

SAN MIGUEL COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
April 22, 2021 REGULAR MEETING MINUTES

MEETING HELD AT DISTRICT
1150 MISSION STREET
SAN MIGUEL, CA 93451

- I. Call to Order:** Meeting Called to Order by President Ashley Sangster – 6:00 P.M.
- II. Pledge of Allegiance:** Pledge of Allegiance lead by Director Anthony Kalvans
- III. Roll Call:** Directors Present: Sangster, Kalvans, Palafox, and Gregory
- IV. Approval of Regular Meeting Agenda:**
Motion by President Sangster to approve agenda for April 22, 2021
Seconded by Director Kalvans. Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSTAINED.

Public Comment: None

V. ADJOURN TO CLOSED SESSION 6:05 PM

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

Pledge of Allegiance by Director Anthony Kalvans.

Report out of closed session by District General Counsel Erin Dervin. Direction given to staff on two items.

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

VIII. Special Presentations/Public Hearings/Other: None.

IX. Staff & Committee Reports – Receive & File:

1. San Luis Obispo County – No Report.
2. Camp Roberts – Army Nation Guard (Mitten) – None. No Response.
3. Community Service Organization – San Miguel Fire Fighter’s Association - No Report.

District Staff & Committee Reports:

4. Interim General Manager Rob Roberson – We still have a closed-door policy. We are working on a couple of items, and I will talk about that. We are working on a kiosk for billing. The Covid count in the last 24 hours, there has been one additional person diagnosed with Covid.

In San Miguel we have had 527 diagnosed so far. Paso Robles has had 9 with 4,117. In the county there has been 21,038 so far and 28 additional new ones diagnosed in the last 24 hours. We have unfortunately had 2 more deaths in the County due to Covid. We have 8 in the hospital and 2 are in ICU. It is now down to 1 in ICU. I hope that is a good that and that person recovered. We are continuing our Covid Operations. The District has been getting ready for reports for our end of the year audit. We have also been preparing the 2021 budget for review and approval. A preliminary [budget] is in the Board Packet for your review this evening and discussion. Back to the kiosk, as one of the operations for the front office, we are looking at getting specifications and bids for a unit pay station that will meet the needs for the District, give access 24/7 and they will be able to pay bills through the kiosk which will also eliminate phone and foot traffic as far as bill pay. It will be bilingual. Board Clerk Tamara Parent said it is vital. Mr. Roberson said There are a lot of specifications. With regards to Pacific Premier Bank, everyone here needs to go in and see April. On the 6th of May we will be doing the master plan discussion for fire. On May 28th we will be doing staff CPR here. That date is still flexible if you want to attend there is room for you here at the district and it will be in the afternoon. I actually need to get with Kelly and see when his guys are available so that date may change or the time, but the idea would be that I need 4 hours. That is all I have unless you have questions. Director Gregory said, "you said that date is May 28th?" Mr. Roberson said; "the date is supposed to be April 28th, not May 28th". Director Gregory said I have a question about the kiosk. Where is it supposed to be? Mr. Roberson said well, depending on the specifications, we want people to have 24/7 access to it so a system that is probably going to be in an exterior wall where they can access it on the outside control from the inside. If it was on the inside, it does not fit our Covid situation and also limited space. We have a couple of ideas on the north wall near the office for here right now but based on specifications of what they can build and what people are telling us what they can do, it will be pretty much like an ATM situation. They can access it, computer screen, bilingual, and it is weatherproof. We will have to put some cameras there to prevent vandalism. Director Sangster asked what about insurance? Mr. Roberson said well the building is still alarmed and anything on the inside where the money would be going would be like...if they want to put a chain on it and pull it out with a truck I guess they could. Mrs. Parent said well, we will see them on camera. It is really new, and our billing company is just starting to do it too, so we are just starting to feel them out. Mr. Roberson said it just kind of fills a need. I know a lot of people that a 24/7 would be really an improvement. Bilingual will help in many cases, The convenience of it, and if it captures more and relieves staff of the phone calls and the hands-on stuff it will be a win-win. We are going to look that the cost of it and the whole feasibility thing and how it fits in. Director Sangster asked how much do you think it would cost approximately? Mr. Roberson said Tam has checked with a couple of places. Mrs. Parent stated the kiosk would cost between \$30,000 to \$50,000. Mr. Roberson said that also comes back to the specification. Is it an inside freestanding machine or is it a wall mount to the outside? Is it a lease or is it a purchase? Depending on what you want it to do will determine how much that will cost so the price is pretty wide. San Miguel resident Owen Davis said I still like your drop box to pay my bill. Director Raynette Gregory said I have

questions about the CPR classes. Are the days definitive with the CPR classes and what will be the time? Mr. Roberson said again I have to get with Kelly regarding his staff just to confirm when they will be available for that block of time. I'm real flexible on the class itself. If you can't make that one, I can put a class together at any time as long as I have 3 to 4 students. Director Gregory asked so you do have work for the Directors? Mr. Roberson replied yes. Director Gregory asked can you notify us? Mr. Roberson replied yes. Director Sangster asked if there were any questions. Director Kalvans said with regard to the kiosk, do you expect there to be any processing fee for using it just like there is online? Mrs. Parent said Yes, it would be the same company. It would only be for credit cards though. The credit card clearing house. Checks, cash, none of that. Director Sangster asked what is the credit card processing fee? Mrs. Parent said \$2 or 3%, whichever is more so 3%.

Board Comments: None

Public Comments: None

5. District General Counsel Attorney Erin Dervin – No Report.

6. District Engineer – Dr. Blaine Reeley – Mr. Reeley was not present. There was no report per Utility Director Kelley Dodds. If there are any questions he can take them back to him. Director Kalvans said I am surprised that he is not here because of the RFP. I figured he would be talking to us about that. Mr. Dodds said I can answer any of your questions on that. Director Sangster asked is there any reason that the water figures were not upgraded compared to March? Mr. Dodds replied because we did billing the same day as this report therefore they did not get updated.

