



SAN MIGUEL COMMUNITY SERVICES DISTRICT BOARD OF DIRECTOR & GROUNDWATER SUSTAINABILITY AGENCY

Ashley Sangster, President John Green, Vice-President
 Brendin Beatty, Director Rod Smiley, Director Owen Davis, Director

**REGULAR BOARD OF DIRECTORS & GROUNDWATER SUSTAINABILITY AGENCY
 MINUTES**

**6:00 P.M. Opened Session
 SMCS D Boardroom 02-27-2025**

1. Call to Order:

At: 6:00 P.M.

2. Roll Call: *Ashley Sangster, Brendin Beatty, John Green, Owen Davis, Rod Smiley*

3. Approval of Regular Meeting Agenda:

Motion By: John Green

Second By: Ashley Sangster

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
John Green	X			
Brendin Beatty	X			
Rod Smiley	X			
Ashley Sangster	X			
Owen Davis	X			

4. Pledge of Allegiance:

Lead by Director Beatty

5. Public Comment and Communications for items not on the agenda:

Public Comment: Board Clerk, Tamara Parent explained that 3 emails were sent from Mr. Gregory Campbell a San Miguel resident: on lighting, dissolution, and fireworks and were made available on the CSD Board Meeting page of the District website.

Board Comment: Director Green asked if they could be read aloud. Discussion ensued. General Manager Kelly Dodds read three public comments received from Gregory Campbell (attached and also available at www.sanmiguelcsd.org 2-27-2025 Board of Directors Meeting link: [Public Comment: Gregory Campbell](#))

Director Sangster and Director Green asked to review the policy on public comment received electronically.

Public Comment: General Manager Kelly Dodds read aloud public comment correspondence received from Mr. Gregory Campbell.

Director Sangster asked who was maintaining the Cameras that are used during the meetings for video. General Manager Kelly Dodds explained that CSD owns one and that is the video that is posted on our District website, and that the other video is owned and operated by the San Miguel Firefighters Association.

Motion By: John Green

Second By: Owen Davis

Motion: To Introduce reading G. Campbell's public comments aloud

Board Members	Ayes	Noes	Abstain	Absent
John Green	X			
Ashley Sangster	X			
Owen Davis	X			
Brendin Beatty		X		
Rod Smiley		X		

6. Special Presentations/Public Hearings/Other:

1.

Public Hearing to receive and discuss the Petition for Verification as recognized employee organization for District bargaining unit employees from SEIU Local 620 (Review the Petition for Verification and find that it meets the requirements set forth in the EER Resolution) (Pg. 5-91)

Board of Directors (“Board”) review SEIU Local 620’s Petition at public hearing and provide direction to staff.

Director Sangster explained that the item is a Petition for Verification as recognized employee organization for District bargaining unit employees from SEIU Local 620. General Manager Kelly Dodds explained that the San Miguel Employees’ Association (“SMEA”) is currently the employee organization authorized to represent non-management District employees in the positions of Financial Officer, Billing Clerk, Utility Worker, Water Operator and Wastewater Operator (“bargaining unit employees”) regarding terms and conditions of employment with the District. On January 14, 2025, the District received a “Petition for Verification as Recognized Employee Organization” (“Recognition Petition”) from SEIU Local 620. The Petition indicates that employees in the bargaining unit wish to switch to Local 620 as their exclusive representative for purposes of negotiating their terms and conditions of employment. If the Board determines that the requirements for a valid petition have not been met, the Board will direct the General Manager to return the petition to the petitioning organization. If the Board determines that the requirements for a valid petition have been met, the Board will direct the General Manager to give written notice to the bargaining unit that a valid petition for recognition has been filed. A thirty (30) day notice period will then ensue, during which no action will be taken on the petition.

Director Sangster opened the Public Hearing related to the Petition for Verification for public comment.

Public Comment: None

Director Sangster closed the Public Comment portion of the Public Hearing related to the Petition for Verification

Board Comment: Director Davis explained that he was unaware that a Field Operator Lead was hired. Discussion ensued, with General Manager Kelly Dodds explaining that this item was for the Board to determine if the requirements for a valid petition have been met or have not been met.

Director Davis gave his opinion that if the employees were going to join a union, then he wanted to know who they are, what their position is and so on. General Manager Kelly Dodds explained that all that information was in the Board packet.

Deputy General Counsel Pritchard explained that this item is for the Board to determine if the requirements for a valid petition have or have not been met. Recommendation is that the requirements for a valid petition have been met, the Board should direct the General Manager to give written notice to the bargaining unit; that a valid petition for recognition has been filed and that a thirty (30) day notice period will then ensue, during which no action will be taken on the petition.

Consensus of the Board is to move forward with the 30 day notice period.

7. Non- District Reports:

1. San Luis Obispo County Organizations (Pg. 92)

Verbal/Report

None

Board Comment: None

Public Comment: None

2. Community Service Organizations (Pg. 93)

Verbal

Michelle Hido, alternate member for the San Miguel Advisory Council gave a summary of the Advisory Council Meeting held on February 26th, 2025. Mrs. Hido explained that the San Luis Obispo County Sheriff Department asked to be informed of any dangers, concerns, and homeless encampments in the area. San Luis Obispo County Board of Supervisor Peschong's office also asked that any code enforcement violations, vandalism be reported on the new portal and also sent to them. It was explained that they want to make sure the issues are dealt with in a timely manner.

Board Comment: Director Sangster asked if the District as a whole reports code enforcement or vandalism. General Manager Kelly Dodds explained that the District does report those things, but any citizen can go onto the San Luis Obispo County enforcement portal and issue a complaint. The Sheriff and the Peschong's office is just asking to be informed also.

[Link to CodeSLO](#)

Discussion ensued on abandoned vehicles and anti-graffiti mitigation.

