

SAN MIGUEL COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
JUNE 25, 2020 REGULAR MEETING MINUTES
MEETING HELD AT DISTRICT OFFICES
1150 MISSION STREET
SAN MIGUEL, CA 93451

- I. Meeting Called to Order by President Sangster – 6:02 P.M.
- II. Pledge of Allegiance lead by Director Kalvans after the closed session.
- III. **Roll Call:** Directors Present: Sangster, Gregory, Palafox, and Kalvans
Directors Absent: Green
- IV. **Adoption of Regular Meeting Agenda:**
Interim General Manager Rob Roberson asked to have the Pledge of Allegiance after the closed session.
Motion by Director Kalvans
Seconded by Director Sangster; Motion was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT and 0 ABSTAINED
- V. **ADJOURN TO CLOSED SESSION:**
Closed Session convened at 6:05 P.M.
 - A. **CLOSED SESSION AGENDA:**
 1. **CONFERENCE WITH DISTRICT GENERAL COUNSEL – Existing Litigation**
Pursuant to Government Code Section 54956.9 (d)(1) Case: *Steinbeck v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-265039* and Case: *Eidemiller v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-269212*
 2. **PUBLIC EMPLOYMENT**
Title: Director of Utilities
Pursuant to Government Code Section 54954.5
 3. **PUBLIC EMPLOYMENT**
Title: Board Clerk/Account Clerk Manager
Pursuant to Government Code Section 54954.5

4. 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: 7:03 P.M. Report out of closed session by District General Counsel Dervin, Direction was given to staff on two of the four items.

VII. Public Comment and Communications for matters not on the Agenda: Richard Smithen San Miguel resident voiced that he would like to know how much has been spent on the Steinbeck Litigation over the years. Board Clerk, Tamara Parent informed Mr. Smithen that he would need to fill out a public record request and staff could get the correct information to him. Owen Davis San Miguel resident voiced that because of COVID-19 all district employees should take a voluntary pay reduction. Mr. Davis also asked why the flags were not hung for Memorial Day. Assistant Fire Chief Scott Young informed him that the San Miguel Firefighters Association donated all the flags to the San Miguel Chamber of Commerce and doesn't know why they were not put up on Mission Street. Interim General Manager Rob Roberson thanked the public for their comments.

VIII. Special Presentations/Public Hearings/Other:

1. **PUBLIC HEARING:** To consider approving an Ordinance 02-2020 of the San Miguel Community Services District (“District”) Board of Directors adopting a Solid Waste and Recycling Ordinance. Director Sangster opened the Public Hearing. Interim General Manager Rob Roberson presented the second reading of the Solid Waste and Recycling Ordinance and explained that The District has long provided collection services for solid waste and recycling for properties within the District. The District has determined that periodic collection and disposal of these categories of waste benefits all residents and occupants of the District. The District further mandates that private premises within the District may not fail to dispose of solid waste, debris, or inoperable vehicles from the property. To achieve the goal of safety and orderliness of properties within the District, owners of all developed properties in the District are mandated to properly use the District’s collection and disposal service and pay reasonable fees assessed by the District or its Franchisee/s for the service. If an owner or occupant fails to properly dispose of waste or recyclables or allows such to collect on the property within the District, the District manager is empowered to notify the owner, his or her agent or person in control of the premises to direct the removal of the waste or recyclables. If an owner fails to pay for the service, the District or its Franchisee/s may seek to collect the fees through reasonable means including written notices or demands, placing the charges on the following year’s tax roll of the respective property, or commencing an action in court to order the owner to pay the fees and costs of suit, including reasonable attorneys’ fees. Please see Solid Waste at www.sanmiguelcsd.org

Director Sangster thanked Interim General Manager Rob Roberson and opened for Public Testimony.

Public Comment/Testimony: Richard Smithen San Miguel resident voiced that he would like to know how they planned on inspecting a property. Interim General Manager/ Fire Chief Rob Roberson explained that if the property was a public health hazard or fire danger the District will mitigate the danger. Discussion ensued.

Owen Davis San Miguel resident thanked the Board of Directors for choosing a different landscaper for weed abatement this year and asked if they could look at his neighbor's yard.

Director Sangster closed Public Hearing and explained that there will be an action item for Board discussion.