Board Comments: None

Public Comments: None

7. Director of Utilities Kelly Dodds – You have my report. I will answer any questions you may have. Director Kalvans said two things. Thank you for replacing the streetlight down on the corner. What was the cost of the streetlight? Mr. Dodds replied Thirty-One Hundred and some change I think. Director Kalvans said I thought that would have been \$10,000 for a streetlight. That is what I have been told in the past. Mr. Dodds said that was our original estimate based on older information we had. Interim General Manager Rob Roberson asked is that a new install or a replacement? Mr. Dodds replied it is a replacement. It was already there. Director Kalvans said I saw the news regarding the IWMA. I understand that the County may be pulling out? Mr. Dodds said they voted to look at the fiscal consequence from removing themselves from that. They have directed their staff to look and see what it would cost to do all this work themselves. They are not happy with the direction of the IWMA. I do not know all of the specifics of why they want out of it. Director Kalvans said I understand that the Paso Robles City Council representative also said that if the County pulls out, he is going to recommend that the City of Paso pulls out too. Do you suspect they need to form a north county IWMA? I am trying to figure out what all of this political posture is going to mean for our district. Mr. Dodds said well number one, I think when the county looks at the actual costs to do all the work themselves they are probably not going to be super inclined to pull out for little reasons. If the county and Paso Robles pull out I imagine it would still be a regional IWMA but it would be a county IWMA. The city would most likely have

to have their own. The county has north and south so they are not going to do just north county. What that means for special districts, I don't know. Director Kalvans said a bunch of political posturing and political grandstands. Mr. Dodds said that as information comes down it will be passed along. Director Kalvans said then we can figure out what we are going to do at that point. Mr. Dodds said what it boils down to is that we do not have the funds to do all the work ourselves and not even for our district, so we definitely do not want that responsibility. Director Raynette Gregory said ever since we took over the landscaping for the signage out on the highway, with all the new growth that is coming up, and I know that there is a very large area that is not our responsibility, what is the course of action that is going to happen that will cancel all of the weeds? Mr. Dodds replied well, we will take care of what is immediately around it and CalTrans will mow the rest. Director Gregory asked will we be spraying too? Mr. Dodds said well you have to be careful because we don't want to kill the plants that are actually there. Director Gregory asked have you guys been out there since we took over it? Mr. Dodds replied we have been over there and picked up some trash, but they haven't done weeds out there. Director Gregory said I just noticed that there are a lot especially coming in from this one south. Mr. Dodds said we are working on weed abatement now so we will take care of it. Discussion ensued regarding rainfall for 2021. Director Kalvans asked if we are in a drought state. Mr. Dodds said it depends on who you ask. In the State of California there are only two counties in a drought currently right now.

Board Comments: None.

Public Comments: None.

8. Fire Chief Rob Roberson - We are getting our troops ready for fire season. Other than that the report is submitted as written unless you have any questions. I know we are going to go through our Master Plan on the 6th of May so we will be able to talk about that.

Board Comments: None

Public Comments: None

X. CONSENT CALENDAR: Motion to approve made by Director Ashley Sangster. Seconded by Director Hector Palafox. Motion Passes with a vote of 4 AYES 0 NOES and 1 ABSENT.

XI. BOARD ACTION ITEMS:

1. Review, Discuss, Receive and File the Enumeration of Financial Report for March 2021

Utilities Director Kelly Dodds said I can answer any questions if anyone has any questions. Interim General Manager Rob Roberson said we are forging ahead, and things are going good. Staff have been very helpful in preparing and maintaining. Director Sangster said I do have a comment. I think it's the Claims Details Report. It seems to me at one time that was sorted by vendor so you could see all of the expenses grouped. Mr. Dodds said I used to give a total by vendor. It is separated out like the individual invoices, but it tells you how much we spent each month. Director Sangster said well, here is an example. There is U.S. Bank under lighting and then there is U.S. Bank under water and U.S. Bank under fire. It would be helpful to have it all together because now we have to go back and forth to each one on each page and figure out what's what. Mr. Dodds said you can run these reports 100 different ways and I think I just did it by vendor instead of by fund but we can do that. Director Sangster said I want it grouped by vendor

so I can see what was the expenditure in each fund. It used to be in alphabetical order but this one is not. There are total summary pages or not? Mr. Dodds asked the summary of the cash? Director Gregory said yes, versus budget summary yes.

Board Comments: None

Public Comments: San Miguel resident Owen Davis said he would like to know about revenue budget versus actual summary. In other words how much within the budget and how much is spent is pretty much what it takes. Director Sangster said just for the month of March there are figures on the first page, which is page 29. So for March, the income was \$369,891.13. For March, the expenses were \$135,653.50. Mr. Davis said well you're in the black so that's good. Director Sangster said yes. Mr. Davis said that is what I wanted to know.

to Approve Financial Report for March 2021 made by Director Sangster. Motion seconded by Director Hector Palafox. Motion passes with a Vote of 4 AYES 0 NOES 1 ABSENT.

2. Receive and discuss proposed Fiscal Year 2021-2022 Operation and Maintenance Budget for San Miguel Community Services District. Interim General Manager Rob Roberson said we went through each fund Kelly has wastewater, water, lighting, and garbage. He's gone through all of his funds, forecast expenses, revenues as well as fire so we submitted those reports and have them for you. I will entertain any questions. Director Sangster said I have just a comment to begin with. There is a budget overview which outlines the different funds which I really appreciate. I would like to see it compared to the fiscal year 2020. Is that in there? Mr. Roberson said 2021? Director Sangster said our current budget. The current budget proposed. Utilities Director Kelley Dodds said if you look at the budget overview the first section is 2020-2021 through April 16th which is when we finalized this report. There are two lines. There is budget revenue and budget expense. Those are for 2020-2021. The line below that is the draft budget of 2021-2022 and that only compares the budget revenue and budget expenses and what the net would be. The lines above it show what we budgeted, what we actually received and the percentage of what we budgeted and where we are at. That is the same for all five departments. The only difference in any of the departments is that in wastewater it also just provides clarification that \$100,000 is taken straight off the top for long-term maintenance and \$220,000 is taken off the top to go to capitol reserve for the future payment for loans both in wastewater and water. The proposed budget is assuming that we continue with the next rate study which are the rate increase which is included in that budget. Director Sangster said I guess the one that is missing is the district total 2021 proposed. Mr. Dodds said we can definitely add that in.