Public Comment: None

3. Camp Roberts—Army National Guard (Pg. 94)

Verbal

None

Board Comment: None

Public Comment: None

8. Staff & Committee Reports - Receive & File:

1. General Manager (Pg. 95)

Receive report

General Manager Kelly Dodds reminded the Board of Directors that all Fair Political Practice Commission (FPPC) 700 Forms are due no later than April 1st, 2025. General Manager Kelly Dodds also updated the Board that the notice of surplus properties was received, and that there was only one property in the San Miguel area along Nygren and South of Cemetery Road, it is outside the District boundaries and is mostly a drainage ditch that is no use to the District and has been turned down.

Board Comment: None

Public Comment: None

2. District Counsel (Pg. 96)

Receive verbal report

Nothing to report

Board Comment: None

Public Comment: None

3. District Utilities (Pg. 97-99)

Receive and file

General Manager Kelly Dodds submitted report and updated the Board of Directors that the Alleyway Waterline #6020 Replacement project between San Luis Obsipo Road & 10th Street is around 50% completed.

Board Comment: None

Public Comment: None

4. Fire Chief Report (Pg. 100-116)

Receive and File

General Manager Kelly Dodds explained that the Fire Chief was not in attendance and that he would take any questions that the Board might have and relay them to the Fire Chief when he returns on Monday.

Board Comment: Director Green asked what "South Coast" was, and that the Fire Chief Report said that it was scheduled to reopen. General Manager Kelly Dodds explained that South Coast is a maintenance facility that services fire equipment/engines.

Director Green asked that the acronyms be spelled out in upcoming reports. Specifically asking what OTS, AFG, VFF, and RFD was. General Manager Kelly Dodds explained each acronym and explained that the reports will be worked on to remove acronyms.

Director Green asked about the Multi Jurisdiction Hazard Mitigation Plan (MJHMP), and wanted an update on when the next meeting was going to be scheduled, and expressed that it looked like the information in the Fire Chief's report was just carried over from the last report.

Public Comment: None

9. Consent Calendar:

Board Comment: None

Public Comment: None

Motion By: Ashley Sangster

Second By: John Green

Motion: To Approve item 9.1 & 9.2

Board Members	Ayes	Noes	Abstain	Absent
John Green	X			
Brendin Beatty	X			
Rod Smiley	X			
Ashley Sangster	X			
Owen Davis	X			

1. **12-19-2024 Draft San Miguel CSD Board of Directors meeting minutes (Pg. 117-137)**
Receive and file
2. **1-23-2025 Draft San Miguel CSD Board of Directors meeting minutes (Pg. 138-152)**
Receive and file

10. Board Action Items:

1. **Monthly claim detail and investment reports for January 2025 (Recommend receive and file claim detail and investment report by Board consensus) (Pg. 153-196)**
When ancillary reports area provided they are for reference only and are subject to change.

Review, Receive and File the attached claim detail and investment reports.

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

Item was presented by Financial Officer Michelle Hido explaining that the January Financials are on pages 153-196, and that the Expenditure and Revenue reports reflect the mid-year budget adjustments that were approved at the January meeting. Financial Officer Michelle Hido updated the Board that she has started working with the new Certified Public Accountant (CPA), and is also starting the Fiscal Year 2025-26 budget process.

Board Comment: Director Davis asked about the check he signed for Water Systems Consulting (WSC). Director Davis also asked about Fluid Resource Management (FRM) filling in as licensed operators.

General Manager Kelly Dodds explained that the Board previously approved a contract with FRM to provide both operator services and compliance services. Discussion ensued on current employees, and their operator certifications for Water and Wastewater.

Director Sangster asked for clarification on cost for FRM and WSC. General Manager Kelly Dodds explained that the \$36,000 check Director Davis was referring to was for multiple jobs the District's Engineer, Water Systems Consulting (WSC), have been working on.

Financial Officer Michelle Hido explained that page 196 of the Board packet has the Claims Detail report.

Director Davis asked why the District is using FRM when the District has employees with Licenses. General Manger Kelly Dodds explained that FRM is being used for Water and Wastewater and is being used throughout the month to maintain District compliance, and to maintain staffing as needed. Discussion ensued.

Director Green asked the General Manager Kelly Dodds if he could employ the help that is needed with \$108,000 a year including benefits. General Manager Kelly Dodds explained that he could not because the cost would be around \$300,000 to get the same certifications/benefits that FRM provides the District.

Director Sangster asked how many hours a month is FRM providing. General Manager Kelly Dodds voiced that he would have to look it up, and reminded the Directors that FRM provides five to six different people, each with their own expertise.

Director Green asked about the office trailer rental from Atlas Performance Industries (API) in the amount of twenty-two hundred a month and asked why the District did not just buy it. General Manager Kelly Dodds explained that the District has had the office trailer for two years, and if the District was not going to need it for longer than five years it was more cost effective to rent.

Director Green asked for a second, to have staff look into rent-to-own options with API, seconded by Director Davis.

Director Green asked for clarification on the County Public Works Right of Way Review on page 159. General Manager Kelly Dodds explained that is regarding the purchase of the easement for the Booster Station at River Road and Power Road.

Director Green asked about the fuel for 8600 in December, and the Water and Sewer bill for 1140 Mission Street. General Manager Kelly Dodds explained that he would relay the question to the Fire Chief and review the Utility Bill for 1140 Mission Street.

Director Sangster asked for clarification on a comment Director Davis had about having a cell phone under an employee name that no longer works at the District. Financial Officer Michelle Hido clarified that the discussion is in regard to the Verizon bill that still has the name of a previous employee. It was explained that Verizon just needs to be called and have the current user's name attached to that phone; it is the same phone and just being used by a different staff member.

Public Comment: None

Consensus of the Board is to Receive and File the attached claim detail and investment reports.

2. San Miguel Community Services District 2022-2027 Strategic Plan annual review. (Review and provide direction to staff thru consensus) (Pg. 197-308)

Review and discuss the 2022-2027 Strategic Plan, provide direction to staff as appropriate for any revisions or updates by the Board. Revisions or updates will be agendaized for approval at a future meeting.

