

SAN MIGUEL COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
APRIL 24, 2018 REGULAR MEETING MINUTES

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

- I. Meeting Called to Order by President Green – 6:30 p.m.
- II. Pledge of Allegiance lead by Director Kalvans.
- III. **Roll Call:** Directors Present: Green, Parent, Buckman, Kalvans, Sangster.

District Staff in attendance: Rob Roberson, Tamara Parent, Kelly Dodds, Paola Freeman and District General Counsel White and Seikaly.

IV. **Adoption of Special Meeting Agenda:**

Motion by Director Parent to adopt Regular Meeting Agenda.

Seconded by Director Sangster Motion was approved by vote of 5 AYES and 0 NOES and 0 ABSENT

V. **ADJOURN TO CLOSED SESSION:**

Closed Session convened at 6:31 p.m.

A. **CLOSED SESSION AGENDA:**

1. **CONFERENCE WITH DISTRICT GENERAL COUNSEL – Existing Litigation**

Pursuant to Government Code Section 54956.9 (d)(1) Case: *Steinbeck v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-265039* and Case: *Eidemiller v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-269212*

2. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Pursuant to Government Code section 54957(b)(1)  
Title: General Counsel (ChurchwellWhite)

3. **CONFERENCE WITH DISTRICT GENERAL COUNSEL-ANTICIPATED LITIGATION**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (2 case)

4. **CONFERENCE WITH LABOR NEGOTIATORS** (Pursuant to Government Code Section 54954.5(f) and Government Code Section 54957.6)

District Representatives: District General Counsel, Director Kalvans, and Director Green.  
 Unrepresented Bargaining Units: Non-Management Non-Confidential Unit and Non-Management Confidential Unit

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

Report out of Closed Session by District General Counsel: Nothing to report.

**VII. Public Comment and Communications for matters not on the Agenda:**

Steven Plank, San Miguel Resident voiced his protest of the Board decision to start a Prop 218 rate increase. Mr. Plank voiced that they do not dispute the increase, just the amount of the increase. He feels that the board has been negligent by not raising the rates since 2008. Mr. Plank feels that the directors negligence on managing the previous administration and the Directors that have been on the board during the negligent management of administration should resign their position.

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

**IX. STAFF & COMMITTEE REPORTS:**

1. San Luis Obispo County Sheriff No Report
2. San Luis Obispo County Board of Supervisors No Report
3. San Luis Obispo County Planning and/or Public Works No Report
4. San Miguel Area Advisory Council No Report
5. Camp Roberts—Army National Guard (LTC Kevin Bender) No Report
6. **Interim General Manager:** Verbal Report updating the Board of Directors on Franchise Fees from San Miguel Garbage in March 2018, and Auditor from Moss Levy will be scheduled for early May if everything is in order by then. The Public informational meeting on April 6, 2018 had 15 people in attendance.  
**Board Comment:** None  
**Public Comments:** None
7. **District General Counsel:** Presented by Counsel White. ChurchwellWhite, LLC. has nothing new to report.  
**Board Comments:** None  
**Public Comments:** None
8. **District Engineer:** Written report submitted as is. Blaine Reely asked for any questions.  
**Board Comments:** Director Parent, asked about the line break on SLT and how the easement meeting went. District engineer, explained that the meeting was successful and they are looking into options that benefit the proposed development and the District.  
**Public Comments:** None
9. **Director of Utilities:** Written report submitted as is. Director of Utilities Kelly Dodds asked for any questions.  
**Board Comment:** Director Parent asked what kind of pipe was out at the SLT. Mr. Dodds informed him that it is an asbestos concert pipe and being replaced with C900, when repairs are made.  
**Public Comments:** None

- 10. Fire Chief:** Fire Chief Rob Roberson, updates the Directors Fire Department calls and gave a report on Fire house staffing and the future of the San Miguel Fire Department.  
**Board Comments:** Director Kalvans asked about funding from SLO County for the calls the District responds to outside the District boundaries. Mr. Kalvans also asked about response and coverage.  
**Public Comment:** None

**X. CONSENT ITEMS:**

- 1. Review and Approve Board Meeting Minutes**  
 a) 03-09-18 Special Meeting Minutes

Motion by Director Buckman to Approve consent items

Seconded by Director Parent. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

**XI. BOARD ACTION ITEMS:**

- 1. Review, Discuss, Receive and File the Enumeration of Financial Report for March 2018**

Item presented by Interim General Manager Rob Roberson and Bookkeeper Paola Freeman, explaining that this item is in the action items for discussion. Asked for any questions.