Board Comments: Director Anthony Kalvans said that he has a few comment. Director Sangster said I'm looking at the numbers and for the most part everything seems fairly well in mind. It looks like some of the things that were the most drastic increase were things like payroll taxes, insurance, printing, and reproduction seems to be up 250%. Is there a reason for that? Mr. Dodds replied that is more to do with reallocation than actual additional expense. Our billing is mailed out and those are just paid by our billing vendor, and we have been accounting for it in a different way. We try and separate it back out into printing and postage so we can get a better accounting of what it actually costs. Board Clerk Tamara Parent said instead of postage and printing now. Director Gregory asked how much surplus of pipes and that sort of material for repairs and maintenance and that type of thing do you have? Are you purchasing it as you need it, or do you

have a stockpile? Mr. Dodds replied we have some. We have the most common sizes and parts that we need because they are all pretty expensive. We don't try to keep a lot on the shelf. However, we keep enough to fix what our usual problems are. Director Gregory asked have you seen a huge increase? Mr. Dodds said oh yeah, it's like 150 to 200%. One of our suppliers told me that in May it should go back down. Director Gregory said ok, that's good. So you haven't adjusted your budget for that you are just assuming that it is going to come back down then. It is the same with steel, steel is just crazy. Mr. Dodds said everything is bad right now because a lot of the factories that were closed are going back up and the demand has skyrocketed. They haven't kept up with it and that's why. What I have been told is that in May it should be coming back down. In general, we don't keep a lot of extra material because there is no reason to pay the money out and then let it sit on the shelf for years and years. Director Kalvans said I have a couple of items I want to bring up because we are now in April so this will give staff time to think about the comments that I have. First off, I want to thank you guys for putting together the budget, trying to get a good picture, and trying to make our finances stable. I'm going to discuss these one by one so we can discuss it and get a good consensus or shut it down from there. The first one this is mostly a notification for future Board staff members and future clarification is to rename the Department Fund 30 to Lighting and Landscaping. It is compared to the language used in most codes. It's just a little name but it is a language thing I know. Mr. Dodds said you can probably do that I don't know if it really means anything other than its just a label. Director Kalvans said yeah, it is just a label. Mr. Dodds said we can talk to the auditor and see if there is a problem with doing that with the audit and we can go from there. Director Kalvans said as we moved down the road if future staff members or anyone else is going to get confused as to why something is being done a certain way. Is that ok? Director Sangster said it makes sense to me. Director Kalvans said the next one is I would like to request some funding in Department Fund 30 for a new ordinance. This is requirement for grant opportunities for that fund. It specifically says we have to have an ordinance for those services and we do not have it. Mr. Dodds asked we need an ordinance for what services? Director Kalvans said it's for lighting and landscaping we need an ordinance. We only have a policy and a resolution. Mr. Dodds said ok, that would have to be a project which would have to be specially approved so whether that's in the Operation Budget or not is kind of irrelevant. It could be a budget adjustment and most likely it would come from capital because it's an overall master plan lighting code. Director Kalvans said that is what I wanted to know. I think in the past we actually budgeted for it, but we need to put some money towards notifications. Mr. Dodds said if we are going to take the money straight out of regular revenue then it should be in this budget. Depending on what the scope is and what the actual cost is it will most likely come out of reserves or out of capital. In which case being in this budget doesn't really make any difference. On the other side of that, we will need to assess what that is going to cost and most likely there would have to be some sort of transfer from reserves to pay for it anyway. My recommendation at this point would be to keep that on the top of our list as a project and we can bring that back into the budget adjustment for that. Director Kalvans said you know we've done that before, and you know things end up falling by the wayside for over a year. Mr. Dodds said well honestly sometimes it takes a year or more to get things done and that's just the way it is. It's not that anybody is slacking or trying to put it off when you've been here 8 years that happens a lot. In fourteen years I've seen a lot of things happen but yes, that would be my recommendation. If you want to talk to me a little bit more about that or about the ordinance then we can get a better idea of what it is going to cost. If we can get that together soon then we can put that in the budget now. If we can't get that together in the next month then we'll have to bring

it back as an adjustment. Director Kalvans said I think we can get it done and I don't think it's going to cost that much; it just needs to state public lighting and just in the landscaping it opens us up for grants for future projects in that classification. I have mentioned this to you in the past I think the one about the grants and it said you have to have an ordinance. For quite specifically landscaping. Literally for the grant we meet all the classifications or requirements, but they did not say you need an ordinance for it. Board Clerk Tamara Parent asked do you have a sample of one? Director Kalvans asked a sample of requirements? Mrs. Parent said no a sample of the ordinance. Director Kalvans said I think there is one on the website which I can probably just forward on over. So projects like that they will come out of reserves and not be a budget item. Mr. Dodds said anything that is going to be a capital project isn't included in the revenue or in the Operation and Maintenance. If it's coming out regular rate revenue or regular property tax then it should be in this because this is that money. Capital money is going to have to be Board approved and the transfer of that money or use of that money would be Board approved. So we would take that money from the capital and then put it into this budget. Director Kalvans asked if the Board had any comments on the matter. Director Sangster said no, it sounds good. Director Kalvans asked if there were any questions before he moved on. He then stated what is our general fund breakdown allotments? I know there is some weird percentage formula number. Do you know that off the top of your head? Mr. Dodds said I can tell you exactly what it is for the proposed budget. For 2020-2021 the breakdown was 23% fire; 2% lighting; 35% wastewater; 38% water and 2% solid waste. For the proposed 2021-2022 budget we are looking at 20.5% for fire; 2% for lighting; 38% for wastewater; 37.5% for water and 2% for solid waste. Director Kalvans replied so 2% general fund expenditures comes from. Mr. Dodds said it's not general fund. Director Kalvans replied I know, its shared fund. Mr. Dodds said it's what we call shared expenses. You start getting down to administration in general and it brings back PTSD. Director Kalvans said the big thing I would like to bring up unfortunately is that I would like to request in order for us to meet certain well to legally support the district and our strategic planning goals is to create a new department fund with Department 70. I know that there is a funding matrix that I do not have in front of me that would not impact existing operations, but I do know that as we talk about some of those projects and goals that we are kind of limited in what we can do, and how we can do those projects. Mr. Dodds said hold on just two second. You want to create a new fund to do what? Director Kalvans said it will support well, let me read this off correctly. I call it the Community Development Fund. It opens up the CSD and the community of development grants, one of which is actually coming up in November of this year. Specifically for this kind of community but more importantly it legally supports the CSD in pursuing qualify of life and strategic planning goals. This makes sure that we aren't giving any gifts of public funds and we can do community projects like the website we have talked about and some other things that have come up in the past. Right now in our current funding model we are limited in what we can do. My proposal would give us the flexibility, legal coverage, and give us the grant funding. Mr. Dodds asked how would you fund this? Director Kalvans said \$43,000 comes from the general 1% property tax so that is not restricted revenue. Mr. Dodds said ok, I don't mean to cut you off but my understanding from the conversation before and where you seem to be going right now is you want to take money from the other five departments to fund this? Director Kalvans replied no that would not be. Mr. Dodds asked so where exactly are you getting money from? Director Kalvans said I'm proposing two funds. One which is random surplus which significantly over the years has been the Lighting Landscaping Fund. I'm proposing \$24,000 from lighting landscaping and \$33,000 from the Sanitary Property Tax Fund. Overall this equals 1.8% of the overall CSD budget and the funding

