



BOARD OF DIRECTORS

Rod Smiley, President Raynette Gregory, Vice-President
 Berkley Baker, Director Anthony Kalvans, Director Owen Davis, Director

REGULAR MEETING MINUTES

6:00 P.M. Opened Session
SMCSD Boardroom 10-24-2024

1. **Call to Order:** 6:00 P.M
2. **Roll Call:** *Rod Smiley, Raynette Gregory, Anthony Kalvans, Owen Davis*
 ABSENT: *Berkley Baker Director Kalvans arrived at 6:05 P.M.*
3. **Approval of Regular Meeting Agenda:**

Motion By: Rod Smiley
Second By: Raynette Gregory
Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Owen Davis	X			
Anthony Kalvans				X
Berkley Baker				X

4. **Pledge of Allegiance:**
 Lead by Director Smiley
5. **Public Comment and Communications for items not on the agenda:**
 Greg Grewal a Creston resident spoke about his time as a Firefighter in LA. and people's hurt feelings.
6. **Special Presentations/Public Hearings/Other:**
 None
7. **Non- District Reports:**
 1. **San Luis Obispo County Organizations (Pg. 5)**
 Verbal/Report
 Sheriff Mcfarlin, North Station, gave a report on Calls For Service for September 2024.

Board Comment: Director Kalvans spoke about cars speeding on 12th street.

Public Comment: None

2. Community Service Organizations (Pg. 6)

Verbal

None

3. Camp Roberts—Army National Guard (Pg.7)

Verbal

None

8. Staff & Committee Reports - Receive & File:

1. General Manager (Pg. 8)

Receive report

General Manager Kelly Dodds updated the Board of Directors on the power outage that occurred to the District's new payment processor. The outage resulted in around four duplicate payments and explained that staff is working with the four customers to get the funds and any fees from their bank returned. General Manager Kelly Dodds explained that there are steps being taken to correct the issue for the future.

Board Comment: Director Smiley asked about the time it would take to get it resolved. General Manger Kelly Dodds explained that all the duplicate payments have been returned at this time, but that staff is still working on getting any bank fees returned.

Director Kalvans asked about training in the new system.

Public Comment: Greg Grewal a Creston resident spoke about Creston residents having to travel to vote in the election.

2. District Counsel (Pg. 9)

Receive verbal report

Nothing to report

Board Comment: None

Public Comment: None

3. District Utilities (Pg. 10-12)

Receive and file

General Manager Kelly Dodds submitted report as written and asked for any questions.

Board Comment: Director Gregory asked where the Septic to Sewer conversion project was at. General Manager Kelly Dodds stated that the grant application was submitted and was waiting on a funding award.

Director Davis asked about getting a map of the area that would be converted.

Director Gregory asked the General Manager to update the Board on the conversion philosophy. General Manager provided comments.

Public Comment: Greg Grewal a Creston resident spoke about the septic systems recharging the groundwater.

Ashley Sangster a San Miguel Resident spoke about the Septic to Sewer conversion, and wanted to know how the District could justify removing resident septic systems.

Board Comment: Director Kalvans spoke about the nitrate issues on the Terrace, and spoke about the connection costs for residence being paid through the grant. Director Kalvans asked the General Manager if the State of California was funding these projects due to nitrate issues. General Manager Kelly Dodds explained that the State Waterboard is

prioritizing funding from the Clean Water State Revolving Fund (CWSRF) to help Disadvantaged Communities (DAC) to plan for and construct sewer collection system improvements to enable removal of septic systems and connect properties to community sewer systems. Discussion on nitrates and state regulations ensued.

Public asked to speak again on the subject, Director Smiley allowed further public comment.

Public Comment: John Green a San Miguel Resident asked if nitrates could be removed at the treatment facility.

Director Smiley asked if the General Manager could respond to public comment.

General Manager Kelly Dodds explained that with the current treatment facility no; but that nitrates can be converted in the planned upgrade to the treatment facility, but that the District would need to proceed with the proposed treatment facility.

Greg Grewal a Creston resident spoke about following the state, septic systems and the District just wanting grant funds.