**Board Comments:** Director Buckman asked about page 20 of 20 on the Fund Summary for Claim report and if the amount on the last page is the correct amount and the same as what the District has in the bank.

Interim General Manager Rob Roberson explained that with the Claims detail report the numbers he is looking at are totals of what claims were paid in March 2018.

Director Parent, asked why the Fire Payroll was up?

Director Kalvans, asked staff about Water Penalties, and why it was so much higher than Wastewater Penalties in the Statement of Revenue Budget vs Actuals for March 2018.

Director Kalvans would like to have the Purchasing Policy brought forward to the board for review.

**Public Comments:** Cordelia Perry San Miguel Resident, asked about waiving Penalties and if Water and Sewer have any substitutes for low income households.

Motion by Director Sangster to Receive and File the Enumeration of Financial Report for March 2018

Seconded by Director Parent. Motion was approved by vote of 5 AYES and 0 NOES and 0 ABSENT.

**2. Review & Approve Resolution 2018-16 authorizing the completion of a real property purchase from Grizzle Land and Management LLC, for APN 021-051-016 and 021-051-017, the parcels directly north of the Machado Wastewater Treatment Facility, in an amount of \$239,000.**

Item presented by Director of Utilities Kelly Dodds explaining that the land is 17.8 acres and part of that land is unusable. Discussion ensued about appraisal company and differences in price.

**Board Comment:** Director Green asked about the funding for this property and what it will be used for. Mr. Dodds explained that the purchase of the property will be paid out of Wastewater Capital Reserve and that the Wastewater upgrade is in the rate increase with most of the planning cost will be paid with a grant.

Director Buckman asked Director of Utilities Kelly Dodds were the Wastewater plant capacity is at, now. Mr. Dodds explained that the facility is at 170 g a day with no less than 140g a day, the plant is at 70% capacity and building of a new facility needs to be started no later than 80%.

**Public Comments:** None

Motion by Director Buckman to Approve Resolution 2018-16 authorizing the completion of a real property purchase from Grizzle Land and Management LLC, for APN 021-051-016 and 021-051-017, the parcels directly north of the Machado Wastewater Treatment Facility, in an amount of \$239,000.

Seconded by Director Sangster. Motion was approved by vote of 5 AYES and 0 NOES and 0 ABSENT.

**3. Review the preliminary FY 2018-19 Operations and Maintenance Budget.**

Item presented by Interim General Manager/Fire chief Rob Roberson explaining that this is the Preliminary Budget that needs to be looked at by the Board and will be brought back for discussion in May.

**Board Comment:** Director Buckman had questions on Fire percentages and Mr. Dodds explained how to read the budget report. Most of the increase is for Fire staffing needs. Director Buckman would like to see the Finance and Budget committee started up again. Director Parent thanked Mr. Roberson for his stewardship.

Director Kalvans had question about grant funding for fire and if that was matching grant fund in budget. Mr. Kalvans would also like to see the Fire impact fees statement. Question about the monies for trash receptacles.

Director Green would also like to have a review of the Purchasing Policy brought to the Board in May. Mr. Green also had questions about chemical purchases.

**Public Comments:** Cordila Perry San Miguel Resident had comment of Fire Department staffing and expansion.

*No Motion – Discussion Item only*

**4. Receive information regarding the status of the ongoing rate study.**

Item presented by Interim General Manager/Fire Chief Rob Roberson and Director of Utilities Kelly Dodds updating the Directors that this item informational only. Public attendance for the April 6<sup>th</sup> Public Informational meeting was 15 people. The consensus of the public is that they understand that there needs to be a rate increase just not so high. At the start of the Prop 2018 process we had for Water was 140% increase with 3% increase for the three years after, now with looking over things it is at 105% and 10%, 6%, 6%. Wastewater was at 155%, and 3% after now it is 90%, 25%, 10%, 10%. These increases will only fund Operations and Maintenance. This will have the average monthly water and sewer bill at \$112.00 a month. Discussion ensued.

**Board Comment:** Director Sangster asked why the Commercial rate was less than the residential rates.

Counsel Doug White explained that the rate increase has to follow certain rules and regulations. All information is public.

Director Parent would like to see a bigger increase because of the future projects that have been put off. He would also like to see a rate study budgeted for every five years so the District doesn't ever get into this bad of financial shape again.

Director Green voiced that the water bill has been \$15.00 a month and we should understand that is not enough to sustain the water fund.

**Public Comment:** Teckie Foster San Miguel Resident asked about lowering the rates in the future when the District is out of a deficit. She would like to get it in writing from the Board.