request is lower than the rate increase revenue. This funding should not have a big impact on the operations of any of those other funds. Unless you are going to tell me that we are completely up the creek on both of those funds. Mr. Dodds said I'm just going to say right now that I'm not taking any money from wastewater or water for anything other than wastewater or water because that would be a horrible idea. We are going through a rate increase which nobody is happy about. I'm assuming that nobody on the Board is super happy about it so taking any money away from wastewater specifically when we have a huge looming project is not recommended. Director Kalvans said Mr. Dodds I completely agree with that, and we have already spoken about that, and I have heard from the community that our rates are pretty high. Some people aren't happy with the rates in this community, but we have tools available to potentially lower the rates of this community and increase revenues. One which is the standby charge that other agencies use. We can actually use those things to pay for our projects and lower people's bills in this community. Mr. Dodds said you can't just do that. You can't just start charging somebody, it doesn't work that way. Director Kalvans said no, you have to create a rate study. I have sat here long enough to know that you have to create a rate study. There is a process. The standby charge is there regardless of when we do a rate study, and I will be bringing it up. Mr. Dodds said I understand but I do not think that at this time it is a good idea to take \$33,000 from wastewater. Director Kalvans said at some point we need to discuss but I don't think we should even be using property tax money for wastewater, but it is something to discuss and support but even the \$24,000 from the Lighting Landscaping Fund is more than enough to get started on those projects. Mr. Dodds said so right now you want to take \$3,235 in surplus and you want to take \$24,000? In the eight years that I have been on this Board, lighting has never once come close to doing its revenue. Assistant Fire Chief Scott Young said I'm just confused though, could you backtrack? I'm really confused as to what you are trying to accomplish by gathering \$50,000. What do you plan on spending that \$50,000 on and what do you plan on accomplishing with this expenditure? Director Kalvans said during special meeting I asked for us to potentially look at, figure out, or wait on the budget so we can get through the rest of the strategic planning process and the stuff we were going to talk about in May. We talked about projects at the strategic planning. Director Sangster said I think the gist of what Director Kalvans is trying to get at is that there are things we would want or would like to spend money on for the betterment or quality of life here in San Miguel but without having an established fund there really is no way to fund those type of projects which we collectively have all talked about and said would be beneficial for the community, so I think that is what he is driving at. Mr. Young said it seems to me that it is getting scurried and backtracked and back and forth. Yes, we want to do betterment, well we want to do strategic planning and we might need 50 but we could do 20. It's clear as mud in my opinion. I'm sorry that I appear to be coming in late on this. I'm not privy to the email conversations that go on prior to the meeting so it's kind of hitting be blind. I don't understand (a) why you need \$50,000 and (b) what you plan on doing with it. Those questions are clear in my mind but the answers are not. Director Sangster said I don't think there has been a cost established for the five identified projects. Discussion ensued regarding money requested for the five projects, whether or not we are a disadvantaged community, and creating a fund. San Miguel resident Owen Davis said Kalvans you sit here and you have wasted over 30 minutes of my time on nothing. I mean it's all irrelevant. It's just on your wish list. Director Kalvans said Mr. Board President, informally though we haven't called again for public comment. Director Sangster said I will be calling for public comment momentarily. Director Kalvans said I want to get a consensus on the direction that the Board

wants to go in. I just want more consensus on the direction of that so these projects that we have all talked about in our community plan can move forward.

Public Comments: San Miguel resident Mr. Owen Davis said Kalvans, you have wasted over 30 minutes of my time and the Board's on a bunch of stuff on your wish list. Now you've got to realize that any money, grant or anything is coming out of my pocket and everybody in San Miguel. You think you get all these free grants or borrow money and everything and this wasn't even on the Agenda. but you brought it up and your bull crap is going to have to stop bringing up all of this during the meeting. Director Sangster said keep it simple. Mr. Davis said you do this all the time. You waste probably 30 minutes of every CSD meeting on stuff that is irrelevant to San Miguel. It's what you think you know like they will ask me quality of life. I told you the best way to do quality of life is to get these idiots out of Sacramento and Whitehouse. Director Gregory asked Mr. President is this necessary? Mr. Davis continued with I got the Agenda and I think he is way out of order with what he is doing at a public meeting. Director Sangster said he is trying to conform it with the idea of the budget since it is related. I understand your point. I think Director Kalvans understands your point. We all get elected and I think we all have ideas of wanting to make the place better. Mr. Davis said yeah, everybody who lives here does, I want a better community too, but this is nonsense. Director Sangster said well, he has to have a way to air it not only to the other Board members but to the community. It's a public meeting. He does spend a considerable amount of personal time to find the potential, so I respect that and I certainly appreciate his efforts and I appreciate your opinion. Mr. Davis said well, like I said a lot of this stuff he does behind the scenes and then he comes up and plays on that computer all the time trying to do this and checking how San Francisco is doing. San Miguel resident Mary Szlavik-Hankins said Mr. Davis, Mr. Kalvans is doing his job. I'm trying to do my job. I know it's enough to start sir. We get it. Mr. Davis said yes, well I understand but he does this every week. Mrs. Szlavik-Hankins said yes, and he is doing his job. Director Sangster said alright, we will call point of order. It's been three minutes I think we've covered it. Everybody understands everybody's position.

3. Discussion and Consideration by the Board of Directors of the San Miguel Community Services District to approve the Request for Proposals (RFP) & Technical Specifications for the Wastewater Treatment Facility Upgrade & Expansion Pre-Engineered Package Membrane Bioreactor Municipal Wastewater Treatment System and authorize Director of Utilities to advertise for qualified cost proposals. Utilities Director Kelly Dodds said what you have before you is a RFP for the entire Membrane Bioreactor from the ground up including factory site testing and all of the commissioning. Basically this would be a turnkey system including the lab. We would bring the utilities to a predetermined location and they would connect to those and build the process from the ground up. It would include everything that is necessary including all training for personnel. Again, it's just an RFP and the close of this would be June with a mandatory pre-meeting in May. Director Sangster said ok, a couple of questions. I see that the Training and Operations, Maintenance and Personnel section on page 174 of the packet. So we've got Section A, Subsection 1, Sub Subsection E talking about failure to complete the training is required would generate assessment damages of \$1,500 per day until the training is complete. The omission that I am going to point out is there does not seem to be any liquidated damages related to delivery of the system or commissioning the system. I would think that liquidated damages would be more applicable to the construction, delivery, installation, and conditioning of the system