Tammy Tackett a San Miguel Resident asked if the Wastewater Treatment Facility upgrade was the same as the Septic to Sewer project.

Director Smiley asked if the General Manager could respond to public comment.

General Manager Kelly Dodds explained that the Wastewater Treatment Facility Upgrade and Septic to Sewer projects are two different projects.

4. Fire Chief Report (Pg. 13-27)

Receive and File

General Manager Kelly Dodds submitted the Fire Chief's report as written and explained that he would relay any questions to the Fire Chief when he returned.

Board Comment: Director Gregory asked about the abbreviation S.L.A. (San Luis Ambulance)

Director Davis asked about the Temporary Housing land lease agreement. General Manager Kelly Dodds explained that it will be discussed later in the agenda, under Temporary Housing Unit (THU) update.

Public Comment: None

9. Consent Calendar:

Public Comment: Greg Grewal a Creston resident informed that Board of Directors that the Paso Basin Cooperative Committee (PBCC) meeting had been canceled.

Board Comment: Director Davis asked to pull items 9.2, 9.4, and 9.5 for discussion.

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve Item 9.1 and 9.3

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker				X

1. 9-26-2024 Draft San Miguel CSD/GSA Board of Directors meeting minutes. (Pg. 28-

40)

Receive and file

2. REQUEST FOR RFP - Request for proposal for Independent Auditing Services for three fiscal years. (Pg. 41-49)

Authorize the General Manager to release a Request for Proposals (RFP) for Auditing Services for Fiscal Years 2024-25, 2025-26, 2026-27.

Board Comment: None

Public Comment: None

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		
Berkley Baker				X

3. RFQ for Certified Public Accountant consultation services. (Pg. 50-62)

Authorize the General Manager to circulate an RFQ for Certified Public Accountant consultation services

4. Contract renewal with CIO Solutions as Managed Service Provider (MSP) for the District’s Information Technology systems.(RESOLUTION 2024-48) (Pg. 63-64)

Approve Resolution 2024-48 authorizing the General Manager to execute a contract renewal with CIO Solutions to serve as Managed Service Provider (MSP) for the District’s Information Technology systems.

Board Comment: Director Davis asked for clarification on who CIO solutions was and gave example of who he thought it was, asking the General Manager to explain who they are. General Manager provided comments and explained that CIO Solutions was the District's Managed Service Provider (MSP) for District Information Technology systems (IT). This item is to extend the contract with CIO Solution for 3 years for the same terms and rates.

Director Davis asked what the cost was per month? General Manager Kelly Dodds explained that regular monthly cost is around \$2,600 and is based on the number of people, and they do pay our subscription services.

Public Comment: None

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			

Anthony Kalvans	X			
Owen Davis		X		
Berkley Baker				X

5. King Capital Advisors investment agreement five (5) year extension. (RESOLUTION 2024-54) (Pg. 65-66)

Approve Resolution 2024-54 authorizing the General Manager to continue investment services with King Capital Advisors.

Board Comment: None

Public Comment: None

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		
Berkley Baker				X

10. Board Action Items:

1. Monthly claim detail and investment reports for September 2024 (Recommend receive and file by Board consensus)

When ancillary reports area provided they are for reference only and are subject to change. (Pg.67-86)

Please *Review, Receive and File* the September 2024 claim detail and investment reports.

When ancillary reports area provided they are for reference only and are subject to change.

Item was presented by Financial Officer Michelle Hido, September partial financials are on pages 67-86. The District is still in the process of finalizing the audit and once the audit is final the financials will be brought back to be filed.

Board Comment: None

Public Comment: None

2. Review and approve changes to the Board Handbook by RESOLUTION 2024-45. (approve by 3/5 Vote) (Pg. 87-214)

Review and approve RESOLUTION 2024-45 adopting changes to the Board Handbook.

Item presented by District Legal Counsel Pritchard, explaining that this item was continued from September due to a need for a redline version attachment. The redline version is attached and explained that a new subsection was added that outlines an Official's disciplinary procedure, as well as adding page numbers to the Agenda.