2. **PUBLIC HEARING:** Consider approving Resolution No 2020-25 confirming the 2020 Weed Abatement Cost Report and Authorizing Collection of the charges on the County Tax Rolls. Director Sangster opened the Public Hearing.

Assistant Fire Chief/Fire Prevention Officer Scott Young presented the 2020 Weed Abatement Cost to the Board of Directors and public; explaining that he would like the Board to consider approving costs associated with weed abatement conducted by the District as presented by Resolution No. 2020-25. Approved costs will be a lien against the affected parcels through the County tax roll for the respective assessment amount. According to the Health and Safety Code section 14905, the District accounted for the cost of abatement for each affected parcel of land.

Director Sangster thanked Assistant Fire Chief/Fire Prevention Officer Scott Young and opened for Public Testimony.

Public Comment/Testimony: None

Director Sangster closed Public Hearing for Board of Director discussion.

Board Comment: Director Gregory asked for clarification on if the abatement has been done or will be done. Assistant Fire Chief/Fire Prevention Officer Scott Young explained that the eight properties have already been abated and landscaper has been paid; this item is to finalize the cost for a lien on the properties.

Director Sangster thanked the District staff.

Motion by Director Sangster to the adoption of Resolution No 2020-25 confirming the 2020 Weed Abatement Cost Report and Authorizing Collection of the charges on the County Tax Rolls.

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

STAFF & COMMITTEE REPORTS:

1. **San Luis Obispo County:** None

Public Comment: None

Board Comment: None

2. **Camp Roberts:** Army National Guard (CON Horvath) CON Horvath explained that Camp Roberts will be at high density with troops and thanked the San Miguel Fire Department

for the help with the unplanned wildland fire. CON Horvath informed the Board that he has a meeting planned with the California Fish and Wildlife to discuss the damage that the large herd of Elk are causing the base and residents. Discussion ensued about the damage.

Board Comment: Director Sangster asked about pig hunts on the base and where he could get some more information. CON Horvath informed them that he will get the state website that people could get a hunting permit from; see link: <https://calguard.ca.gov/cr/>

Public Comment: Owen Davis asked that staff forward the website to him.

Staff Comment: Assistant Fire Chief/Fire Prevention Officer Scott Young informed the Board that a scheduled live burn is planned for June 26th for three-hundred acres.

3. **Community Service Organizations: San Miguel Firefighters Association,** Report by Michelle Hido, Treasurer for the San Miguel Firefighters Association, informed the Board of Directors that the San Miguel Firefighters Association is planning on selling fireworks for the allotted days and has had San Miguel Garbage donate a safe disposal container that will be placed in the parking lot north of the Fire Station. Mrs. Hido also updated the Board of Directors that the County of San Luis Obispo does own the Father Reginald Park property. Discussion ensued.

Board Comment: None

Public Comment: None

4. **Interim General Manager:** Interim General Manager/ Fire Chief Rob Roberson updated the Board of the Director that the County is still under COVID-19, and SMCSO is still distancing and office doors are closed. As of June 8th, the new ACH payments have around sixty-five people signed up, and twenty customers are sixty-day past due. Interim General Manager/ Fire Chief Rob Roberson also explained that District Financials are on track and voiced each fund amount.

Interim General Manager/ Fire Chief Rob Roberson voiced that Assistant Chief Scott Young met with the ISO assessor for the Fire Department and the department's rating went from 4-4X after September we will be a 3-3X, San Miguel Fire Department will have improved by a whole number and that is good for property insurance throughout the District. Chief Roberson also updated the Board of Directors that the SRA Boundary has been changed. The SRA boundary has been moved to the edge of developed properties in the downtown area and outlying developments. The SRA boundary is based on the watershed and wildland interface. The State assumes all financial responsibility for the fire suppression in all SRA areas and does not affect the tax base and impact fees.

Board Comment: Director Sangster asked about if the Fire Department responded to a fire within the SRA will we get any reimbursement? Interim General Manager/ Fire Chief Rob Roberson explained that the San Miguel Fire Department would not get any reimbursement due to mutual aid. Discussion ensued that this is how it is done throughout the state.

Public Comment: None

5. **District General Counsel:** Presented by Counsel Dervin. ChurchwellWhite, LLC. Nothing to report at this time.