Item was presented by General Manager Kelly Dodds that gave a brief history of the Strategic Plan. A PowerPoint presentation for each section of the adopted Strategic Plan was presented. Throughout the presentation the Board were asked if they had any questions. Mr. Dodds explained that any changes to the District Strategic Plan will be done by a majority vote, and asked for input from the Board on if they wanted to bring back any item for discussion.

Board Comment: Director Green asked about the water storage tank on San Lawrence Terrace, and if there was a plan to change the location and wanted to discuss the proposed terrace development. General Manager Kelly Dodds explained that the proposal was to build the new tank at the corner of River Road and Power Road, where the District currently has a small booster station. The small booster station is proposed to be replaced and a new tank would be placed at the top of the hill next to the power station.

Discussion ensued and General Manager Kelly Dodds explained that he would send Director Green the analysis report that was done on the best locations.

Director Green requested that the Fire Chief address Fire Department slide items at the next

meeting.

Director Green asked about the Wastewater Treatment Plant upgrade, and if the project could be scaled back to avoid raising rates. General Manager Kelly Dodds explained that the project is slated to be done in phases, with the compliance portion being the District's first priority. Discussion ensued about phases and compliance.

Director Green explained that he would like to have a discussion on the project. General Manager Kelly Dodds explained that he is planning an item to discuss updates on District projects in the next few months and if it would be okay to discuss at that time; Director Green agreed to wait for that item. General Manager Kelly Dodds explained that if the Board has any questions before that item is brought forward, to please contact him.

Director Davis voiced that he feels that the Office Trailer that staff is in now is fine and the proposed building is a total waste of the people's money, and feels that there will be no state grant funding available.

General Manager Kelly Dodds discussed the phases of the Wastewater Treatment Facility upgrade and explained that the District has already been awarded twenty-three million in grant funds for the upgrade. The priority is the Treatment process to be upgraded to meet current permitting standards, and the site would need to be modified in order to meet those permitting standards. Discussion ensued on State requirements.

Director Smiley explained that this upgrade was discussed by the previous Board of Directors and part of that discussion was if the District builds something now it would need to be for the future needs. Director Smiley voiced that he feels that the cost is only going to go up exponentially, and delaying the project will only cost the District more in the future. Director Smiley voiced that the Board needs to have vision and look toward the future for the citizens of San Miguel and that the District needs to build a facility to accommodate that future; and feels that the current Board of Directors is staying in the past.

Director Green asked how much it costs to meet at the Senior Center. General Manager Kelly Dodds explained that the District pays fifty dollars an hour for the use of the San Miguel Senior Center.

Discussion ensued on meeting rooms and looking to the future for the treatment facility upgrade.

Director Sangster voiced that he agrees with everything said but feels that it is the Boards responsibility to contain strategic ideas and to strategically plan within the Districts ability to fund those ideas. Director Sangster asked about microphones, and asked about having a quarterly workshop to inform the Community on what is going on within the District. Director Sangster feels that it would be appreciated by the public and would strengthen the relationship between the community and the District Staff and Board.

Public Comment: Greg Grewal a Creston resident spoke about the San Miguel Groundwater Sustainability Agency (SMGSA) and Paso Basin Cooperative Committee (PBCC) engagement. Mr. Grewal also spoke about the Steinbeck litigation cost, septic systems, and how growth should come with resources.

Informational item only

3. 2025 Integrated Waste Management Authority (IWMA) Board of Director Election. (By consensus vote for 1 candidate) (Pg. 309-314)

Review candidates and vote to elect no more than one (1) candidate by Board consensus and authorize the General Manager to vote on behalf of the District.

Item was presented by General Manager Kelly Dodds explaining that this item is to review and provide direction to vote on one candidate by Board consensus for a seat on the Integrated Waste Management Authority (IWMA) Board of Directors. There are two

candidates, Robert Enns, Cayucos Sanitary District, and Navid Fardanesh, Templeton Community Services District, mentioning that resumes were included in the board packet. General Manager Kelly Dodds explained that Mr. Fardanesh was present and asked the Board to grant him a few minutes to speak. Mr. Fardanesh spoke and voiced that he was running for the four-year term with IWMA as the Community Service Districts representative and explained his qualifications.

Board Comment: Director Sangster asked about Mr. Fardanesh financial experience and asked if he could ensure financial transparency and keep an eye on spending.

Mr. Fardanesh explained that he has been on the Templeton Community Services District Board of Directors for many years, been on the Finance Committee, and ran his own Dental practice for twenty years and feels that is where he has learned to keep financials under control.

Public Comment: Murray Powell a Templeton resident voiced his recommendation for Mr. Fardanesh.

Consensus of the Board is to cast a vote for Mr. Navid Fardanesh for the four-year term for IWMA.

4. 2025 Local Agency Formation Commission (LAFCo) Board of Director Election. (By consensus vote for 1 candidate for each term) (Pg. 315-331)

Review candidates and vote to elect no more than one (1) candidate by Board consensus for each term and authorize the General Manager to vote on behalf of the District.

Item was presented by General Manager Kelly Dodds who explained that this item is to vote for one candidate for each term. The Board can elect to only vote for one term, or both. There are three candidates running for the LAFCo seat term through December 2026, Mr. Owen Davis from the San Miguel Community Services District, Mr. Ed Eby from Nipomo Community Services District, and Mrs. Debra Scott from Cambria Community Services District. There are two candidates running for the LAFCo seat term through December 2028. Robert Enns from Cayucos Sanitary District, and Navid Fardanesh from Templeton Community Services District.

General Manager Kelly Dodds asked that the Board discuss them per term.

Board Comment on the first term through 2026: None

Public Comment on Board Comment on the first term through 2026: Greg Grewal a Creston resident spoke about being disappointed in LAFCo, and feels that it is time for a change on the LAFCo Board.

Consensus of the Board is to vote for Owen Davis for term running through 2026.

Board Comment on the first term through 2028: None

Public Comment on Board Comment on the first term through 2028: Navid Fardanesh, Templeton resident spoke about his qualifications as a candidate for LAFCo. Mr. Fardanesh spoke about his time as a planning commissioner in the Central Valley. and asked for the support of the Board.

