

SAN MIGUEL COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
SEPTEMBER 26TH, 2019 REGULAR MEETING MINUTES

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

- I.** Meeting Called to Order by Vice President Green – 6:30 P.M.
- II.** Pledge of Allegiance lead by Director Kalvans.
- III. Roll Call:** Directors Present: Green, Sangster, Palafox, and Kalvans
Directors Absent: Parent
District Staff in attendance: Rob Roberson, Tamara Parent, Kelly Dodds, Paola Freeman, Scott Young, and District General Counsel Seikaly
District Staff Absent: District Engineer Blaine Reely
- IV. Adoption of Regular Meeting Agenda:**
- Motion by Director Sangster to adopt Regular Meeting Agenda
Seconded by Director Kalvans Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT
- V. ADJOURN TO CLOSED SESSION:**
Closed Session convened at 6:32 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. CONFERENCE WITH LABOR NEGOTIATORS** (Pursuant to Government Code Section 54954.5(f) and Government Code Section 54957.6)
Unrepresented Bargaining Units: Non-Management Non-Confidential Unit and Non-Management Confidential Unit
 - 3. CONFERENCE WITH DISTRICT GENERAL COUNSEL-ANTICIPATED LITIGATION** Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9

VI. Call to Order for Regular Board Meeting/Report out of Closed Session: 7:02 P.M.
Report out of closed session by District General Counsel Seikaly, No reportable action.

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

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 | Mike Sanders voiced |
| that the San Miguel Advisory Council voted 4/1 to approve the 1335 n. River Road, LLC project. | |
| Board Comment: None | |
| Public Comment: None | |
| 5. Camp Roberts—Army National Guard (LTC Horvath) | No Report |

Director Sangster asked that staff contact the 1-5 to get a written report.

Assistant Fire Chief Scott Young asked to have a San Miguel Firefighter Association report added.

Director Green voiced that the Board Bylaws would be reviewed in the November regular meeting.

- 6. Interim General Manager:** Interim General Manager/ Fire Chief Rob Roberson, gave a verbal report. Mr. Roberson updated the Board of Directors that Account Clerk received a merit increase with her two-year review. The District has upgraded the Director of Utilities and General Managers/Fire Chiefs computers to docking Toughbook's. Mr. Roberson explained that the Operational reserves account had been moved to a money market to gain interest. The District Auditor was on-premises for FY18-19 audit and has a couple of ideas that the District will implement. Interim General Manager/ Fire Chief Rob Roberson updated the Board on the embezzlement case for Myers and Johnson and asked for direction. SDRMA (special district risk management authority) presented the San Miguel Community Services District with a President's Special Acknowledgement Award- for having no "paid" claims for property/liability program. Interim General Manager/ Fire Chief Rob Roberson informed the Board of Directors that he would be out of the country from Oct 2 to Nov 5, and Assistant Chief Young would be taking over responsibilities in his absents. Director Green will be approving time cards and purchase orders.

Board Comment: Director Green asked if Myers can be located by the IRS. Interim General Manager/ Fire Chief Rob Roberson explained that the District General Counsel renewed the judgment in 2016, and the SLO County District Attorney would be involved. Mr. Roberson asked for Direction.

The consensus of the Board is to send Myers to collections and keep debit on the books.

Public Comments: None

7. **District General Counsel:** Presented by Counsel Seikaly. ChurchwellWhite, LLC.
Nothing to report.

Board Comments: None

Public Comments: None

8. **District Engineer:** Written report submitted as-is. Dr. Blaine Reely was absent from the Board Meeting and Director of Utilities asked if anyone had any questions that he could get them to Dr. Reely.

Board Comments: None

Public Comment: None

9. **Director of Utilities:** Written report submitted as-is. Director of Utilities Kelly Dodds updated the Board that there was a leak on River Rd. and District that Well 3 had a catastrophic failure to the pump and well casing, explaining that it had arcing and with the electrical failure has been put out of service; action item for repairs will be presented later in the meeting. Director of Utilities Kelly Dodds explained that he had met with Core & Main about new AMR read meters. Discussion ensued. Mr. Dodds updated the Board that the Landscaping scope was released and has not had any response.

Board Comment: Director Green asked if the App meters are just icing on the cake or need. Discussion ensued about water conservation.