as opposed to simply the training. Mr. Dodds said well I think we had taken out the liquidated damages and probably forgot that one. Otherwise, in the RFP it does refer to the established timeline that would have to be established once we go into the contract, but I don't know that we have or need any provision for liquidated damages and especially if we're not going to have any sort of an award for requirement. Director Sangster said well, I think the issue is that it's a project whereby a system is being constructed and it has to be delivered, installed, set up, commissioned and then staff needs to be trained. So I think that liquidated damages would be warranted. I understand the reservation because there is preset, pre-determined timeline. I suppose that since this is an RFP it is not a contract. My personal and professional opinion, what I would do is state that there will be a project schedule and liquidated damages may apply. Then at that point they could be utilized in the contract when we are actually contracting the work and you are setting a project schedule. Right now there is no way to define it in the RFP document but if you make reference to it it's not unexpected when it comes to contract time and things don't unravel. Assistant Fire Chief Scott Young said yeah so you see what damages you have to awards though. You can't just punish somebody for not performing. You have to give them a reward for performing above and beyond expectation. My contract experience in the past is that you can't have damages without awards. Director Sangster said right, you can have an incentive for completing a project early but there would also be the flip side of that, which would be liquidated damage. Liquidated damage would apply if the commission work or completion of this project is delayed through no fault of ours. It is strictly based on the contractor's delay. Mr. Dodds said well what we can do is we can add that into the game and just make the statement that there will be a determined schedule. Director Sangster asked who are you sourcing for this? Mr. Dodds said there are three or four companies we are aware of. Obviously, it will be put out to the plan rooms on CSDA and on our website in the paper. I have noticed just when we put out for the generators that we got some companies from farther away, so I think people are paying a little more attention. However, I think the people farther away are going to have a hard time being competitive just in transportation. If you have anybody specifically that you guys sent out to when you guys put yours in at Cal Poly then please send to me and we will include them. Director Sangster said there was a company called Clear Blue, but I don't recall if they are actually still in business. I don't think they are but we were sourcing our MBR so there was a third company. I will look at my sourcing sheet and I will send it to you today. I don't recall but I think there were only three within a 250-mile radius. Mr. Dodds said Avoqua and Cloacina are the two that we have been talking to and getting information to so obviously they will be involved in the bidding. There are two other ones that we got information from initially and they will be notified. Other than that I don't have anybody specifically. Director Sangster asked did we write all of the specs in this? Mr. Dodds said these are a culmination of three or four different MBRS that were done by different companies. One of them they are just putting in Avila. They have a lot of other language that was in there that did not apply so that was taken out. Director Sangster asked but none of the companies that could potentially participated in providing specs? Mr. Dodds replied Cloacina, and Avoqua had information that they provided but these are finalized by us. Director Sangster said information provided that we did not pay for. Mr. Dodds said we did not pay for it. Director Sangster said I guess whether it could be construed as consulting whether you are paying them to derive a specification set or something you would like to purchase and generally speaking I don't know that we are bound by the same agreement in state contracting based on public contract code could not engage in a follow-up contract so you have somebody providing consulting you wouldn't engage with that person to provide the services for the product after the fact. Mr. Dodds

said ok, we will add a line or a paragraph describing that there will be a schedule, a definitive schedule and that liquidated damages may apply. Director Sangster said it gives us the option. It doesn't mean we have to put them in the contract, but we at least have the option to do so.

Public Comments: None.

Motion made by Director Sangster to authorize the Director of Utilities to release an RFP for the MBR process for the WWTF expansion. Motion seconded by Director Anthony Kalvans.

Motion passes with a Vote of 4 AYES 0 NOES 1 ABSENT.

4. Review and approve RESOLUTION 2021-10 approving a budget adjustment for the CAL OES Community Power Resiliency Grant for Special Districts, in the amount of \$230,000 to the water fund (revenue 50-46115 and expense 50-590). Utilities Director Kelly Dodds said so this is the grant the Board approved and accepted last month. This is the \$230,000 for the grant. We already received the money for that grant. This is essentially creating the line item and the funding for this grant. It will allow us to spend staff time and minor expenses towards that end goal. It will also help facilitate the next item which is the purchase of generators.

Board Comments: None.

Public Comments: San Miguel Resident Owen Davis asked how many wells do we have? Mr. Kelly Dodds replied we have three wells. Mr. Davis ok, we have three wells, what is the fourth generator for? Mr. Dodds responded for the tank and the Fire Department Repeater site. Mr. Davis said ok, well my question is this. Is there ever a time, because you are getting generators in case of a power outage right? Mr. Dodds replied yes. Director Sangster said this is actually the next item on the Agenda. Mr. Davis said ok, well they should have highlighted it because that was the only reason I came to the meeting.

Director Sangster made Motion to Approve Resolution 2021-10. Director Kalvans seconded the Motion.

Motion passes with a Vote of 4 AYES 0 NOES 1 ABSENT.

5. Review and approve RESOLUTION 2021-11 approving purchase of four (4) standby generators from All Tech Services in an amount not to exceed \$144,658.80 as part of the CAL OES Community Power Resiliency Grant for Special Districts to be paid from water fund CAL OES Resiliency Grant (50-590). Director of Utilities Kelly Dodds said this is to purchase the four generators. There were three proposals, and one was for Rolls-Royce generators. The two competitive bids were for All Tech Services and San Luis Powerhouse. San Luis Powerhouse's bid was \$157,526.92 and the major difference between the two is really just the type of generator. All Tech is proposing Generic generators and Powerhouse is proposing Kohler generator and Kohler is a little bit better. I think for our purposes I think we are not going to have any problem with the generator they have installed all over the county for all types of different things. Director Sangster said ok, the other difference that I took from it straight out was that All Tech is also a certified small business so according to our policy they should invest a percentage of consideration

for being a certified small business. I don't think that San Luis Powerhouse is, so the fact that All Tech is the lowest cost, certified small business, shortest lead time, I fully support rewarding to All Tech myself. Mr. Dodds said I've talked to San Luis Powerhouse is the one who services our generators now and I have talked about them, and I don't think we are going to have any problem having adequate service in the future.

Board Comments: Director Hector Palafox said the only comment he had was since the amount of money the generators cost is less than the grant, what happens to the rest of the grant? Mr. Dodds replied there is still the installation, so we have to install the gas lines, propane lines, propane tanks, the pads form, the power, the power lines from the generators back to the buildings and most of the labor is going to be done by district staff. However, you know repaving the gas lines, electrical work has to be contracted out. Director Palafox asked so all of that will be taken care of? Mr. Dodds said that is all included in that. Director Sangster asked are there any more comments or questions?