Board Comment: Director Davis was opposed to adding a Official's disciplinary

procedure item to the Board Handbook and spoke about Director Kalvans. Director Kalvans voiced that he did not ask for this item, but does want to make sure that District Board Member's do their required training in ethics and sexual harassment. Director Davis motioned to table item to the December Board Meeting; failed. Director Davis voiced his opposition to the item again. Discussion ensued. General Manager asked that the Directors return to the topic of the changes to the Board Handbook.

Public Comment: John Green a San Miguel resident spoke about the changes to the Board Handbook and asked that this not be a retaliatory issue.

Motion By: Owen Davis

Second By:

Motion: To Table to December Board Meeting

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker				X

Motion By: Rod Smiley

Second By: Raynette Gregory

Motion: To Approve Resolution 2024-45

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		
Berkley Baker				X

3. 2024 California Special Districts Association (CSDA) Bylaw revision vote. (by Board consensus) (Pg. 215-243)

Review proposed CSDA Bylaw changes and, by Board consensus, authorize the Board Clerk to vote electronically "yes" or "no" on behalf of the District.

Item was presented by General Manager Kelly Dodds, explaining that California Special Districts Association (CSDA) are updating their Bylaws as stated in staff report.

Board Comment: Director Gregory asked about the electronic voting.

Director Davis asked about the changes and what they specifically where. General Manager commented on the changes that are being requested, reading each aloud.

Public Comment: None

Board consensus is to authorize the Board Clerk to vote electronically, "yes", on behalf of the District.

4. Mission Gardens Lift Station Flood Mitigation contract award by RESOLUTION 2024-47 (approve by 3/5 vote) (Pg. 244-293)

Review and approve resolution 2024-47 authorizing the General Manager to execute a contract with Wallace Group in an amount not to exceed \$99,755.

Item was presented by General Manager Kelly Dodds explaining that this is a design

project to identify alternatives for flood-proofing for lift station at Mission Gardens. A Request for Proposals (RFP) was circulated on August 23, 2024; to retain a consultant to analyze different flood-proofing alternatives for the lift station and perform hydraulic modeling of the Salinas River and environs to estimate key flood parameters, such as scour velocity and depth. The Wallace Group provided the only proposal, with a total cost of \$99,755.00.

Board Comment: Director Gregory asked for clarification on the cost and if that was for the planning and design, expressing that it was expensive. General Manager provided comments for clarification.

Director Davis provided comments on the flooding in January 2023 and agreed that it was costly to proceed. Discussion on engineering and environmental ensued.

General Manager projects that this project will not be completed unless it gets some grant funding, and having shovel ready projects helps with funding. Mission Garden residents are the only ones that use the lift station.

Director Davis asked about using a different company, expressing his opposition to the Wallace Group.

General Manager Kelly Dodds explained that the project did go out to bid and clarified that the Board could elect to reject all bids for this project, or that the Board could change the proposal or resend the request for proposal.

Director Davis motioned to table item to the December Board Meeting; failed.

The Board of Directors agreed that the project needs to be engineered.

Public Comment: John Green a San Miguel resident spoke about the County okaying a development in a known flood area.

Greg Grewal a Creston resident expressed that whoever allowed the development in the flood area would need to pay for the flood-proofing measures.

Ashley Sangster a San Miguel resident spoke in opposition of using the Wallace Group.

John Green a San Miguel resident spoke in opposition of using the Wallace Group.

Board Comment: Director Kalvans spoke about the County Planning Department, the Wallace Group and asked for clarification on where the Request for Proposal (RFP) was distributed.

Director Gregory asked about the flooding history in San Miguel and re-sending the project out for other bids.

General Manager Kelly Dodds provided comments and clarification on rejecting the current bid and re-sending the RFP out for the Mission Gardens lift station flood mitigation project.

Motion By: Owen Davis

Second By:

Motion: To Table to December or January

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker				X

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve reject all bids and recirculate RFP

Board Members	Ayes	Noes	Abstain	Absent

Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		
Berkley Baker				X

5. Purchase of replacement well chlorine and turbidity monitoring equipment and budget adjustment by RESOLUTION 2024-55 (approve by 3/5 vote) (Pg. 294-296)

Review and approve RESOLUTION 2024-55 authorizing the General Manager to negotiate and purchase replacement well chlorine and turbidity monitoring equipment and authorizing associated budget adjustment.