Murray Powell a Templeton resident spoke that you can never have enough help from

Templeton, and supports Mr. Fardanesh for the LAFCo Board.

Consensus of the Board is to vote for Navid Fardanesh for term running through 2028.

5. California Special Districts Association (CSDA) Board of Director call for nominations for Seat B - one candidate (Provide nomination by Board 3/5 Vote) (Pg. 332-337)

Authorize the General Manager to submit a nomination on behalf of the Board. Item was presented by General Manager Kelly Dodds explaining that the Board can nominate one person for the opened seat (B) for a term from 2026 to 2028. The only restriction is that they must be affiliated with a Special District that is a member of California Special District Association (CSDA) and in good standing. The San Miguel Community Services District is a member in good standing with CSDA and can nominate one of its own. Once all the nominations are received then CSDA will send out a ballot to vote. Discussion ensued on expectations.

Board Comment: Director Sangster discussed and asked for clarification on meeting attendance, and expenses.

Director Davis asked if it had to be a Board Member. General Manager Kelly Dodds clarified that it had to be an elected official on the Board of San Miguel CSD or the General Manager.

Public Comment: None

Consensus of the Board is, no nominations.

6. Discussion regarding water and sewer services crossing parcel lines.(Discuss and provide direction to the General Manager) (Pg. 338-339)

Discuss District responsibility and property owner responsibility

Item was presented by General Manager Kelly Dodds who explained that this item was requested by Director Green and Director Davis. General Manager Kelly Dodds gave a brief history and explained that the Board was provided information regarding a property at 1097 Mission Street. At this property, the private water line crosses another property after it goes through the water meter which is located in the alley. The occupant of property is asserting that their water is being stolen by the neighbor, and the District has not been able to acquire any of the evidence to support that claim. This item is being brought back to determine what the Board would like to do moving forward. The previous direction from the Board was to develop a policy regarding replacement of service lines and that the Board needs to decide on what funding can be used for this kind of replacement.

Discussion ensued about funding and how the program would work.

Board Comment: Director Green voiced that he feels that 1097 Mission Street is a different situation, and explained that he was invited onto the property, and that there are two water meters that the water passes through to get to the customers home.

Discussion ensued with the Board of Directors and staff on Water Meters, Meter reads and District liability and responsibility.

Public Comment: Greg Grewal a Creston resident spoke on how long this issue has been going on and feels that the District needs to move on.

Motion By: John Green

Second By: Owen Davis

Motion: To Authorize staff to replace meters at both 1097 Mission Street and the Alley meter for diagnoses and report back to the Board.

Board Members	Ayes	Noes	Abstain	Absent
John Green	X			
Ashley Sangster	X			
Owen Davis	X			
Brendin Beatty		X		
Rod Smiley		X		

7. Purchase and implementation of District owned laptops for Board members by Resolution 2025-06 (Recommend approve by 3/5 vote) (Pg 340-343)

Approve Resolution 2025-06 authorizing the purchase of District owned laptops for Board members.

Item was presented by General Manager Kelly Dodds explaining that this item was requested by Director Green and Director Sangster. Staff was directed to provide a cost for District laptops for Directors to use to send and receive email as well as to view other materials related to their position on the Board. Use of personal devices for official Board business can open those devices up to public scrutiny through investigations and public records acts. It was explained that Per the Board Handbook Chapter 5.C "Written correspondence is to be provided through secure District Email. Board packets will be provided to the Board through District Email". Five devices that meet the basic needs of the Board members, provide the necessary level of security and have proven to be durable are approximately \$685 each (\$3,425 for five plus tax). Implementation of security software and basic email/office software on the devices is not included in the unit price and would be billed on a Time and Material basis. Total project cost for purchase and implementation of the five devices is estimated to be between \$3,800 and \$5,400.

Board Comment: Director Sangster voiced that he feels that providing laptops is a beneficial idea for District communications and requests.

Director Green thanked the General Manager for his information on the item and is in favor of this item.

General Manager Kelly Dodds explained that if approved this would be available for future Directors if they chose.

Director Davis voiced that he is in favor of this but feels that the District should look at getting the laptops at Walmart due to the cost.

General Manager Kelly Dodds explained that the District needs to provide laptops that can be protected to the District standards, and meet the current best management practices.

Director Sangster gave input from his profession as a Procurement Officer for the State of California, and that the average laptop is around fifteen hundred dollars each and he feels that the price negotiated is very good.

Director Davis thanked Director Sangster for the information, and voiced that the General Manager did a good job with the cost.

Public Comment: None

Motion By: Ashley Sangster

Second By: John Green

Motion: To Approve Resolution 2025-06, and direct staff to purchase four laptops

Board Members	Ayes	Noes	Abstain	Absent
John Green	X			

Brendin Beatty	X			
Rod Smiley	X			
Ashley Sangster	X			
Owen Davis	X			

8. Discussion on legal fees (Discuss and provide direction to General Manager) (Pg. 344-347)

Review and discuss District legal fees. Item requested by Director Green and Sangster. After review and discussion, provide direction (if any) to the General Manager.

Item was presented by General Manager Kelly Dodds explaining that this item was requested by Director Green and Director Sangster. The request was to have a discussion on legal fees. The District currently contracts with White Brenner LLP for legal services, that are billed monthly. General Manager Kelly Dodds explained that he has provided a 10 year look at what fees have been and general activities that have incurred significant legal fees from 2015 to the current Fiscal Year.

Board Comment: Director Green asked for some clarification on the graph. General Manager Kelly Dodds explained the various categories on the graph and asked for any questions.

Director Davis asked when the Steinbeck litigation started. General Manager Kelly Dodds stated it start around Fiscal Year 2015-16.

Director Green asked how the District could get legal costs lower. General Manager Kelly Dodds explained that the General Counsel does for the District.

Director Green asked what "PRA" was why Legal Counsel was needed for Public Records Act requests.

Discussion ensued about Public Records Request and Recalls, and the General Manager explained that if any Director would like to review legal invoices that can contact him to come in and look.