Public Comments: San Miguel resident Owen Davis said ok, this is a legitimate question here. The generators are being bought in case of a power outage right? Utilities Director Kelly Dodds replied right. Is there any time when you actually have to run all three wells at the same time? Mr. Dodds replied since I have been here we have not had all three wells on at the same time on purpose anyway. The reality is that currently we have one well with a generator so if the power outages were to happen we are hoping that the one well is working. The purpose of having a generator at each well is that you have redundancy. If you have one well down for maintenance then you have other wells that can provide water. If we were funding this out of pocket we would be doing this one well at a time and trying to get generators one well at a time. Because this grant was available, we applied for it and we got it, we are doing all three at the same time. The purpose of having a generator at the tank and the fire repeater site is to provide continuity not only to the fire repeater but also to SCADA repeater which is at the same site. Right now if we have a power outage for more than a couple of hours we lose our ability to get our SCADA information because there is only a short window for the battery backup. In short, providing generators at all sites gives us that redundancy that we can run anything that we need to, and we don't have to hunt down a generator in a power outage to try to run a well that is not currently served by a generator. Director Sangster asked is it being served by a UPS? Mr. Dodds replied yes. Mr. Davis asked do you really need four generators? Mr. Dodds replied part of this grant was for clean energy and power resiliency. We are required to put in natural gas or propane generators. We could get a trailer-mounted propane generator however for permitting and long-term maintenance it is a lot more costly. It creates a lot more paperwork problems. There really is no need to move them around. We are going to be much better served by having them stationary. General Manager Rob Roberson asked Kelly would those all have an auto start function on them in the event of a power outage so in other words you would go without a period of time of no power? Mr. Dodds replied they would all be automatic start so if the power went out they would all come on automatically. They are all required to have an exerciser function. They are started once a week or once every couple of weeks to make sure they are not just sitting which is a problem we had with a previous generator. It didn't have that function so you were relying on somebody to remember to run it. That is part of the purpose, to make sure it comes on and they operate and in the event somebody isn't able to get here immediately then we have wells that are on. It is the same consensus with the treatment plant. It has to work independent of any sort of operator interference. Director Kalvans said Mr. Dodds under the current conditions

is it a diesel generator that we have right now? Under current conditions does it just keep running? Mr. Dodds replied, it runs until it doesn't. It runs until you run out of fuel or it decides it doesn't want to work anymore. Director Kalvans asked was it Oceano where the power went out and they had a boil water notice because they ran out of water in their system? Mr. Dodds replied I think it gets pretty expensive too. Director Kalvans said yes it does. Mr. Dodds said yes, there have been multiple areas where they have lost power and lost pressure and had to issue boil water notices until they can get pressure back up and everything tested. In those instances you have to provide bottled water.

Director Sangster brought Motion to approve RESOLUTION 2021-11. Director Hector Palafox seconded the Motion. Motion approved by Vote of 4 AYES 0 NOES and 1 ABSENT.

6. Review and approve RESOLUTION 2021-12 Authorizing the General Manager to Execute a Purchase and Sale Agreement for the Sale of Assessor's Parcel Number 021-261-017.

Attorney Erin Dervin stated this matter is on for the Board to consider the resolution related to the Contract for Sale of the property or parcel of land which is approximately 750 sq. ft. near 13th and Mission Street. It is a small, undeveloped parcel that the District has determined it does not need for any District use. This matter has been on at least once in the past. I want to say it was in the February meeting where we had some discussion and guidance. Mr. Kelly Dodds has been engaged in negotiations with the prospective buyer. My office drafted a Real Estate Sales Contract which is included in your packet. The sales price is \$5,000. This is a fairly typical escrow period of 60 days. The buyer has the typical inspection period. The parcel is being sold as is. The only item that we know of on the property is an abandoned well or a defunct well that has not been used in a very long time. The buyer knows about that and he is on notice that he is going to need to...well he knows that we are not making any guarantees and there are no assurances about the well. As you can see before you we have the contract drafted and it is my understanding from my conversations with Mr. Dodds that the buyer is ready to execute the Sales Agreement upon approval from the Board. If the Board has any questions I am happy to answer them or perhaps Mr. Dodds might be able to answer as well. Board Clerk Tamara Parent said Board in looking at the recommendations I noticed that there is a typo but the APN Number is correct 021-261-017 that is the correct one. In the recommendation the APN Number is incorrect, it has 014. Attorney Erin Dervin said the APN Number is correct on the Purchase and Sale Agreement.

Board Comments: Director Kalvans stated that he would like to thank the staff for getting in the Five-Year Development Agreement. Mr. Dodds said the buyer is working on a Development Agreement and is hoping to get with the county. Director Raynette Gregory asked do we know what he is putting on the lot or what he is doing? Mr. Dodds replied no, not exactly. He just wanted some clarification, or his consultant wanted clarification on building height. Director Gregory said well it is a requirement that he build a two-story is it not? Mr. Dodds replied yes two-story. Fire Chief Scott Young said he could have a living space but no more than two stories. The design plan for Mission Street clearly shows two-story construction with business and residential above or behind. Director Gregory asked isn't that the preference of the County? Mr. Young replied yes. Director Kalvans asked could he building a one-story with a caretaker in the back? Mr. Young replied yes, he could but the preference is a two-story building. Director Palafox asked was the cost of the land pretty much... Mr. Dodds stated that in the search we had performed was in the range of 13 cents per square foot to approximately what we are proposing here. It was slightly

higher for lot that was in my opinion better positioned. The equivalent would have been about \$5,800 so we are actually probably making it ahead. In the agreement the buyer has agreed to pay all closing costs.

Public Comments: None.

Motion by Director Sangster to approve RESOLUTION 2021-12. Director Raynette Gregory seconded the Motion. Motion passes by Vote of 4 AYES 0 NOES and 1 ABSENT.

