



**BOARD OF DIRECTORS**

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

**REGULAR MEETING MINUTES**

**6:00 P.M. Closed Session 7:00 P.M. Opened Session  
 SMCSO Boardroom 10-28-2021**

I. **Call to Order:** 6:02 PM Video did not record

II. **Pledge of Allegiance:** *Kalvans*

III. **Roll Call:** *Sangster, Gregory, Roney, Palafox, Kalvans 6:09* ABSENT: *None*

IV. **Approval of Regular Meeting Agenda:**  
 Motion by: Director Gregory to approve regular meeting Agenda & move Pledge of Allegiance to Open Session  
 Second by: Director Sangster  
 Motion: Voice Vote

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

AK arrived at 6:09 PM

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

V. **ADJOURN TO CLOSED SESSION: 6:02 PM**  
 A. **CLOSED SESSION AGENDA:**  
 1. **CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**  
 Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:  
 Confidential Complainant

VI. **Call to Order for Regular Board Meeting/Report out of Closed Session Approximately 7:00 PM**  
**Time:** 7:02 PM  
 1. Report out of closed session by District General Counsel (WhiteBrenner, LLP)  
 Direction Given to Staff

VII. **Public Comment and Communications for items not on the Agenda:** Video part Time:  
 Public comment made by Owen Davis (San Miguel District Resident) to President Gregory and Counsel. Counsel advised this is time to give comment not ask questions.  
 Counsel addressed the Board to respond after all Public Comments made.  
 Board Response by Director Roney addressing Mr. Davis noting that his public requests for information have costed the District \$3,702.50, all of this information requested is already available in public domain, this is a misuse of funds.  
 Board Response by Director Sangster, he did not receive a copy of Mr. Davis' letter.

VIII. **Special Presentations/Public Hearings/Other:** Video part Time:

1 **Renewable Energy Assessment for Machado WWTF by REAP and Forefront Power**  
 Kevin Flanigan from Spurr and Brian Taylor from Forefront Power gave a presentation for the Wastewater Treatment Plant facility upgrade project.

President Gregory asked question if "usage rate" includes wells- Mr. Dodds responded can not combine meter.

Director Sangster asked what happens at conclusion of 20 year term, price per month, cost analysis, bigger picture. Discussion Ensued.

President Gregory asked about other projects Forefront Power has done in this County- was informed of many. Director Roney asked about flexibility- was informed of potential risks.

Director Sangster asked about any wind projects- was informed they have not worked on that many wind projects.

Director Roney asked about geothermal projects- was informed Spurr has done work on geothermal, not like solar. Director of Utilities made comment that he had asked companies about wind generation & solar 2 years ago, return on wind generation was minimal, available site wasn't conducive, geothermal would rely on technology & equipment.

Director Kalvans asked question about the price for company being set and locked in contract.

**Public Comment:**  
 Public Comment by Kiba Baird regarding location of site- was informed of site location. Director of Utilities made comment that if Board has any interest, then further information will be brought back in December.

**Board Comment:**

Director Sangster asked if a cost analysis has been made yet- was informed analysis can be made if Board requests.

President Gregory asks if there is interest in other board members- Directors Roney and Kalvans had interest  
*Consensus to bring back in December.*

IX. **Staff & Committee Reports – Receive & File:**

**Non-District Reports:**

1 San Luis Obispo County: No Report Video part Time:

2 Camp Roberts—Army National Guard Video part Time:

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

Board Comment by Director Roney about upcoming training. Discussion ensued.

President Gregory asked question about the information gathering.

3 Community Service Organizations: San Miguel Firefighter Association Video part Time:

Michelle Hido, SMFA Secretary/Treasurer asked that three sentences from the previous board meeting statement regarding the Fire Association be removed. Unlike the statement made- the Fire Association did not solicit money during Christmas Toy Drive prior to Mrs. Sangster's involvement, and prefers toy donations only. The SMFA always thanks their participants and those who donate their time and efforts.

Scott Young, SMFA President made statement that the Adopt-a-Flag program in the park has been completed, Christmas Parade will happen December 18th, as well as discussed other upcoming holiday events.

Board Comment by President Gregory regarding entries in the San Miguel Christmas Parade. Discussion ensued.

**Public Comment:**

Public Comment made by Owen Davis to Michelle Hido about Fire Association donation.