Public Comment: Greg Grewal a Creston resident voiced that he would like to know if under "General" cost was there any cost associated with discussions on the Joint Powers Act (JPA). Mr. Grewal also spoke about the Steinbeck litigation, and Pueblo Rights.

Murray Powell a Templeton resident spoke about the Steinbeck litigation, San Miguel Employees Association (SMEA), and the Public Records Act columns.

Berkley Baker a San Miguel resident spoke about the Steinbeck cost being around one-million dollars and asked about the Human Resources column.

Raynette Gregory a San Miguel resident spoke about the start of the Steinbeck litigation, and what she feels that lawsuit is about.

Murray Powell a Templeton resident asked to speak again.

Point of Order was called due to people speaking from the audience.

Second Public Comment approved by the Board: Murray Powell a Templeton resident wanted the Board of Directors to know that the District has been part of five lawsuit's and have decided to participate in a sixth, and feels that the Board should reconsider.

Director Sangster asked if anyone else would like to speak: None

Consensuses of the Board is to Direct staff to provide information on the recall costs and bring back the Steinbeck litigation for closed session.

9. Review of established District fees (Review and provide direction to the General Manager and/or the Fire Chief) (Pg. 348-355)

Review established District Fees charged by the District and provide direction to the General Manager and/or the Fire Chief.

Item was presented by General Manager Kelly Dodds explaining that this item was requested by Director Green and Director Sangster. The District charges a variety of fees for numerous functions and services to recoup the cost incurred by the District for providing the functions or services. With the exception of the water and wastewater user fees, the other fees are charged on a per use basis, which is to say that they are only charged if a particular property owner or customer requests or otherwise needs a specific service. The fees are divided into two main categories; fees for functions or services, which are charged based on a cost recovery basis and fees for impact to service or infrastructure; which are charged to offset the impact that a specific project has on emergency services or the utility infrastructure.

Board Comment: Director Green asked if the District was in line with other Districts, and discussed the Fire Department cost and time. General Manager Kelly Dodds explained that the District can only charge something that is commiserate with what it actually costs to provide that service.

General Manager Kelly Dodds provided comments regarding plan check fees, for the Fire Department and that the Fire Chief will address those fees. The utilities fees are updated annually to ensure that they are covering the cost for that item and are considered cost recovery fees. Connection fees are established by an ordinance and through resolutions approved by the Board and based on a cost analysis.

Director Green asked if connection fees could be brought back. General Manager Kelly Dodds explained that it could be brought back to start the process, but are reviewed annually.

Director Sangster asked for clarification on if the connection fees aligned with other small Districts. General Manager Kelly Dodds explained that the District can't charge based on another agency because they have different infrastructure than the San Miguel District and San Miguel fees are associated with our Master Plan projects.

Director Green asked for clarification on what would be brought back to the Board. General Manager Kelly Dodds explained that the Fire Department would be bring back Fire, Life, and Safety fees, and the Utility fees will be back in June or July.

Public Comment: None

Consensus of the Board is to bring back Fire, Life, and Safety fees to the next meeting and Utility fees in June or July

10. San Miguel Septic to Sewer conversion project, a 100% grant funded project. (Informational item) (Pg. 356)

Review the San Miguel Septic to Sewer conversion project.

Item was presented by General Manager Kelly Dodds who explained that this item was requested by Director Green and Director Sangster. The General Manager Kelly Dodds felt that it was a good opportunity to recap this project for the Board, since most of them are new, and provided a small presentation. General Manager Kelly Dodds explained during his presentation that the District applied for a grant under Clean Water State Revolving Fund (CWSRF) to help Disadvantaged Communities (DAC) to plan for and construct sewer collection system improvements to enable removal of septic systems and connect properties to community sewer systems. This grant is 100% funded and is a priority for the State of California for a variety of reasons. It was explained that the primary reason this has become a priority for the State is that Septic systems have been identified as a contributing factor in the increase of Nitrates and other contaminates to the groundwater. The Districts' San Lawrence Terrace (Terrace) Well has a long history of Nitrates exceeding the Maximum Contaminate Limit (MCL) and it has been concluded that the high nitrates in the Districts well, and the predecessor well, are directly related to waste septic systems process

in the surrounding properties in addition to contamination from neighboring vineyard operations. The CWSRF grant was awarded, and they are currently working through our grant agreement. These funds will fund the project planning, project management, construction application, and associated studies and reports for this project. There are approximately 98 existing residences on septic within the scope of this project. The septic to sewer program will fund between \$125,000 and \$175,000 for each existing home that is converted. This is total funding per connection for planning and construction combined.

The total project, assuming connection of 98 residences could be approximately 17.15 million dollars. General Manager Kelly Dodds provided the timeline, initial steps necessary to proceed, and identified the area that could be served. Discussion ensued after presentation.

Board Comment: Director Green voiced that he is not in favor of this project for the San Lawrence Terrace and there would be a legal battle first.

Director Davis asked if the residence would each have a choice on if they wanted to get rid of their septic tanks.

Director Green explained that he lives on the San Lawrence Terrace and does not want to get rid of his septic tank.

General Manager Kelly Dodds explained that the initial part of this project would be outreach to the homeowners that would be affected. If nobody wants to be connected, then the cost to connect for a few would not be cost effective, and the project would not proceed due to funding.

Director Green voiced that he would start a petition to stop it, right away, and that no one over on the terrace wants to pay the high sewer fees.

Director Beatty asked about the cost to have a septic system. Discussion ensued about the cost of septic system maintenance.

Director Green explained that the District has an Ordinance in place that states that if you are within a certain distance from a sewer line, and your septic is failing you have to hook-up to the sewer main. Director Green voiced that he would like to have the Ordinance and the letter from the State be brought back for review.

Director Green voiced that when it is brought to the Board he is going to make a motion to squash it.

General Manager Kelly Dodds asked if he could finish his presentation on this item. It was explained that after public outreach to the property owners, they could make a better decision and could then see how many parcels want to participate.

Director Green voiced that he would not make a decision until he has heard public comment but does have his own personal opinion on this project.