7. Review and approve RESOLUTION 2021-03 adoption of the San Miguel CSD Standard Terms and Conditions. Attorney Erin Dervin said good evening again. This item is on for consideration and potentially for talking of the resolution and to adopt the proposed standard terms and conditions. We have had it before the Board a few times and since the last time we have adopted all of the suggested changes including modifications to the provisions of arbitration, insurance coverage and some of the green incentives we talked about for better practices that are environmentally friendly, green type of practices. Mr. Dodds pointed out a separate contract instead of an Addendum to other contracts or other bids, so we need to make some more substantial edits just for the tone so that it read the way it was intended in relation to other contracts or RFPs. If there are any questions, you can see the tracking of the last discussions between myself and Mr. Dodds for edits. Everything else that the Board has previously discussed and suggested has been incorporated into this current version which we have spoken about a few times. We do feel that this is the best version that includes all of the standard provisions that we encounter from time to time with other contractors. This is one document for both goods and services so it should be kind of one-stop shopping so hopefully it will reduce the need to spend a lot of time negotiating further contracts or further agreements within a contract going forward. Director Sangster said ok, just a couple of comments. I know what we are trying to achieve by creating one set of terms and conditions for the District but there are some of these elements that seem tailored towards like public works projects. There are tones for goods and services but nothing toward IT. There is nothing towards information and security. Attorney Erin Dervin said that the last time I was present we did discuss a standard for consultation contracts and there was some IT. language on there, but it became very bloated. My thought and my understanding was that we were going to keep the consultant service separate from this. Goods and services are a little bit narrower than consultation services. It could get much more esoteric, and it could add many, many pages to a standard term that really do not apply to 90% of the work that the District is engaged in. Director Sangster said I wouldn't be too concerned with utilizing this for professional services and what you are speaking of such as consulting and that kind of thing. I wouldn't have any issue really in using this in that capacity. Really in my mind the big four would be services and goods which would be one. Then you have IT. which is separate and then you have public works which gives you a third. So realistically I don't see how we could craft one that would cover everything. I think that this is the best starting point, and it covers us for 90% of what we do. Public works would be my next attack because we are going to do so much public works and so much contracting that I think we should have something that would protect the district in those engagements. My other comment is specifically related to arbitration. As everyone knows, I do not favor arbitration and it is still in here. So as a legal question for counsel, if we leave this in and someone were having a dispute with the district and they were to submit a demand for Arbitration, are we obligated to arbitrate at that point? Attorney Erin Dervins replied no. Based on the modifications I made and the conversations

that we have had about that provision, I made it so that if the opposing party wants to arbitrate and we do not, we do not have to arbitrate. Both parties have to agree to Arbitration. There is no forced arbitration and there is no mandatory arbitration in any circumstance.

Board Comments: Director Kalvans said I just want to thank you because this is your strength, this is your wheelhouse and I really appreciate you going through this and getting this taken care of.

Public Comments: None.

Director Sangster made motion to approve Resolution 2021-03. Director Raynette seconded the motion. Motion passes by Vote of 4 AYES 0 NOES and 1 ABSENT.

8. Continued discussion on the Fire Department Temporary Housing unit. Assistant Fire Chief Fire Scott Young said the background is still the same. We are still trying to achieve staff facilities for 24-hour fire department staffing when necessary and Sheriff's speed station. Mr. Keller signed the Lease Agreement and on April 8th the payment was processed. Payment should be in his hand so I believe that we are good for the next year with the property. A pre-application meeting has been scheduled with the county for May 5, 2021, at 9 a.m. to discuss that project and another project that we are looking at across the room for a training opportunity. I gave you a breakdown of the financial impact currently and we paid \$1,330 to Monsoon Consulting for the design documents that we have in hand which is basically a plot plan with the building location site as we kind of envision it and some elevations. That should be a good tool to get the project in front of the county and use that component as part of the bidding process. That's about where we are at. The staff recommendations of the process of for the procurement installation of the mobile home including the required permit documentation. The permit documentation would be the builders or the providers responsibility. We would basically bring the utilities to the site and then they would make the final connection, land the structure and everything else. In addition we did make contact with SDRNA regarding insuring the property because we have an insurance requirement. There was a little confusion at first, but we ironed it out. As we sit right now the property is insured under our umbrella and once facilities are moved into place then we will address how we will insure those facilities. Director Sangster asked is there any other movement on the purchase of said unit? Mr. Young said we have not moved forward with the purchase of said unit. We were looking at refining and streamlining the bid package and getting that out of here. We really want to get in front of the county before we really put in any effort above and beyond where we are at right now. So after May 5th we will try to get that churned out and get it out to some potential vendors. We provided you with the vendor list and the documentation for the RFP and so we will plug away on that after May 5th. I don't see any resistance from the county but one never knows. Director Gregory asked are you required to have ADA? Mr. Young said that is one of the questions I need to bring up because the facility is not a public facility. It is for fire staff and Sheriff's Department use. It needs to be ambulatory in nature and if there is an ADA component then we will have to modify the design slightly to make the bathrooms work for the ADA component. There are two restrooms in the proposed design and that item might have to extend into the living space for the Fire Department, but I don't see it as part of the Sheriff's component. The Sheriff is there merely to rest, recreate, get out of the heat, and do report writing. Our staff is mainly there to do the report writing and have a housing element for night-time usage. Director Gregory said if that was to happen though, most of these units are residential in nature are they not? Mr. Scott replied they are residential, but they

can be modified to be compliant. It's not that difficult. You would be looking at doing a custom unit versus a stock unit and the requirements for turning radiuses, access ramps, door widths, door swings, kitchen access and things of that nature are different. It is a pretty open floor plan. If it is a point that we would have to meet then I believe it could be done but I don't think we are going to have to. Director Sangster said if you do, I think there are specifications I sent you. Director Gregory said so our facility is not for public use. Mr. Scott replied no, absolutely not and that removes it from. Director Gregory said well, what I meant was mine, and yet everything is ADA compliant. Mr. Young said oh, ok, your facility. Well, you have employees and maybe your employees might require you to have ADA access. You can't discriminate against employees for a business of your nature. This is a private facility for government use which is for law enforcement and fire department use. Director Gregory said well, just get ready. Mr. Scott said I am an advocate for ADA compliance personally. I have a strong belief that it is a necessary item if it fits the need, and I don't see the need for that particular building. If it is we will have to accommodate it one way or another. Director Sangster asked have we identified sources to submit an RFP to? Mr. Young replied I have the list of sources and mobile home systems in Paso Robles and API and others will be contacted when we actually get a list of vendors. We will combine the RFP with the terms and conditions. I think there are six vendors. It could be a factory ship modular home so it could come from anywhere literally. There are transportation costs involved in getting it here and wherever the facility is where it is being manufactured it could be a factory ship or you know it could be sitting on the lot somewhere, but somebody has the exact thing and it's going to be an in-kind proposal. It will be the Silver Crest unit that we want or equal to so we would have to submit an equal to plan or specification to that unit. There are certain requirements that we are asking for such as things we asked for in the past. Things we spoke about in the past such as the installation and the Louis requirements for the non-combustible siding. Director Sangster said the framework too. Mr. Young said yes, the WUI exterior sides and all the other requirements that go along with it. It could be a factory ship, or it could be sitting on a lot somewhere. We are looking at how the Sheriff's section would be. The Sheriff's section is basically the master bedroom area, or the master suite is what we propose having the Sheriff utilize because it makes sense. They have their own area where they can take off their gear if they need to and have it secure. They would have a closet where they could put their tower from their computer in and secure that as well. Ultimately we will have access to it for emergency services and if something goes awry then we need to have access and it will be via an Knox box assembly like you put on any other commercial project.