Item was presented by General Manger Kelly Dodds updating the Board of Directors that each well is currently equipped with a chlorine analyzer, turbidimeter, and chlorine pump. The analyzers are all more than 15 years old. All three water wells will need new equipment and the total equipment cost for this project is projected to be \$52,500 which does not include District or outside labor. Most of the labor necessary to perform the installations will be done by District staff.

Board Comment: Director Gregory commented on the status of the water wells. General Manager Kelly Dodds explained the process for the wells and the requirements for the proposed equipment.

Director Davis asked for clarification on cost per well.

Public Comment: Ashley Sangster a San Miguel resident spoke about surplusing the outdated equipment.

John Green a San Miguel Resident spoke about the replacement equipment and requirements.

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve resolution 2024-55

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		
Berkley Baker				X

6. Contract award to Specialty Construction Inc. for \$389,820.00 for the San Miguel Alley (#6020) Waterline Relocation Project and approve related budget adjustments and transfers by RESOLUTION 2024-49. (approve by 3/5 vote) (Pg. 297-312)

Authorize the General Manager to issue a notice of contract award and execute a contract in an amount of \$389,820.00 with Specialty Construction Inc. for the San Miguel Alley (#6020) Waterline relocation project and approve related budget adjustments and transfers by RESOLUTION 2024-49.

Item was presented by General Manager Kelly Dodds explaining that a Request for Bids was circulated from August 23rd thru October 4th, 2024 for the San Miguel Alley (#6020)

Waterline Relocation Project. The project received two bid proposals, Specialty Construction and RCH Construction with Specialty Construction being the lowest bid. The projected total cost of the construction of this project will include the bid amount as well as: construction phase engineering, management support and the required archeological and Native American monitors. It was explained that this project has three separate sections, and that the District was awarded a \$300,000 grant from Integrated Regional Water Management (IRWM) for the San Miguel Alley (#6020) Waterline Relocation project and that any construction cost in excess of the grant award will be from rate revenue.

Board Comment: Director Gregory asked for clarification for the size of the three sections of the waterline. General Manager provided clarification that section one is a full block, section two is a full block, and that section three is a small piece on San Luis Obispo Road. Director Davis voiced his concerns about using Specialty Construction and spoke about their work on the Nacimiento pipeline.

Public Comment: Greg Grewal a Creston resident spoke about Specialty Construction, the Nacimiento Pipeline, and that he feels that cheaper is not always better.

Ashley Sangster asked if the contract cost would be a "not to exceed" and if change orders are expected.

Director Smiley asked if General Manager Kelly Dodds could answer questions from public comment.

General Manager Kelly Dodds explained that it is a not to exceed based on the plans and specifications and that any changes that come up in the field would have to come back to the Board for approval.

Board Comment: Director Gregory asked if the District has ever worked with Specialty Construction, and wanted to know why their bid was considerably lower. General Manager Kelly Dodds explained that Specialty Construction did bid on both projects and they probably took that into consideration.

Director Kalvans asked how many people showed up for the mandatory pebid meeting?

General Manager Kelly Dodds explained that there where around 15 people that attended the meeting and that the District had not worked with Specialty Construction in the past, as far as he knows. These projects need to be looked at separately.

Director Davis motioned to table item to the January Board Meeting; failed.

Director Gregory asked about the urgency of the project. General Manager Kelly Dodds explained that this area is the most unconventional and incident prone areas within the District.

Motion By: Owen Davis

Second By:

Motion: To Table to January 2025

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker				X

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve resolution 2024-49

Board Members	Ayes	Noes	Abstain	Absent

Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		
Berkley Baker				X

7. San Miguel Alley (#6020) Waterline relocation project environmental compliance monitoring and project management and related budget adjustment by RESOLUTION 2024-50. (approve by 3/5 vote) (Pg. 313-321)

Authorize the General Manager to negotiate and execute contracts for Project Management and Environmental Compliance Monitoring in an amount of \$65,000 for the San Miguel Alley (#6020) Waterline relocation project and approve related budget adjustment by RESOLUTION 2024-50.

