **Video part 1/4 Time: 10:40**

Report Read by Board Clerk- Email directed to Director Kalvans from Judy Brown (San Miguel Library), Library was one of only two in California chosen for special grant given to small and rural libraries by Federal Associations, email will be on website for review. *(email available at District Office)*  
San Luis Obispo Sheriff from North Station gave verbal report.

- 2 Camp Roberts—Army National Guard Video part 1/4 Time: 14:58

See Board Comment Video part 4/4 Time 01:44

Kiba Baird- Public information officer for Camp Roberts, presented information about the status of Camp Roberts.

- 3 Community Service Organizations: None Video part 1/4 Time: 15:02

**District Staff & Committee Reports:**

- 4 Interim General Manager : Video part 1/4 Time: 15:10

Interim General Manager Rob Roberson gave verbal report- Covid cases and statistics in San Luis Obispo County, Financial Officer Michelle Hido will be working with the auditor next week. Staff will be moving forward with switch to VOIP phone system, and moving forward with switching to Black Mountain Payroll, as well as migrating District server to the cloud for all Black Mountain Software. Board Clerk and Account Clerk are working with DWR for Covid relief funding, and all utility billing restrictions due to Covid expire September 30th. Fire Department sent engine to Caldor Fire and returned, received invoice for River Fire, ready for bid process for Temporary Housing, working to get a new emergency responder radio for station, received all components for the MDCs for the engines and they are be installed. The Director of Utilities Kelly Dodds will be meeting with San Miguel Garbage and IWMA to discuss compliance. Board Clerk and General Manager will be attending Special District Leadership Academy Conference at the end of month.

**Public Comment:** Public comment made by Owen Davis (San Miguel District Resident).

**Board Comment:** None

- 5 District General Counsel: Nothing to report from WhiteBrenner Video part 1/4 Time: 23:35

- 6 District Engineer : No report Video part 1/4 Time: 23:50

- 7 Director of Utilities: Report is as submitted with additional statement read aloud about the Headworks bids and proposals received

**Board Comment:** Video part 2/4 time 02:10

Director Sangster asked about Headworks bids and proposals received. Discussion ensued

President Gregory asked about coincidence of bids received, sensors and monitor failure, relief and shut-off for overdue accounts, yearly cleanup, E-waste/Mattress drop off, and rain amount.

Director Kalvans asked about conservation foreshadowing.

Video part 2/4 time: 05:05

- 8 Fire Chief: Chief Roberson Report is as submitted with additional statement read aloud about financial overview and mileage report.

**Board Comment:**

President Gregory asked about cleanup date on the calendar. Discussion ensued

**Public Comments for all reports:** None

X. **Consent Calendar:** Video part 2/4 Time: 08:00

1. **Review and Approve Board Meeting Minutes**

A. 08-19-2021 Regular Board Meeting

Director Sangster requested Minutes be amended, discussion ensued. Item tabled until next board meeting.

**Motion by:** Director Gregory

**Second by:** Director Kalvans

**Motion:** to table item, bring back with changes at next Board Meeting

Board Members	Ayes	Noes	Abstain	Recuse	Absent
R. Gregory	X				
A. Kalvans	X				
H. Palafox	X				
A. Sangster	X				
W. Roney	X				

5/0/0

**XI. Board Action Items:**

Video part 2/4 Time: 19:50

**1. Review, Discuss and Receive the Enumeration of Financial Report for AUGUST 2021**

- A. Claims Detail Report
- B.  Statement of Revenue Budget vs Actuals
- C. Revenue Budget vs Actual Summary
- D. Statement of Expenditures Budget vs Actual
- E. Cash Report

**RECOMMENDATION: Review and Receive Financial Report for AUGUST 2021.**

Report as submitted to be reviewed and discussed with additional notes on reviewing last fiscal years' reports in preparation for audit, item is not being asked to be filed.

**Board Comment:**

Director Kalvans asked regarding audit timeline and budget adjustments.

Interim General Manager responded adjustments come back for mid-year review in December, every year

Director Gregory asked about write-off amount.

Financial Officer Michelle Hido responded about White-Oak legal closure and write off from delinquent Utilities tax bill.

**Public Comments:** None

*Discussion Item Only*

Video part 2/4 Time: 25:45

**2. Discuss and approve Resolution 2021-30 adopting a fee schedule for water meters, notices and other services and or repair installation services provided by the District**

**Recommendation:** Approve Resolution 2021-30 adopting a revised fee schedule

Report submitted by Director of Utilities Kelly Dodds as written

**Board Comment:**

Director Sangster made a statement regarding fees billed to property owner

Director of Utilities responded District is responsible for the sewer mains and up to the water meter while beyond is property owner's responsibility.

President Gregory asked about previous price; discussion ensued.