**District Staff & Committee Reports:**

- 4 Interim General Manager : Video part Time:  
 Interim General Manager Rob Roberson gave verbal report- Covid cases and statistics in San Luis Obispo County, VOIP phone system is up and running, IVR payments have been made through phone system, complete migration of District server to Black Mountain Software cloud. Utilities will be assessing penalties and shut-offs again starting Nov. 14, working on making payment arrangement for customers and rent relief options. Audit is on schedule, quality review may be in December, financials are up to date. District staff is looking into getting cost estimate for Strategic Planning Consultant. Fire Department started recruitment to get more volunteers, currently have 4 firefighters scheduled to go to San Luis Obispo Fire academy.

**Board Comment:**

Director Sangster asked question about information on Covid relief for past due accounts. Discussion ensued.

**Public Comment:**

Public comment made by Owen Davis (San Miguel District Resident) to General Manager. Counsel advised Mr. Davis that his comment was not relevant to the agenda item and was further advised on Meeting Rules & Process.

- 5 District General Counsel: Nothing to report from WhiteBrenner Video part Time:
- 6 District Engineer : No Report. Video part Time:
- 7 Director of Utilities: Video part Time:

Report is as submitted with additional statement made about looking into street lamp ownership in Mission Gardens area and working together with the County on SB1383 who is submitting waiver to remove us from SB1383 and should hear shortly if it is approved. There was 1.6" of rain recorded at the Wastewater treatment plant and was on District website.

**Board Comment:**

Director Kalvans thanking Director of Utilities for work on SB1383  
President Gregory asked about the street lamps in Mission Gardens.  
Discussion ensued.

- 8 Fire Chief: Video part time:  
 Chief Roberson Report is as submitted with additional statement made that recruitment has been started for volunteers going to county academy in January or February.

**Board Comment:** None  
**Public Comments for all reports:** None

- X. **Consent Calendar:** Video part Time:
  - 1. **Review and Approve Board Meeting Minutes**
    - A. 8-19-2021 Special Board Meeting Amended- draft
    - B. 8-26-2021 Regular Board Meeting-draft
    - C. 9-23-2021 Regular Board Meeting-draft
    - D. 10-14-2021 Special Board Meeting-draft

**Motion by:** Director Gregory  
**Second by:** Director Roney  
**Motion:** To table item, bring back with changes at next Board Meeting  
 Approved by voice vote. 3/1/1

XI. **Board Action Items:** Video part Time:

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

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

Report is as submitted with note a tally is being kept on projects for status and costs, and more detail on legal expenses.

**Board Comment:**  
 Director Sangster asked for clarification on EQ-wine covers.  
 Director of Utilities clarified EQ-wine Covers is a company that provides metal covers for generators.  
 President Gregory asked question about the grant for the generators and noted the project list is very helpful.

Discussion ensued.

**Public Comments:** None

*Discussion Item Only*

Video part Time:

2. **Review and Approve Resolution No. 2021-31 Amending Chapter 7: District Officials – Interaction with Staff and Officials with grammar changes of the Board Members’ Handbook. (Dervin)**

**Recommendation:** Approve **Resolution No. 2021-31** Amending Chapter 7: District Officials – Interaction with Staff and Officials of the San Miguel Community Services District Board Members’ Handbook.

Counsel Doug White submitted report as written with note that other changes were of grammatical nature.

**Board Comment:**  
 President Gregory made comment for clarification on Board members speaking with legal counsel.  
 Discussion ensued.  
 Director Kalvans asked question about process of the recommendation.

**Public Comments:** None

**Motion by:** Director Kalvans  
**Second by:** Director Gregory  
**Motion:** To approve Resolution 2021-31 amending Chapter 7 and with grammar changes of the Board Members' Handbook.

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

4/1/0

Video part Time:

3. **Consider a request by CSDA requesting a vote from San Miguel C.S.D for the IWMA alternate representative from the twelve Community Service Districts which have solid waste powers.**

**Recommendation:** Board of Directors vote on one (1) of the two (2) candidates to serve as an alternate. Item presented by Board Clerk Tamara Parent as submitted.

**Board Comment:**

Director Kalvans stated that picking an alternate is important and feels confident in Mr. Burgess. President Gregory stated that Mr. Burgess seems more qualified but is not as up on current IWMA. Director Kalvans updated the Board members on IWMA. Director Sangster asked question about the candidates. Director Palafox made statement in favor of Burgess because of his care for the community.

**Public Comments:** None

**Motion by:** Director Gregory

**Second by:** Director Kalvans

**Motion:** To nominate Daniel Burgess as an alternate representative.

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

5/0/0

Video part Time:

4. **Discuss and authorize the Director of Utilities release a RFP for a Managed Service Provider (MSP) for IT Services. (Dodds)**

**Recommendation:** Authorize Director of Utilities release a RFP for MSP/ IT Services. Item Presented by Director of Utilities Kelly Dodds report as submitted.