Director Davis asked for clarification on what is included, if property owners decide they want this. General Manager Kelly Dodds explained that the grant will cover the cost to connect all the way to their house and abandon their septic.

Director Davis asked if they would be fixing the yards.

Director Green voiced that they would be destroying his yard, and that he would have to move his building and trees.

General Manager Kelly Dodds asked if he could continue with his presentation on this item. It was explained that after initial contact with the property owners then environmental work and design work would start. Then they will coordinate with each property owner for access and easements, then once environmental work was completed and estimates for construction, then it would go out to bid. Discussion ensued on the sewer rate study and outreach.

Director Sangster asked if this would be mandatory, or could some property owners opt out, and asked if the grant was already secured. General Manager Kelly Dodds explained

that it is not mandatory, but does need to be cost affective, and that the grant funding is secured, and the agreement is being finalized at this time.

Director Green asked what the current sewer rate was; \$108.00 monthly.

Discussion ensued about future State requirements.

Director Green asked about the resolution/ordinance that was passed regarding hook-ups and would like proof that septic tanks are impacting the groundwater in the area. Director Green also asked that he is provided a service address list of the 102 properties, and that he would personally go out and talk to each property owner. General Manager Kelly Dodds explained that Director Green would have to do that on his own, not as a Director. It was explained to Director Green that the District could not provide a list of those properties and that it was prohibited for the District to give out that information to the public. It was explained that this is already moving forward and approved by the previous Board, but that this Board could bring it back to reverse it if that is what the Board decided it wanted to do. Director Sangster explained that he would be in favor of reversing it, but feels that it would be best to see what the public and the affected people think of it first. Discussion ensued on public outreach and grant funds.

Public Comment: Greg Grewal a Creston resident spoke about bills never going down and septic systems recharging the water basin.

Informational item only requested by Director Green and Director Sangster.

11. Contract with MBS Land Surveys and associated budget adjustments Resolution 2025-05 (Recommend approval by 3/5 vote) (Pg. 357-366)

Review and approve Resolution 2025-05 authorizing the General Manager to contract with MBS Land Surveys for the proposed surveys and authorizing related budget adjustments as outlined in the resolution.

Item was presented by General Manager Kelly Dodds who explained that the attached resolution will authorize the General Manager to contract for the survey services and authorize budget adjustments for these projects. MBS Land Surveys (MBS) is the surveyor of record for the WWTF upgrade and expansion project. The first property is North of the Wastewater Treatment facility for a monitoring well, and the second part is to survey the Sanitary Sewer manholes within the District, both the rim and the invert.

Board Comment: Director Green pointed out the calculations for funding were incorrect and that the Resolution would need to be revised.

Director Sangster asked if multiple quotes or bids were received. General Manager Kelly Dodds explained that he did get quotes, and MBS was the lowest. It was clarified that MBS was the current surveyor for the Treatment Facility.

Director Green asked if this could wait until they find out about the grant funds for this project. General Manager Kelly Dodds explained that the survey for the Manholes is aside from the Treatment Facility. The survey regarding the property north of the treatment plant that has to go forward whether or not we do anything with a treatment plant. It was clarified that the District needs the other monitoring well for compliance. Discussion ensued on the sewer manhole project.

Public Comment: None

Motion By: Brendin Beatty

Second By: Ashley Sangster

Motion: To Approve as Amended Resolution 2025-05, amended to read \$8000

Board Members	Ayes	Noes	Abstain	Absent
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John Green	X			
Brendin Beatty	X			
Rod Smiley	X			
Ashley Sangster	X			
Owen Davis		X		

12. Contract with Viborg Sand and Gravel in an amount not to exceed \$29,812 for road and berm repairs to tank access road including associated budget adjustments by Resolution 2025-07 (Recommend approval by 3/5 vote) (Pg. 367-372)

Approve resolution 2025-07 authorizing the General Manager to contract with Viborg Sand and Gravel including requisite budget adjustments for road and berm repairs at various locations along the access road to the District .65 million gallon main tank.

Item was presented by General Manager Kelly Dodds explaining that this item is to contract with Vibor Sand & Gravel to replace 325 ft. of the shoulder along the tank access road to the tank on the west side of the freeway, the Districts main water tank.

Board Comment: Director Green explained that he drove his small car to the tank and had no issues with the road. General Manager Kelly Dodds explained that that there are around ten different areas that have started cracking and sinking. Discussion ensued on the road washing out berm replacement.

Director Green wanted to ask staff if they could reach out to the CalTrans road crew at the Wellsona site, and ask for mixed material. Director Green voiced that he would provide a contact email. Discussion ensued.

Director Beatty asked if the condition of the road was currently hurting anything. General Manager Kelly Dodds explained that it is to the point where when it rains the District Utility Crew goes out and fills in the cracks that are forming to keep the road from getting worse.

Director Davis spoke about the spot that got fixed last year, and questioned that if the District could put a culvert in to get the water down lower. Discussion ensued, and it was explained that the drainage is being directed down the road.

Director Green discussed the Wellsona project, history of the road being a Caltrans Road, and that the road was inherited by the District.

Director Sangster asked how this being funded. General Manager Kelly Dodds explained that the funds are Capital Reserve funds.

Discussion ensued.

Public Comment: None

Motion By: Owen Davis

Second By: John Green

Motion: To Table to March 27th Board meeting.

Board Members	Ayes	Noes	Abstain	Absent
Owen Davis	X			
John Green		X		
Brendin Beatty		X		
Rod Smiley		X		
Ashley Sangster		X		

Motion By: Brendin Beatty

Second By: Rod Smiley

Motion: To Approve Resolution 2025-07

Board Members	Ayes	Noes	Abstain	Absent
Brendin Beatty	X			
Rod Smiley	X			
Owen Davis	X			
John Green		X		
Ashley Sangster		X		

13. Change order #1 with Specialty Construction Inc in an amount not to exceed \$21,000 by Resolution 2025-08 (Recommend approval by 3/5 vote) (Pg. 373-384)

Review and approve change order #1 for the Alley Waterline Replacement project with Specialty Construction Inc.