Item presented by General Manager Kelly Dodds voicing that this item is related to the last item, and due to the location and scope of this project, Environmental Compliance Monitoring is required. An Archaeologist, Biologist and Native American Monitor is required to be contracted for preconstruction training, field monitoring and, in the event any artifacts are found, proper handling and treatment of those artifacts. Additionally, in order to ensure compliance with the grant and maintain contractor compliance for this project, a project manager should be retained. It was explained that the Environmental Compliance is expected to be less than \$4,000 for the entirety of the project, project management is much more time intensive and is expected to be between \$40,000 and \$60,384. The project management scope is divided into three basic sections with field inspection services being over 50% of the proposed cost.

Board Comment: Director Gregory was not in favor of spending \$40k to \$60k and would like to discuss cutting inspection cost by using District staff, and asked for clarification on if that could be done. General Manager Kelly Dodds provided comments and explained that in the project management there were essentially three different things that they were doing; contract management, reporting, and inspections. Mr. Dodds clarified that around fifty percent of the cost is inspections, and that the District staff could do more of those inspections to lower the cost. The contract management and reporting are the most time consuming for the District because they are grant projects. Discussion ensued on cost.

Director Davis asked who the District engineer was, and was in favor of doing the inspection portion of the project in house.

General Manager Kelly Dodds commented that a budget adjustment would still be needed, to cover the cost of the contract management and reporting. Water Systems Consulting (WSC) is the District's contracted Engineer.

Public Comment: Ashley Sangster a San Miguel resident voiced that the agenda did not have the name of the vendor?

Director Smiley asked if General Manager Kelly Dodds could answer the question from public comment.

General Manager Kelly Dodds explained that the Board Packet has the whole proposal from WSC.

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve resolution 2024-50 for a not to exceed amount of \$29,000

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker				X

8. Contract award to Specialty Construction Inc. for \$1,226,965.00 for the San Miguel Recycled Water Pipeline Project and approve related budget adjustments by RESOLUTION 2024-51. (approve by 3/5 vote) (Pg. 322-336)

Authorize the General Manager to issue a notice of contract award and execute a contract in an amount of \$1,226,965 with Specialty Construction Inc for the San Miguel Recycled Water Pipeline Project and approve related budget adjustments and transfers by RESOLUTION 2024-51.

Item was presented by General Manager Kelly Dodds explaining that a Request for Bids was circulated from August 23rd thru October 4th, 2024 for the San Miguel Recycled Water Pipeline Project. The project received four bid proposals, Specialty Construction; Hartzell General Engineering Contractor Inc; R. Baker Inc; Whitaker Construction Group Inc; with Specialty Construction being the lowest bid. This project consists of construction of approximately 2,530 feet of new 8-inch pipeline from the Machado Wastewater Treatment Facility to E&J Gallo vineyards on the west side of Highway 101. The pipeline will begin at the treatment facility and continue north along District-owned property, route west crossing Union Pacific Railroad tracks and Mission Street, continue west along 20th Street and through a private property easement and cross beneath Highway 101 to terminate near the property boundary of E&J Gallo and Vino Farms. The crossings at the Union Pacific Railroad and Highway 101 will be completed using jack-and-bore methods. The District was awarded 1 Million grant from the State Groundwater Management Act (SGMA). Funds for plan development and permitting to this point have been through regularly budgeted funds. The Construction costs in excess of the grant award will be from the District's Capital Reserves, then when user fees are established they will reimburse the cost from Wastewater Capital Reserves. To date planning, permitting, other previously approved work has encumbered \$280,580 thru October 2024. These costs have, thus far, been reimbursed by the County from the initial grant funds.

Board Comment: Director Gregory asked about the engineering that has already been done and if there will be any more cost for planning or permits. General Manager Kelly Dodds explained that all the permits and engineering is complete, and all the fees imposed had been paid. There will be additional cost for RailPros, for railroad monitoring, and hopes it will be a minimal cost.