*No Motion – Discussion Item only*

**5. Review and approve an MOU with Cambria Fire Department for participation in the joint grant application for mobile and handheld radios from the Assistance to Firefighter Grant (AFG).**

Item presented by Assistant Fire Chief/Director of Utilities Kelly Dodds and Fire Chief Rob Roberson explaining that this is a matching grant for Mobil Radio's to stay in compliance and that most of the Fire Departments radios are over 10 years old. This is a Regional Federal Grant.

**Board Comment:** None

**Public Comment:** None

Motion by Director Kalvans to Approve an MOU with Cambria Fire Department for participation in the joint grant application for mobile and handheld radios from the Assistance to Firefighter Grant (AFG).

Seconded by Director Parent. Motion was approved by vote of 5 AYES and 0 NOES and 0 ABSENT.

**6. Review and Discuss funding for Steinbeck Lawsuit reviewing researched information.**

Item presented by Director of Interim General Manager/Fire Chief Rob Roberson, updating the Board that Staff has researched how other entities are funding the Steinbeck litigation. Consensus being that the Steinbeck litigation should be funded by the Water Fund because it is a water rights issue. Discussion ensued.

**Board Comment:** Director Buckman asked for District Counsel impute.

Director Parent voiced that he feels it should be funded through water because that way the water fund will accurately reflect what is being spent.

Director Buckman and Green explained that they had already had this discussion a few years back and asked the District Counsel how to proceed.

Director Kalvans asked about the stake we had in this lawsuit. Discussion ensued.

**Public Comment:** None

*Consensus of the Board is to continue funding the Steinbeck Litigation out of the Water Fund, like it was done in the last fiscal year budget.*

**7. Review and approve Resolution 2018-08 authorizing the Director of Utilities to enter into a contract with Monsoon Consulting to provide plans and specifications for the removal and replacement of the deteriorating access road to the SM Reservoir in an amount not to exceed \$7,500. Also authorized Monsoon Consulting to secure a surveyor for this project at a cost not to exceed \$4,500**

Item presented by Interim Director of Utilities Kelly Dodds explaining to the Directors that this item is to fund plans only. Directors were given the original easement agreement. Discussion ensued.

**Board Comment:** Director Green voiced his disapproval of the original easement and maintenance agreement. He would also like to know what the shelf-life of the plans would be and if an alternative other than paving would be acceptable.

District engineer, Blaine Reely explained that they would be looking at all options, and that the life of the plans really depends on if there are significant topographical changes.

Director Parent feels that the District could not get a better deal for the cost, and thanked the District Engineer.

Director Sangster asked about the consequences for the District if the road did have an emergency and if the only access to the property is only by the owner.

**Public Comment:** None

Motion by Director Parent to Approve Resolution 2018-08 Authorizing the director of utilities to contract with monsoon consulting to develop plans and specifications for rehabilitation of the access road to the San Miguel Reservoir in an amount not to exceed \$7,500. Also authorized Monsoon Consulting to secure a surveyor for this project at a cost not to exceed \$4,500

Seconded by Director Sangster. Motion was approved by vote of 3 AYES and 2 NOES and 0 ABSENT.

#### **8. Review and Discuss Resolution No 2018-14 Declaring Hazardous Weeds a Public Nuisance within the District.**

Item presented by Director of Interim General Manager/Fire Chief Rob Roberson explaining that this is just the first step and only “Declaring Hazardous Weeds” a public nuisance. Discussion ensued on the process the District goes through every year to keep the District safe from fire hazards.

**Board Comment:** Director Green wanted to see if a certain lot was on the list. Staff amended the list to add APN number 021-24-039.

**Public Comment:** None

Motion by Director Parent to approve Resolution No 2018-14 Declaring Hazardous Weeds a Public Nuisance within the District.

Seconded by Director Kalvans Motion was approved by vote of 5 AYES and 0 NOES and 0 ABSENT.

#### **XII. BOARD COMMENT:**

Director Kalvans asked about District Ordinance about sewer laterals, and would like to know when the District will be implementing the ordinance?

Director Parent feels that the Board should come to a consensus and get rid of the Board Stipends, due to the rate increase.

Director Green and Director Parent would like to relook at landscaping water, and asked staff to bring back in future for discussion.

Director Buckman explained that the Board can't give back board stipend for a particular thing, but can ask not to get them personally.

**Public Comment:** Nanette Roe voiced that the public doesn't want the Board to give up their Stipend, because that is how the public can hold them accountable.

**XIII. ADJOURNMENT:** 9:34 P.M.