**Public Comments:** None

**Motion by:** Director Gregory

**Second by:** Director Roney

**Motion:** To approve Resolution 2021-30 adopting a fee schedule for water meters, notices and other services and or repair installation services provided by the District

Board Members	Ayes	Noes	Abstain	Recuse	Absent
H. Palafox	X				
W. Roney	X				
A. Kalvans	X				
A. Sangster	X				

Video part 2/4 Time: 30:25

3. **Discuss and Adopt Resolution 2021-27 Approving an agreement for ON-CALL District Engineering Services with GSI Water Solutions Inc.**

**Recommendation:** Discuss and adopt Resolution 2021-27 approving an agreement with GSI Water Solutions, Inc. for temporary ON-CALL District engineering services contract.

Item presented by Director of Utilities Kelly Dodds as submitted.

**Board Comment:**

Director Sangster asked question about recommendation, proposal due date, anticipation of time amount for using GSI. Discussion ensued.

Director of Utilities responded due date is tomorrow, looking for between 10 and 15 hours with GSI as we already have majority of information

Director Sangster made statement about a retroactive contract not making sense for a public entity

**Public Comments:** None

**Motion by:** Director Sangster

**Second by:** Director Gregory

**Motion:** To approve Resolution 2021-27 amended w/o retroactive position for on-call District Engineering Services with GSI Water Solutions Inc.

Board Members	Ayes	Noes	Abstain	Recuse	Absent
W. Roney	X				
A. Kalvans	X				
H. Palafox	X				
A. Sangster	X				
R. Gregory	X				

5/0/0

Video part 3/4 Time: 02:00

4. **Review and approve change order for DUDEK in an amount not to exceed \$4,550 to complete an environmental assessment (EA) required by USDA.**

**Recommendation:** Authorize a change order with DUDEK in an amount of \$4,550

Item Presented by Director of Utilities Kelly Dodds report as submitted and explaining the timeline and statues to date. Discussion ensued

**Board Comment:**

Director Sangster made a comment about Dudek should pay for the project, does not think we should incur legal fees chasing this, and we need to get it completed, and would like Utility Director to include statement with a date to have the work complete by and for no more than the set fee.

Director of Utilities replied to the Director Sangster’s comment, we can include language in the contract and talk to legal to include liquidated damages in contract.

District General Counsel made statement in response to including language in contract and deadline with Dudek.

Director Sangster made comment in agreement with Counsel and believes this is least costly solution.

Director Kalvans made statement that there is a process for officially black-listing companies, but it can cause a ripple effect if those companies circulate to other companies. Dudek has had a history of errors and not doing the work correctly.

Director of Utilities agrees that Dudek has errors based on not putting any effort into the work, it’s less likely they will cut corners at this point however it’ll be much easier for us to correct it. If we can enforce a finite deadline with liquidated damages, we can force them to want to finish it or do it for free.

Discussion ensued about Dudek change order.

**Public Comments:** None

**Motion by:** Director Sangster

**Second by:** Director Gregory

**Motion:** To approve change order with amendment to add specific deadline for performance and if they exceed deadline there will be a penalty schedule implemented.

Board Members	Ayes	Noes	Abstain	Recuse	Absent
A. Kalvans	X				
A. Sangster	X				
W. Roney	X				
H. Palafox	X				
R. Gregory	X				

5/0/0

Video part 3/4 Time: 20:05

5. **Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project**

**Recommendation:** Discuss the status and next steps of the Machado Wastewater Treatment Facility expansion and aeration upgrade projects.

Item Presented by Director of Utilities Kelly Dodds Flow Correction: In August, the plant averaged 145,044 gallons per day (73% of hydraulic design capacity) with a max day of 203,392 gallons (103% of hydraulic design capacity).

Discussion ensued.

Director of Utilities stated the treatment plant dry sledges outside, but new process will be creating a sludge tape that is hauled off on a regular basis, our plant will improve.

**Board Comment:**

Director Sangster made statement about funding for MBR and managing time with Cloacina

Director of Utilities made statement that the building design plan is not applicable to another builder, if we are not able to get funding from USDA would have to aggressively seek funding from another agency. Discussion ensued

**Public Comments:** None

XII. **BOARD COMMENT:**

Video part 3/4 Time: 30:20

Director Kalvans submitted items for future agenda consideration to Board Clerk.

Director Sangster requested if the board packets are large to have them out to all Directors before the weekend and he will not be at October Meeting.

Director Gregory read aloud article dated September 20th, 2021 about 10 best small towns to retire in the US and the North County of San Luis Obispo was listed as one.

Camp Roberts representative Kiba Baird gave verbal report of status of Camp Roberts, see item IX.2.

Interim General Manager made statement about Board Clerk absence last month, voiced appreciation for District staff, and would like to encourage any public comment or questions.

President Gregory voiced appreciation for staff as well.

XIII. **ADJOURNMENT TO NEXT REGULAR MEETING**

8:51:00 PM