Director Gregory discussed cost benefit and provided comments on the timeline with the Wastewater Treatment Facility (WWTF).

General Manager Kelly Dodds talked about the timeline with the (WWTF) expansion, and that the Recycled Water Pipeline project can be in place before the WWTF, but that the WWTF will need to be built in order to supply water through the line. The urgency of this project is because the grant funds need to be used April 2025.

Director Davis voiced his opposition to the project, citing that the cost to the District, and feels that if Vino Farms wants the water, then they should pay for the pipeline.

General Manager stated that he has been moving forward with this project by Board direction, and that the cost of the recycled water would fund the replacement of the pipeline

in forty years. The initial thought process of the recycled water for the District was discussed.

Public Comment: Ashley Sangster a San Miguel resident spoke about not understanding why Gallo would not be paying for the overage, and it is a lot of money if the WWTF expansion is not built.

John Green a San Miguel resident spoke about having an agreement, and negotiations being an unknown.

Greg Grewal a Creston resident spoke about not having a contract, net zero recharge, grants and the wine industry.

Board Comment: Director Gregory voiced her concern that the recycled water was only available to one vineyard. General Manager Kelly Dodds explained that the recycled water line terminated at Vino Farms, but that it could service both Vino Farms and Gallo.

Director Gregory voiced her opposition to only having the recycled water available for two places, and is concerned with the WWTF expansion not being completed.

Discussion on the wastewater, and the SGMA grant ensued. It was generally felt that this item needed more information.

Motion By: Raynette Gregory

Second By: Rod Smiley

Motion: To Table to November

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker				X

9. Recycled Water Pipeline Project, project management and environmental compliance monitoring and related budget adjustments by RESOLUTION 2024-52. (approve by 3/5 Vote) (Pg. 337-355)

Authorize the General Manager to negotiate and execute contracts for Project Management and Environmental Compliance Monitoring in an amount of \$187,309 for the Recycled water Pipeline project and approve related budget adjustments by RESOLUTION 2024-52. Item presented by General Manager Kelly Dodds voicing that this item is related to the last item and would advise that this item also be tabled to the November Meeting.

Public Comment: Greg Grewal a Creston resident spoke about recharge of the Paso Basin, was not meant to be reused.

John Green a San Miguel resident spoke about not understanding what new information could be produced in the next three weeks and voiced his opposition to the project entirely.

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Table to November

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			

Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker				X

10. REQUEST FOR PROPOSAL- San Lawrence Terrace Booster Pump Station Design (by Board consensus) (Pg. 356-407)

Authorize the General Manager to release a Request for Proposals (RFP) for the San Lawrence Terrace Booster Pump Station Design

Item presented by General Manager Kelly Dodds explaining that this project is to construct a booster pump station and in the future a water tan, which will dramatically improve the domestic water pressure on the San Lawrence Terrace (SLT) as well as increase available fire flows to those comparable to industry standards. The Request for Proposal (RFP) would be released at the October 24th and Pre-bid meeting is scheduled for November 14th.

Board Comment: Director Kalvans voiced that he was in favor of the project, and that it was a long time coming, with many customers requests for improved pressure.

Director Gregory asked for clarification on the water pressure for the San Lawrence Terrace. General Manager Kelly Dodds explained that the low pressure is around 22 to 25 PSI, and the higher-pressure areas runs around 38 PSI, with the main part of town being around 65 to 75 PSI.

Director Smiley voiced that he has discussed the pressure issue with the Fire Chief, and was in favor of the project voicing that the pressure increase is needed.

Director Davis clarified that the District was planning on putting in a 250,000 gallon tank on Power Road and that feels that if there was just a booster pump at the existing SLT well then it would fix the pressure issue, and spoke about arsenic issues.

General Manager Kelly Dodds explained that he would like to refer the Board to the "Booster Pump Station Alternatives Analysis" that was approved by the Board in June. One of the options was to put a booster pump at the SLT well, but in the long term the 50,000 gallons would not be enough and would be basing the entire supply off of one well. Discussion ensued about the SLT well and proposed Booster Station.