Director Kalvans asked about the project on Cemetery road. Discussion ensued about new developments.

Director Sangster asked about our mattress and electronic recycling programs and how they are going. Director of Utilities Kelly Dodds explained that we have collected around 160+ mattresses and some electronics.

Public Comments:

Mike Sanders San Miguel Resident asked if it would be read by "drive-by" it was explained that it would be read by radio tower. Mr. Sanders explained that the Chamber had a meeting about the Car Show and will be implementing measures for safety.

Miki Landseadel-Sanders San Miguel resident and business owner explained that she has plans for plats and plantings and would like to use Native Sons nursery to purchase the plants. Discussion ensued about the height of plants and Director Green asked to have planting plans available for public review. Director of Utilities Kelly Dodds voiced that he would have them available at the District office. Owen Davis San Miguel resident asked about the new water meters and wanted to have clarification that it was not being forced on customers to pay.

10. **Fire Chief & Asst. Fire Chief:** Fire Chief Rob Roberson, submitted the report as written. Chief Roberson updates the Board of Directors that the Garbageman's Association has informed the chief that they would be donation monies for new AED's. Chief Roberson also explained that former resident Bob Pessolano passed away and has had donations sent to the Fire Department in lieu of flowers. The San Miguel Fire Department is very grateful for these donations and they will be used for the community CPR program. The SLO County Supervisor John Peschong will be in attendance on October 15th at 2 pm for the presentation from the Garbageman's association and will have office hours from 3-5 pm at the District office.

Scott Young Assistant Fire Chief updated the Board of Directors on the inspections that have been completed. Asst. Chief Young voiced that he has met with 13350 N. River

Road, LLC is formerly known as Hilo Daysprings project. Discussion ensued. The San Miguel Fire Department hosted a Statues and Regulations class in Paso Robles with around 22 attending from all over California. Chief Young also voiced that he passed his Fire Investigator FI210 class and has drafted a response to the proposed stoplights. It was voiced that River Rd. is opened at the HuerHuero Bridge one-way South to Paso Robles. **Board Comments:** Director Green asked about what kind of access the new homes on the terrace would have. Director of Utilities Kelly Dodds explained that it would be Magdalena.

Director Kalvans discussed the lot size for the proposed development on cemetery road, and alleyway address numbers. Discussion ensued.

Public Comment: None

X. CONSENT ITEMS:

1. Review and Approve Board Meeting Minutes

a) 08-22-2019 Draft Regular Board Meeting

Board Comment: None

Public Comment: None

Motion by Director Sangster to approve Consent items 1.a

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

XI. BOARD ACTION ITEMS:

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

2019 #D and August 2019. Item was presented by Interim General Manager/ Fire Chief Rob Roberson explained that he would like to table item 1.E. Cash Report till next month and explained that all Cantella investments needs to show in the Lighting only. District Bookkeeper Paola Freeman voiced she thinks this is because of residual funds from booking and has been very busy with the FY18-19 Audit. Mrs. Freeman explained that the District has received around \$6,000 back from the IRS-941-940 overpayments and is expecting more soon. Mrs. Freeman explained that BDS is the District Credit Card company and they are changing their process because of issues that have been brought up from us.

Board Comment: Director Green if Cramer & Assoc. had seen the cash report and feels that it is an easy fix. Discussion ensued about what reports need to be received and files. Director Sangster asked about the Claims Detail report and that the two tough pads purchased exceed the Purchasing Policy amounts and asked staff to follow the policy. General Manager/ Fire Chief Rob Roberson explained that it was for one utility worker and General Manager Computer that was having a failure.

Director Kalvans voiced that the Purchasing Policy must be followed. Discussion ensued.

Public Comment: Owen Davis voiced that he would like to make sure that when the District sends out flyers it is in English because that; the last one was in Spanish. It was explained that the last month's bill had the same flyer but in English.

Staff Comment: Paola Freeman, District Bookkeeper voiced that one of the Utility Workers came to her and voiced their concern with the Needle exposer when doing their duties. Photos of the issue were handed out to the Board of directors. Director of Utilities Kelly Dodds explained that awareness is part of our safety program and operators are provided appropriate safety equipment.