Item was presented by General Manager Kelly Dodds updating the Board that the District awarded a contract with Specialty Construction Inc (SCI) on October 24th 2024 for the construction of 860' of replacement water main in the Mission Street alley between San Luis Obispo and 10th street. It was explained that after starting construction and completing potholing, conflicts were discovered at both ends of the main segment which required a change in design and installation. Due to the conflicts with power, phone, and sewer laterals which were not initially identified, a change order is required to account for the additional labor and materials necessary to complete these connections. Change order #1 will address these issues and that the attachment including cost based on "quantity cost" from the initial bid and it is recommended that the Board approve the order as a not to exceed amount of \$21,000.

Board Comment: Director Sangster asked for clarification if this was grant funded. General Manager Kelly Dodds explained that this part is not grant funded and will be funded out of Capital Projects in a not to exceed amount of \$21,000.

Public Comment: None

Motion By: John Green

Second By: Ashley Sangster

Motion: To Approve Resolution 2025-08

Board Members	Ayes	Noes	Abstain	Absent
John Green	X			
Brendin Beatty	X			
Rod Smiley	X			
Ashley Sangster	X			
Owen Davis	X			

Adjourn to the San Miguel Community Services District Groundwater Sustainability Agency (GSA):

At: 9:49 P.M.

11. GSA Board Action Items:

1. Continuation from January 23, 2025 Board Meeting

Review of DRAFT Joint Exercise of Powers Agreement (JPA) for administration of The Paso Robles Area Groundwater Sub Basin Groundwater Sustainability Plan. (Provide recommended changes to the General Manager/ Legal Counsel and or approve the agreement by 3/5 vote and authorize the Board President to sign the agreement) (Pg. 385-427)

Review, discuss and provide direction to staff regarding the DRAFT JPA for the administration of The Paso Robles Area Groundwater Sub Basin Groundwater Sustainability Plan.

Item was presented by General Manager Kelly Dodds explaining that this item is a continuation from previous meetings discussing the Joint Exercise of Power Agreement (JPA).

Deputy General Counsel explained that there is a revised version for the Board to review, with changes to section 9.1 Liability and Indemnification. The changes are, if someone sued the committee then San Miguel would contribute the percentage (3%) that was agreed to in the Memorandum of Agreement (MOA). The City of Paso has scheduled a meeting to discuss joining the JPA on March 4th. Discussion ensued on the final version of the JPA.

Board Comment: Director Green voiced that he feels that the final version, needs to come back to the Board before any decision can be made.

Director Sangster voiced that he feels that the Board should wait and see what the City Paso Robles does and discussed what the other Groundwater Sustainability Agencies (GSA) might do.

Deputy General Counsel asked the Board if there were any terms in the agreement that need to be discussed or changed.

Director Sangster voiced that he has issues with the unknowns and explained that the agreement states, that the JPA will have the ability to hire an Executive Director, consultants, and have the ability to incur debt. It is important to know what those costs will be for the District.

General Manager Kelly Dodds explained that those costs are something that will be worked out as part of the rate study, and not necessarily this agreement. Discussion ensued on the proposed Budget and extraction rates for the JPA.

Deputy General Counsel explained that the rates are supposed to cover the cost, but if the extraction rates do not cover certain expenses; then the members would have to contribute that portion per the agreement.

Director Sangster spoke about the unknown cost to the District and feels that we are giving them a blank check.

Director Beatty asked for clarification on cost. General Manager Kelly Dodds explained that the District would be paying the current 3% of what the budget is; currently it is budgeted to be \$18,000. In the future if a JPA is formed, and extraction rates are passed then the District would be charged based on the acre feet that the District pumps, then the District would recoup those funds through the District's water rates. It was clarified that District parcels outside of our water system that do not pay water rates would have to be billed independently.

Director Sangster voiced that he understands that there is a 30 day exit clause, but if the District agrees to this JPA we are still obligated. General Manager Kelly Dodds explained that is actually 90 days, and that he was correct the District would be financially obligated for the projects that we agreed to during the JPA or the General Budget items that were agreed to, for not just the 90 days but through the end of the fiscal year.

Public Comment: Murray Powell a Templeton resident spoke about the different versions of the JPA, Estrella-El Pomar-Creston (EPC) GSA and also wanted to wait to see what the City of Paso Robles is doing. Mr. Powell provided handout of Budget to the CSD Board

Members and spoke about the rate study.

Greg Grewal a Creston resident spoke about the rate study Prop218, working with the Howard Jarvis Taxpayer Foundation, and working with the San Luis Obispo County District Attorney. Mr. Grewal also spoke about being on the technical advisory committee. Berkley Baker a San Miguel Resident and SMCSO GSA Member spoke about the County Board of Supervisors approving this JPA with a 3-2 vote: with Peschong and Moreno descending. Mr. Baker discussed the 3% allocation and asked if the people in the District were exempt from the Prop218 Process. Mr. Baker is not in favor of San Miguel joining the JPA.

Deputy General Counsel explained that the District is considered one groundwater extractor, and will be considered one vote for the Prop 218, and that the current deadline is March to pass this or the other GSAs will sign a four part agreement. Discussion ensued on the rate study.

Board Consensus is to bring this item back in March and would like to wait and see if the City of Paso Robles joins the JPA.

Reconvene to the San Miguel Community Services District Board of Directors:

At: 10:21 PM

12. Board Comment:

Director Green asked about the timer for public comment. General Manager Kelly Dodds explained that the timer was being brought to the meetings by the Fire Chief, and it was explained that multiple timers have had signal interference.

Director Green asked about discretionary funds for landscape plumbing. General Manager Kelly Dodds explained that the District has a light/landscaping fund but is still talking to the County on whether they want to work on something together. Director Green asked that we discuss the funding with the Board of Supervisor Peschong.

Director Green asked about Gregory Campbell's public comment letter on Dissolution of the CSD and asked if LAFCo would permit that kind of thing. Deputy General Counsel explained that the District would have to start the application with LAFCo, and the County would have to agree to it. Discussion ensued on how it would work.