**Board Comment:**

Director Sangster asked about other companies that RFP will be sent to and if Local IT Experts were contacted.

Director of Utilities responded other companies were sent RFP and Local IT is aware of the RFP.

**Public Comments:** None

**Motion by:** Director Gregory

**Second by:** Director Sangster

**Motion:** To authorize Director of Utilities release of RFP for IT services.

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

5/0/0

Video part Time:

5. **Review and approve Resolution 2021-26 authorizing a contract with Water Systems Consulting (WSC) to act as District Engineer for the San Miguel Community Service District at rates outlined in the contract. (Dodds)**

**Recommendation:** Approve Resolution 2021-26, authorizing the Director of Utilities to Contract with WSC to serve as District Engineer, providing engineering, hydrology and project management services.

Item Presented by Director of Utilities Kelly Dodds report as submitted.

**Board Comment:**

Director Sangster asked questions about updated rate sheet and about flat rate for GSI. Discussion ensued.

Director Kalvans made comment about like for WSC. More discussion ensued.

Director Sangster asked if there will be delays on project because of various locations of staff.

President Gregory made statement about the grant funding. More discussion ensued.

President Kalvans asked Counsel to review RFP pg. 266, 267. Counsel Doug White reviewed and commented

**Public Comments:** None

**Motion by:** Director Sangster

**Second by:** Director Gregory

**Motion:** To approve WSC as District Engineer.

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

5/0/0

Video part Time:

6. **Review and approve Resolution 2021-32 authorizing the Director of Utilities to contract with Fluid Resource Management (FRM) for replacement of Dissolved Oxygen (DO) sensors and monitors at the Machado WWTF in an amount not to exceed \$16,971.60 and authorize a budget adjustment to Wastewater Capital outlay (40-500) from Wastewater Capital reserve. (Dodds)**

**Recommendation:** Approve resolution 2021-32, authorizing the Director of Utilities to Contract with FRM to provide equipment and installation of replacement DO meters at the Machado WWTF.

Item Presented by Director of Utilities Kelly Dodds as submitted about ponds 1 and 2 minimum requirements.

**Board Comment:**

Director Palafox asked if these will be in the new treatment plant- Director of Utilities responded.

President Gregory asked for explanation of budget adjustment.

Director of Utilities explained and Discussion ensued.

Director Sangster asked about the payment.

President Gregory asked about the aeration of the plant. Director of Utilities responded and discussion ensued.

**Public Comment:** None

**Motion by:** Director Kalvans

**Second by:** Director Roney

**Motion:** To approve Resolution 2021-32 authorizing contract with FRM

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

5/0/0

Video part Time:

7. **Discussion and Consideration by the Board of Directors of the San Miguel Community Services District to Issue a Notice of Contract Award to Ellison Environmental, Inc. dba Fluid Resource Management (Contractor) in an amount of \$6,894,512.30 to fabricate and install a Pre Engineered Package Membrane Bioreactor Municipal Wastewater Treatment System as part of the Machado Wastewater Treatment Facility Upgrade & Expansion Project per the Request for Proposals for the San Miguel Community Services District Wastewater Treatment Facility Upgrade & Expansion Pre-Engineered Package Membrane Bioreactor Municipal Wastewater Treatment System, which was prepared by Monsoon Consultants, dated April 22, 2021 and authorizing the interim general manager to execute the construction contract documents subject to the submittal of approved executed agreement, bonds, insurance certificates and other required contract forms & documentation by the contractor. Resolution 2021-33**

**Recommendation:** Approve resolution 2021-32, authorizing the Director of Utilities to Contract with FRM to provide equipment and installation of replacement DO meters at the Machado WWTF.

Item Presented by Director of Utilities Kelly Dodds as submitted.

**Board Comment:**

Director Sangster asked questions about the proposal, cost of production, resources, training, and spare parts package. Director of Utilities responded with breakdown of contract with Ellison Environmental/Cloacina. Discussion ensued.

Director Roney asked question about this item being the heart & soul of the treatment plant- it is 80% President Gregory asked if there is funding for this.

Director of Utilities responded breaking down where the funding is and more discussion ensued.

Director Sangster asked if the \$41,258 for engineering in next item is in addition to or included in this amount.