Director Kalvans voiced his concerns with the pressure increase and that the older homes on the Terrace would not be able to manage that kind of pressure increase without sustaining damage and asked how that would be addressed. General Manager Kelly Dodds explained that this item is to request to release an RFP for design, and that part of the design could have a condition in the construction documents addressing that pressure regulators have to be installed on all the houses when the booster station is installed. Mr. Dodds provided comments on the primary design for the booster station, giving examples and agreed that this is a very valid issue.

Director Gregory asked for clarification on where the new tank would be located. General Manager Kelly Dodds clarified that per the "Booster Pump Station Alternatives Analysis" that was approved by the Board it would be on the Bluff adjacent to where the power station is.

Public Comment: John Green a San Miguel resident explained that he feels that there will be more problems for the District if the pressure is increased on the Terrace, and that the homes are not equipped to handle that pressure increase.

General Manager Kelly Dodds explained for clarification that the current California State Law currently says we have to provide a minimum of 20#, and new developments are

required to have 40#. Mr. Dodds explained that the District would be providing some sort of a pressure regulators to prevent over pressure for those homes.

Motion By: Raynette Gregory

Second By: Rod Smiley

Motion: To Authorize

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker				X

11. Update on the San Miguel Fire Department Temporary Housing Unit (THU) (Pg. 408-449)

Review update on the Temporary Housing Unit by the Fire Chief

Item was presented by General Manager Kelly Dodds due to Chief Young being absent. Mr. Dodds explained that Mr. Keller the property owner was contacted and Chief Young was able to get an extended lease agreement for 10 years, starting at the end of the current lease agreement. The terms for the amended agreement are .33 cents per square foot per year: Per District staff report.

Board Comment: Director Smiley explained that he spoke with the Fire Chief and that it was confirmed that the lease agreement would be extended.

Director Davis voiced that he thought that after two years the Temporary House would be sold, and asked why there was a need for a ten-year agreement. General Manager Kelly Dodds explained that due to the concerns that Director Davis voiced at the last few meetings, about securing the land Chief Young was able to get a longer lease agreement. It was clarified that the agreement can be terminated sooner if needed.

Discussion ensued.

Public Comment: John Green a San Miguel resident spoke about talking with the San Luis Obispo County Planning Department, and it being a Temporary Unit. Mr. Green was asked to contact the Fire Chief with specific questions.

Informational item only

12. 10 year Interfund loan between the Street Lighting fund and Fire fund in an amount of \$80,000 by RESOLUTION 2024-44 (approve by 3/5 vote) (Pg.450-454)

Review and approve Resolution 2024-44 authorizing an Interfund loan between Street Lighting and Fire for \$80,000 in order to complete the Temporary Housing Unit.

Item was presented by General Manager Kelly Dodds due to Chief Young being absent. Mr. Dodds explained that this item was brought back to the Board from last month and is requesting a Interfund loan between Fire and Street Lighting/Landscaping. The proposed Interfund loan will have the following terms: 10 year repayment with annual payments Maximum principal amount \$80,000 - The final loan amount and payment will be based on the actual amount spent, up to the maximum. A 4.579% maximum annual interest, interest percentage to adjust annually with the actual interest percentage in the Capital Reserve Money Market account as of June 30th annually. Principal and interest payment will be evaluated annually to incorporate any additional principal payments and changes in

interest. Annual payments will be made in July of each year. There will be no penalty for early payoff or for additional principal payments. Upon the sale of the Temporary Housing Unit this loan will be paid off if any balance remained at the time of sale. Mr. Dodds explained the budget adjustment needed for this if approved.

Board Comment: Director Gregory and Director Smiley voiced their approval of the project and feel that the project is important for the community.

Director Davis voiced his opposition to the loan and feels that the Fire Department should use their funds to finish the project. Clarification on the funding was discussed.

Director Gregory voiced her frustration on how the San Luis County Planning Department handled this project and explained that the Fire Chief has worked hard to get the project to this point.

Director Smiley thanked the Fire Department staff for attendance.

Public Comment: John Green a San Miguel resident spoke about Directors knowing what happened last time there was an interfund loan.