Director Green/Davis asked for a item on how the process of Dissolution works.

Director Green asked to review the Lighting Plan. General Manager Kelly Dodds explained that the District has Lighting Standards, and a Lighting/landscaping Master Plan was in process. Discussion ensued.

Director Green/Sangster would like to have an ordinance brought to protect the night sky on the terrace from any extra lighting.

Director Sangster/Green asked to have a list of all the District credit card holders and the last 12 months of expenses for those cardholders.

13. Adjourn to Closed Session/Closed Session Agenda:

Public Comment on Closed Session: None

Called the meeting into closed session at 10:31 PM.

1. PUBLIC EMPLOYMENT

Title: General Manager; Pursuant to Government Code Section 54954.5 (Pg. 428)

Discussion

14. Report out of Closed Session:

Direction given to staff

15. Adjournment to Next Regular Meeting:

At:10:45 PM

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

To: Kelly Dodds <kelly.dodds@sanmiguelcsd.org>

Subject: CSD Dissolution

Gregory G. Campbell

9898 N River Road San Miguel, CA 93451

gregorygcampbellllc@hotmail.com

February 20, 2025

San Miguel Community Services District Board

Subject: Request for the Dissolution of the San Miguel Community Services District

Dear Board Members,

I am writing to formally request that the San Miguel Community Services District (SMCSD) be dissolved and its administration and execution of services be returned to the County of San Luis Obispo. Given the current operational landscape, I believe that transitioning these responsibilities to the County would result in more efficient, cost-effective, and transparent governance for our community.

The SMCSD was originally established to consolidate multiple service districts under one board, streamline operations, enhance transparency, and provide better local oversight. These objectives have been largely achieved. However, in today's environment, larger organizations such as the County of San Luis Obispo have the capacity to provide more economical and flexible services with fewer personnel and less bureaucracy while still ensuring strong public oversight through agreements for local member representation.

Returning the administration of our essential services to San Luis Obispo County and bringing on board CAL Fire would allow for improved resource allocation and access to a broader range of expertise. The County and CAL Fire already have the infrastructure, personnel, and operational experience to manage these services effectively, which would reduce redundancies and administrative costs while maintaining the community's voice in governance.

It is time for the SMCSD to evolve and embrace a more sustainable model of service delivery. By dissolving the district and reintegrating with the larger organizations, we can ensure that San Miguel continues to receive high-quality services without the burden of maintaining a separate administrative entity.

I urge the Board to seriously consider this proposal and initiate discussions with LAFCO, the County of San Luis Obispo, and CAL FIRE regarding the transition. I appreciate your time and attention to this matter and look forward to your response.

Sincerely,

Gregory G. Campbell

Gregory G. Campbell
9898 North River Road
San Miguel, CA 93451
gregorygcampbellllc@hotmail.com
(805) 459-6091

February 25, 2025

Board of Directors
San Miguel Community Services District
P.O. Box 180
San Miguel, CA 93451

Subject: Expansion of SMCSD Lighting Fixture Placement and Wattage Increase

Dear Board Members,

I am writing to formally request the expansion and improvement of the street lighting infrastructure within the San Miguel Community Services District. It has been many years since a new light fixture has been added or upgraded in our district, and it is time to address this overdue issue for the safety and well-being of our community.

The last addition to the lighting plan was the fixture at 9898 North River Road, which I personally funded for installation and maintenance over a five-year period before the district assumed responsibility. That particular fixture remains the highest wattage streetlight on a pole in the district, significantly improving visibility at a dangerous road curve that has tragically claimed one life and caused serious injuries to others. Increased wattage enhances visibility, reducing the risk of accidents and improving nighttime safety for both drivers and pedestrians.

I urge the Board to consider the safety benefits of proper street lighting, as supported by national studies demonstrating its positive impact on accident prevention and community well-being. Adequate lighting also enhances the quality of life for residents who enjoy walking at night. With over \$800,000 in dedicated funding for street light placement and improvement, it is imperative that these funds be used appropriately for their intended purpose rather than diverted to unrelated projects.

I respectfully request that the Board take immediate action by contacting PG&E to facilitate the expansion of lighting fixtures and the installation of higher-wattage bulbs where necessary. This is an opportunity to make a meaningful and lasting improvement for the people of San Miguel.

Thank you for your attention to this important matter. I look forward to your response and to seeing progress on this issue.

Sincerely,

Gregory G. Campbell

To: Kelly Dodds <kelly.dodds@sanmiguelcsd.org>
Subject: SAFE and SANE FIREWORKS USE IN SMCS

Gregory G. Campbell
9898 North River Road
San Miguel, CA 93451
gregorygcampbellllc@hotmail.com
(805) 459-6091

February 25, 2025

Board Members
San Miguel Community Services District
P.O. Box 180
San Miguel, CA 93451

Subject: Request to Discontinue Authorization of “Safe and Sane” Fireworks in the SMCS District

Dear Board Member,

I am writing to formally request that the San Miguel Community Services District reconsider and discontinue the authorization of “Safe and Sane” fireworks within the district. While this authorization may have once been appropriate when first implemented, San Miguel has changed significantly since that time, and the risks associated with fireworks have grown substantially.

The population of our community has increased, creating greater potential for fire hazards, safety concerns, and disturbances. Additionally, the economic landscape has shifted, making it more challenging for local resources to effectively manage the risks and potential damages caused by fireworks-related incidents. Most critically, the fire danger in our region has escalated due to ongoing drought conditions and a changing climate, posing a severe threat to public safety and property.

Given these factors, I urge the Board to take proactive measures to enhance the safety of our community by discontinuing the authorization of “Safe and Sane” fireworks. Other communities throughout California have already taken similar actions to reduce fire risks, and San Miguel should follow suit to protect its residents and natural surroundings.

Thank you for your time and consideration. I appreciate your leadership in maintaining the well-being of San Miguel, and I hope the Board will take this request into serious consideration.

Sincerely,
Gregory G. Campbell