**Public Comment:** None

**Motion by:** Director Palafox

**Second by:** Director Kalvans

**Motion:** To approve as stated in the agenda.

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

5/0/0

Video part Time:

8. **Discussion and Consideration by the Board of Directors of the San Miguel Community Services District to Approve Change Order No.1 to the Base Contract with Ellison Environmental, Inc. dba Fluid Resource Management (Contractor) in an amount of \$1,375,279.82 for additional work items for the Pre-Engineered Package Membrane Bioreactor Municipal Wastewater Treatment System as part of the Machado Wastewater Treatment Facility Upgrade & Expansion Project and authorizing the interim general manager to execute the Change Order No.1 Resolution 2021-34**

**Recommendation:** Approve Change Order No. 1 with Ellison Environmental, Inc. dba Fluid Resource Management in an amount of \$1,375,279.82 for additional work items for the Pre-Engineered Package Membrane Bioreactor Municipal Wastewater Treatment System.

Item Presented by Director of Utilities Kelly Dodds as submitted with note that last item was for the RFP and this item is for future tanks, the headworks panel, and the change to flight submersible pumps upgrade.

**Board Comment:**

Director Sangster asked if there is a catwalk.  
 Director of Utilities said the change order will act as a cat walk and double as cover for the chemicals.

**Public Comment:** None

**Motion by:** Director Kalvans

**Second by:** Director Palafox

**Motion:** To approve Change Order No.1 as stated in the agenda.

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

5/0/0

Video part Time:

9. **Discussion and Consideration by the Board of Directors of the San Miguel Community Services District to Issue a Purchase Order to Duperon Corporation (Equipment Supplier) in the amount of \$250,231 to provide headworks equipment, including a mechanically cleaned influent bar screen, washer compactor, and screw conveyor system and provide equipment test & adjust and start up support services, and provide operator training, as part of the Machado Wastewater Treatment Facility Upgrade & Expansion Project per the Request for Bids for the San Miguel Community Services District Wastewater Treatment Facility Upgrade & Expansion Headworks Screening & Grit Removal Equipment, which was prepared by Monsoon Consultants, dated August 26, 2021 and authorizing the interim general manager to issue a Purchase Order to acquire the equipment. Resolution 2021-35**

**Recommendation:** Issue a Purchase Order to the Duperon Corporation in the amount of \$250,231 to provide headworks equipment, including mechanically cleaned influent bar screen, washer compactor, and screw conveyor systems and provide equipment test & adjust and start-up support services, and provide operator training, as part of the Machado Wastewater Treatment Facility Upgrade & Expansion

Item Presented by Director of Utilities Kelly Dodds as submitted with note this is sole response for the bar screen and washer compactor put in by Duperon Corporation who provided proposals for 3 different scenarios.

**Board Comment:**

Director Sangster asked if the total cost includes the cost for engineering. Director of Utilities responded yes.

**Public Comment:** None

**Motion by:** Director Roney

**Second by:** Director Gregory

**Motion:** To approve Resolution 2021- 35 as stated in agenda.

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

5/0/0

Video part Time:

10. **Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project (Dodds)**

Director of Utilities read September staff report as submitted.

**Board Comment:**

Director Sangster asked if there has been any feedback on the construction.

Director Kalvans asked about breaking ground expectations. Director of Utilities responded hopefully March 2022.

President Gregory asked about the upcoming housing project dates and conditions. Discussion ensued.



Video part Time:

**11. Discuss and authorize the Assistant Fire Chief to release an RFP for the Fire Department Temporary Housing unit. (Young)**

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

Item Presented by Assistant Fire Chief Scott Young as submitted regarding an RFP to furnish and install the temporary housing unit with required features.

**Board Comment:**

Director Sangster asked if any sourcing was done for manufactures or distributors. Assistant Fire Chief responded yes.

Director Kalvans asked about the removal of the eucalyptus trees. Assistant Fire Chief responded the need for an arborist.

President Gregory asked about the custom build and upgrade, appliances, and the time line. Discussion ensued.

Director Roney asked about the projected life expectancy of the building.

Assistant Fire Chief responded about 30 years, hoping to be in and out within 5-6 years.

Fire Chief/General Manager Rob Roberson said the Sheriff office is very motivated to be apart of the project.

**Public Comment:**

Ed Engler (San Miguel District resident) had comments about the bathroom accommodations.

**Motion by:** Director Sangster

**Second by:** Director Kalvans

**Motion:** To release RFP as stated in agenda.

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

5/0/0

**XII. BOARD COMMENT:**

Video part Time:

Director Kalvans made observation about county going through redistricting process, wants looked into.

**XIII. ADJOURNMENT TO NEXT REGULAR MEETING**

10:10:00 PM