Motion by Director Sangster to Receive and File the Enumeration of Financial Report for July 2019, item D and Receive and File the Enumeration of Financial Report for and August 2019.

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

2. **Review and approve RESOLUTION 2019-31 authorizing purchase and installation of computer towers and servers with Capital Reserves in an amount not to exceed \$18,000 from the Fire, Wastewater, and Water Capital Reserve Funds.** Item presented by Director of Utilities Kelly Dodds explaining that Allen Mapalo from Local IT Experts was here, and that provides IT services to the District and could answer any questions. Director of Utilities Kelly Dodds explained that this would be a server and five workstations that have an end of life and that Windows 7 will no longer be supported.

Board Comments: Director Sangster asked how long the server and computers have been in service and if leasing was looked into. Mr. Mapalo explained that he did not have the date, but the warranty purchased was for three years. Director of Utilities Kelly Dodds explained that it has been around four years.

Director Kalvans asked why the District is looking at purchasing instead of leasing. Director of Utilities Kelly Dodds explained leasing was not looked into due to the Board not wanting to go in that direction with previous conversations.

Director Green asked how we move forward and voiced that the life cycle of three years is not enough. Mr. Mapalo explained that the life cycle is around four years and Windows 10 is the most current and needs to be used. Discussion ensued about docking stations and SSD.

Director Sangster asked with the current hardware and warranty; if the District has had to use the warranty. Mr. Mapalo explained that, yes, the warranty has had to be used. Director Sangster asked about bids and or quotes. Mr. Mapalo explained that Dell is the leader and the District buying power and the Dell support is the best with 24 on-site support. Servers are expensive, but now that we have two sites the security measures that need to be put in are having a backup at a different location in case of emergency the District will be able to continue operating.

Director Kalvans asked about security and Mr. Mapalo explained that there is a multi-layer of security and discussion ensued.

Public Comments: None

Motion by Director Sangster approve RESOLUTION 2019-31 authorizing purchase and installation of computer towers and servers with Capital Reserves in an amount not to exceed \$18,000 from the Fire, Wastewater, and Water Capital Reserve Funds.

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

- 3. Review and approve RESOLUTION 2019-32 authorizing \$21,000 from the Operational Budget: Repair and Maintenance to replace the Pump Motor and column piping at Well 3.** Item presented by Director of Utilities Kelly Dodds explaining that on September 6th District Well 3 had a catastrophic failure and after discussion between the General Manager and Director of Utilities about the situation and potential actions it was determined that this fell within the emergency condition as defined by the purchasing policy. Awalt and Sons were directed to extract the pump equipment for repair and to order a replacement motor to have on hand when the pump equipment was pulled. On September 19th the pump equipment was pulled and two small, but distinct arc marks were found in the casing of the motor. The motor also had significant grinding upon turning by hand. Awalt and Sons tested both the wiring and motor and found the wire to be within spec and the motor had a direct short. Director of Utilities Kelly Dodds explaining that the cost to extract the pump equipment was \$2,300 and the estimated cost for a replacement motor, column pipe and installation is \$18,700.

Board Comment: Director Green asked the Director of Utilities Kelly Dodds if any information has been gathered for potential new well sites. Discussion ensued between the Directors with the Director of Utilities explaining that he is looking into potential sites.

Public Comment: Owen Davis San Miguel Resident explained that if it was stainless steel or galvanized it would rust out and the District should replace with PVC (Polyvinyl chloride) pipe.

Motion by Director Sangster to approve RESOLUTION 2019-32 authorizing \$21,000 from the Operational Budget: Repair and Maintenance to replace the Pump Motor and column piping at Well 3.

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

- 4. Review and Discuss the implementing of Automated Bank Drafting (ACH) for Utility Billing Customers.** Item presented by Accounts Manage/ Board Clerk Tamara Parent explaining that she would be working with Pacific Premier Bank and Black Mountain software to implement an ACH that will debit customers' bank accounts with approval and credit their water/sewer account. Discussion ensued about legal looking at the ACH form.

Board Comment:

Public Comment: Owen Davis asked about NSF and the procedure of collections. Accounts Manage/ Board Clerk Tamara Parent explaining that the ACH would be run once a month and regular collections procedures would be implemented.