Tammy Tackett a San Miguel Resident spoke in favor of the project, feels that the response time will be better.

Robert Rojas a San Miguel resident and San Miguel Firefighter spoke about liking the changes he sees in the Fire Department and voiced his approval of this project.

Board Comment: Director Kalvans thanked the Fire Department and agreed with the changes being made at the Fire Department.

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Approve resolution 2024-44

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		
Berkley Baker				X

13. Authorization to open investment accounts with CalTRUST by RESOLUTION 2024-53 (approve by 3/5 vote) (Pg. 455-456)

Approve RESOLUTION 2024-53 authorizing the General Manager to open investment accounts with CalTRUST.

Item was presented by General Manager Kelly Dodds, who explained that this would authorize the General Manager to open and manage investment accounts with CalTRUST. Diversifying the District's investments with CalTRUST will provide for additional short, medium and long term investment opportunities while maintaining next day fund availability.

Board Comment: Director Davis asked what the interest would be. General Manager Kelly Dodds clarified that as of 9/30/2024 was around 4.14% to 5.24% and is a longer term than our current bank.

Public Comment: None

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Approve resolution 2024-53

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker				X

11. Board Comment:

Director Gregory asked if there was chance that the District could use the SGMA grant funds for other recycled water projects, and if there could be some options brought back to the Board.

General Manager Kelly Dodds clarified that the funds could theoretically be used for a different recycled project, but would have to be approved by the State and would have to go through the design process. Mr. Dodds expressed that it took over a year to get the other project approved and did not think that there would be enough time to facilitate that.

Director Gregory asked if there was anything else the District could do to satisfy the requirements for recharge for the water basin, and asked that ideas be brought to the Board. Discussion ensued. Seconded by Director Kalvans.

Director Kalvans would like to discuss social media, public outreach, and feels it is very important for that the District Board to discuss the issue. Seconded by Director Gregory

Director Davis voiced that we could not dictate what people say, speaking of first amendment rights and voiced that he is not on social media.

General Manager Kelly Dodds expressed that the intent is never going to be to censor what somebody has said, and voiced that he is in favor of free-speech. Mr. Dodds explained that the community needs to see more of what is going on, and feels that the community needs to get a factual response to things that are put on social media about the District.

Director Kalvans would like to have the Lighting and Landscaping Master Plan moved forward. General Manger explained that this item was going to be brought back at the November Meeting as an RFP, and is incorporating it into the Districts Water and Wastewater Master Plan.

Director Kalvans voiced that he will be submitting a "Plant & Tree" list that actually grows in the area that he has worked on, for review. General Manager Kelly Dodds asked Director Kalvans to send him the list.

Director Kalvans voiced that he would like to discuss separating the Fire Department from the CSD, explaining that this has been brought up by the Fire Chief. Director Kalvans clarified that it could be a discussion on what needs to happen next whether it's a study, cost or authorization and feels that this would support the Fire Department. Seconded by Director Gregory.

12. Adjourn to Closed Session/Closed Session Agenda:

Public Comment: None

Adjourn to close session at 9:33 PM

1.

Conference with Real Property Negotiators (Gov. Code, § 54956.8) (Pg.457)

Property: Assessor's Parcel Numbers 027-420-017

Agency Negotiator: Kelly Dodds
Negotiating Parties: Rivers Edge LLC
Under Negotiation: Acquisition of potable water well
Discussion

2.

Conference with Real Property Negotiators (Gov. Code, § 54956.8) (Pg.458)

Property: Assessor's Parcel Numbers 027-011-019 and 027-061-019
Agency Negotiator: Kelly Dodds
Negotiating Parties: E&J Gallo Winery
Under Negotiation: Price and terms of payment for a right of way easement
Discussion

13. **Report out of Closed Session:**

Direction was given to staff.

14. **Adjournment to Next Regular Meeting:**

10:04 P.M.

As per Chapter 10.9 of the SMCSD Board Member Handbook, meeting minutes reflect actions taken and are not a complete record. Please visit the SMCSD website: <https://www.sanmiguelcsd.org/> to view full recordings of meetings