Board Comments: Director Kalvans asked at what point do we expect to hear more with the Sheriff's who we were interacting with on this project? Mr. Young replied well the Sheriffs have been on board since the beginning, but the Sheriffs have had some changes with the watch commanders. The North County watch commander has changed. It was Donovan and now its Martinez, but I cannot remember his name exactly. We met at the Easter fun event that we had. He actually came up and we talked in the park about the project and he was receptive and in favor of it under Sheriff Voge who was the point of contact initially. The Sheriff's Department is looking forward to having a place like they have in Shandon basically and that is what we would be providing. It's like a Shandon or Oceano type space. It's not a substation it's a beat station. It's for report writing, to get out of the heat, have some food, you know it is not an interrogation room. If they actually needed to have an interrogation room then that would be a totally different animal for the secure facility, but they might. They have used this facility previously for questioning individuals and that is how it would have to be worded. We don't want them to bring any persons

in for questioning into that facility because it changes the need. Right now as it stands it is a non-essential needs structure. Once it becomes an essential needs structure then everything escalates, and your building construction is one and a half times standard, and I don't even know if the module will classify as an essential needs structure based on the criteria. I would assume not. General Interim Manager Rob Roberson said the benefit of having it here is the fact that the S.O.'s do not have a lot of resources here for what we are trying to fill that need. They do have access to that building right now. Our future is to remodel this building and that temporary housing will go away but it keeps them here. When we talked to them they agreed to that. Right now they have to use the Caledonia, or they come up here or they go to the school and it is not as convenient. It's not necessarily their space. They need to place their place, their security and then they would be in town more. Nothing is better than having their car sitting out here when these people were acting up. Attorney Erin Dervin said that she wanted to interject for a little about as far as the discussion about the ADA and whether it would apply to temporary housing unit. I think it doesn't but I'm not 100% sure. The ADA does not obligate like a private residence or an owner of a private residence to have the standard accommodations for disabled access. Usually public buildings have to comply so there may be a little bit of a gray area and I am going to have to look at this further and discuss it more with Scott before we finalize anything. I am thinking that because it is a building that is not going to be open to the public that it is going to be exempt, but I don't want to say that without 100% certainty and until I look at it in a little bit more detail. Director Sangster said based on the County I think you are probably right. I can only say that because of where the RFE came from. It was for two housing units for use on Cal Poly and there were for state employees, the beef unit manager and the dairy manager. Even though they are on state owned land, and they are being lived in by state employees we did have on the plans the ADA compliance elements, but they were not actually built into the units because they were private residences being occupied by state employees. Mr. Young said fortunately for us this is not a unique experience because the same thing has happened like I said Shandon, Oceano, and Templeton. Because the Templeton Sheriff's Station, Station 30 has a temporary housing unit on their property. They will have background. I did get with the county in the past, and I don't recall having that conversation. It was more about essential needs and public access. The hard fast rule is no public access, and we are ok with that. Attorney Erin Dervin said but creating a nice place that can be a beat office for the Sheriff's Office where they are not going to be residing could open us up to the obligation. Mr. Young said its absolutely not a substation. It is a report writing area for the on-duty deputies. Attorney Erin Dervin said I sent an email to Attorney Doug White for advice on that because he is the real estate/real property guru.

Public Comments: None.

9. Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project. Utilities Director Kelly Dodds said so we are hovering around the same capacity that we were last month. This month our average is about 147,558 gallons per day which is 74% for design capacity for the max day of 170,117 gallons or 85% of our hydraulic capacity so we are staying at about the same right now. I imagine as we come into summertime and people are staying home more that we will see a little bit of a rise in there. It really only started going back down when people started going back to work. Other than that we are still moving along with our environmentalist. I think that we are 99% there. There has been a lot of back and forth and clarifying what exactly you are supposed to be doing. The questions regarding the 500-year

floodplain are solidified and we do have to comply with that. I don't know if I mentioned that last month, but we do have to comply with that. Blaine and I are meeting about that specific thing tomorrow and what that means for the treatment plant. At this point it looks like a nice little curb at the upper part of the treatment plant. Director Sangster asked it is an 8-foot curb? Mr. Dodds said no, more like a 3-foot curb. In my utility report I mentioned that we met with USDA last month. They are onboard and we provided all of our information to them. Apparently when people change jobs there and they don't get all of the information from their predecessor it causes problems, so they are still reviewing everything. I talked to the USDA, and they are onboard with everything, but they did provide some crucial edits to our Preliminary Engineering Report. We are working on making those edits and once we have our environmental we should be able to solidify funding from USDA. Based on previous conversations, USDA is one of the agencies willing to maintain our disadvantaged community status since we are working towards it. However, if this takes too much longer I don't know if they will be able to do that. The intent is to have something approved by USDA by the end of June. Next month we will have an RFP for Headworks which is the only other major piece. After that we will have an RFP for the site work which is fairly minor compared to the other two.

Board Comments: Director Kalvans said hopefully we will be able to keep any future incidents from happening and more surprises happening. Mr. Dodds said I think we have come across most of them. Director Sangster said how about a permanent, inflatable cofferdam? Mr. Dodds said we can look at that but it's a long way.

Public Comments: None

XII. BOARD COMMENTS: Director Kalvans said I want to thank the Board Clerk for the way you work on these Agendas and the way you have them structured. I have tried following other agency's agendas and they don't have the tabs or any of the other stuff that is behind a certain section. If there are 300 pages and you are trying to scroll through to try to find the page you are looking for. Director Sangster asked don't you read it from front to back? Director Kalvans said I read the entire thing but when you want to go back and find something. Also, I attended the San Miguel Chamber of Commerce Meeting in March just to find out what was going on with them because we have been in the dark. I want to know what they will be doing in the future. One thing that did come up was that the Paso Robles Chamber of Commerce is interested in taking them over. The Paso Robles Chamber of Commerce is trying to become the entire economic development arm for the entire North County. That is something interesting that came out of that meeting. Utilities Director Kelly Dodds asked does the Board want us to start working on Public Works Terms and Conditions? Director Sangster replied it is in our interest. Given the amount of public works we are liable to be engaged in in the near future I would say yes. Time permitting obviously...Mr. Dodds asked is there a consensus to start down that road? Director Kalvans said yes. Director Gregory said yes. Director Sangster said I did send to you I think as a starting point some general provisions for maintenance which have a lot of public works language and if you don't find that right at hand I can send it to counsel and to you as well. Mr. Dodds said if you could resend it please. Director Sangster said I will resend it because actually it has been updated since we probably spoke about it initially. Mr. Dodds said how convenient for us. Director Sangster said I will resend it. Thanks to staff and counsel for getting those other ones down the road. I'm glad to see them implemented and keep up the good work everybody.

XIII. ADJOURNMENT TO NEXT REGULAR MEETING: 9:14 p.m.