The consensus of the Board is to move forward in implementing and ACH for Water/Sewer Utility Bills.

- 5. Discussion on the status of Machado Wastewater Treatment Facility expansion and aeration upgrade project** Item presented by Director of Utilities Kelly Dodds updating the Board of Directors that August average was 144 gallons a day 72% of capacity and high of 104% of capacity. Time remaining is 1.5 years to complete without violations. Mr. Dodds explained that Dr. Reely and himself when to Cloacina in Arroyo Grande and looked at what they had to offer for systems.

Board Comment: Director Sangster asked if a scope of work has been made for equipment and specifications. Director of Utilities Kelly Dodds explained that not yet but Engineer Reely is in Chicago at a WEBtech conference talking with vendors and seeing what is available.

Director Green asked about the numbers of customer connections and build-out.

Discussion ensued about approximate numbers of homes and the scope of work for equipment. Item presented by Director of Utilities Kelly Dodds explained that reimbursement for the first \$112,000 should be arriving next week sometime.

Public Comment: None

Informational Item only

- 6. Discuss and provide direction to staff on how to proceed with the current 2nd floor remodel project at the San Miguel Fire Department.** Item presented by Interim General Manager/ Fire Chief Rob Roberson explained that the construction renovation upstairs was stopped and that it is a nonfunctional space and could not be left in the current state and is asking for direction from the Board of Directors. Assistant Fire Chief Scott Young voiced that he laid out four options.

Board Comment: Director Green voiced that it doesn't make financial sense to undo everything that had been done. Asst. Chief Young voiced that it is more to a condition resembling the prior configuration as closely as possible. Discussion ensued about the design and what needs were trying to be met.

Director Kalvans asked the amount of money spent to date on this project. Interim General Manager/ Fire Chief Rob Roberson explained that there where budget line items for the project. Mr. Roberson discussed the needs of the Fire Department and if the CSD Utilities and administration move to the new Treatment Facility.

Director Green feels that a Workshop is needed. Discussion ensued about the future needs of the District.

Director Sangster asked questions about the options presented and what it would take to have it put back "resembling". Asst. Chief Young voiced that there would need to be a scope of work, then bids.

Director Green voiced that, again this needs more discussion about needs and wants and asks for consensus to have a workshop. Director Green asked if it was possible to have a CAD drawing that they could see on a computer and move around. Mr. Dodds explained that he could ask the architect.

Director Sangster voiced that he would like to get a scope of work and bids to see the costs.

Director Kalvans voiced that all discussions need to be based around having a sheriff beat station in San Miguel. Discussion ensued about a funding source.

District General Counsel asked for clarification.

Director Sangster voiced for clarification that he has suggested option number 3, to create a scope of work, obtained bids to make the upstairs usable at that point we can decide if we want to move forward with that. We also have a consensus to have a workshop specifically space use at the new treatment facility and then the use of this building once it is not occupied by staff offices. District General Counsel, Seikaly asked in terms of timing do you guys want the workshop before or after you get the proposal/bids. Director Green voiced that one doesn't hinder on the other and would like to keep them separated but feels that one needs to be discussed to understand all the needs of the District. Discussion ensued about a date and time for workshop.

Public Comment: None

The consensus of the Board is to get a scope of work and bids to make upstairs usable.

Board of Director Confirmed the decision to have a "District Functional Space Workshop" on November 14th at 6 P.M.

XII. BOARD COMMENT: Director Sangster voiced that he had attended the Advisory Council Meeting and explained that what he witnessed was unprofessional, that they acted like it was a burden to have the public in attendance. Director Sangster will be making the Supervisor aware and feels that the Council should be publicly elected. Director Sangster voiced that he is ashamed for them and ashamed for our community and the fact that they are the voice to the Board of Supervisors for this community. The Advisory Council did not care about the people attending the meeting that had no support for the project and did not listen to the people but still voted to approve. Assistant Chief Young voiced that during the Board of Supervisors / Planning Commission Meeting it was asked what the Advisory Council vote was. Director Sangster thanked the staff for their commitment to the community and their quorum during meetings.

XIII. ADJOURNMENT TO NEXT MEETING 10-24-2019 Regular Meeting: Adjournment at Approximately 10:05 P.M