Board Comments: None

Public Comments: None

6. **District Engineer:** Written report submitted as-is. Dr. Blaine Reely was not present, and Director of Utilities Kelly Dodds asked for any questions.

Board Comment: Director Kalvans asked when the Master Plan update would be done? Director of Utilities Kelly Dodds explained that he was hoping for the next Board Meeting, but might take a little longer.

Public Comment: None

7. **Director of Utilities:** Written report submitted as-is and asked for any questions.

Board Comment: None

Public Comments: None

8. **Fire Chief & Asst. Fire Chief:** Fire Chief Rob Roberson, and Assistant Chief Young submitted the report as written. Fire Chief Roberson explained that the Department had a large fire on the terrace, the residence at that property burned and it was a complete loss with the need for a mutual aid response. The fire was accidental and ruled as no malicious intent. Discussion ensued about the increase in fires that the District has responded too. Chief Roberson voiced that Engine 8687 was out for repairs. The Fire Department will be covered for the fourth of July weekend.

Assistant Chief Young voiced that Engine 8687 had a catastrophic failure and had to drive in limp mode to South Coast and they are diagnosing the issue at this time.

Board Comments: Director Kalvans thanked San Miguel Fire for helping with the County fires, and explained that he was disappointed that San Miguel was not mentioned in the article.

Director Sangster asked if they had a cause at 13350 River Road fire? Chief Roberson explained that it was more of ruling out of things and in the end, it was no malicious intent. Assistant Chief Young voiced that there might be more information in next month's report.

Public Comment: Richard Smithen San Miguel resident asked how old the Engine 8687 was, and Chief Roberson explained that it was purchased in 2006. Mr. Smithen asked if they should be looking at a replacement and funds needing to be put aside. Chief Roberson explained that there is an action item on the agenda to address that issue. Mr. Smithen thanked Chief Roberson.

IX. CONSENT ITEMS: Director Sangster asked to discuss item number 1a.

1. Review and Approve Board Meeting Minutes

- a. 05-28-2020 Regular Board Meeting
- b. 6-11-2020 Special Board Meeting

Board Comment: Director Sangster voiced that page 48, item 3 residence needs to be changed to the resident.

Public Comment: None

Motion by Director Sangster to approve Consent items 1.a as amended and item 1.b

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

XI. BOARD ACTION ITEMS:

- 1. Review, Discuss, Receive, and File the Enumeration of Financial Report for May 2020.** Item was presented by Interim General Manager/ Fire Chief Rob Roberson and

Financial Officer Paola Freeman asked for any questions. Interim General Manager/ Fire Chief Rob Roberson explained that he would like the Board to know where each fund was comparing last year to this year, Mr. Roberson voiced that the increase was Fund 20 Fire has \$203,077.25; Lighting 30 has \$95,382.49; Wastewater 40 has \$497,724.02; Water 50 \$249,803.57. Interim General Manager/ Fire Chief Rob Roberson explained that each fund was solvent and that he wanted the Board of Directors to know what has been accomplished over the last year.

Board Comment: Director Sangster asked about page 60, page 3, or 12, specifically item 5727; T-post and fencing, and asked what that was purchased for? Director of Utilities Kelly Dodds explained that it has not been used yet, but would be to fence in the property at the Wastewater Treatment Facility. Director Sangster asked that signs be put up informing the public that it is private property.

Public Comment: None

Motion by Director Kalvans to Receive and File the Enumeration of Financial Report for May 2020.

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

2. Review and authorize the release of an RFP for Accounting Services.

Item was presented by Interim General Manager/ Fire Chief Rob explained that this would be a service to assist the District in the annual audit, and would also assist in quarterly reviews and payroll tax. Mr. Roberson explained the Board of Directors that it is in the best interest of the District to have a second set of eyes on the financials for compliance with the District policies and a watch for any fraud. There will be hourly restrictions on the time spent by the contracted CPA.

Board Comment: Director Sangster voiced that he was okay with releasing an RFP but asked if the District has its own set of “terms and conditions” or “General Provisions” that is used for consultants and any other contract? Discussion ensued. Interim General Manager/ Fire Chief Rob explained that he would have to look but does not think so. Director of Utilities voiced that the District doesn't have their own, but relies on the contractor. District General Counsel Dervin explained that it is a normal practice to have one and feels that it would not be too time-consuming to do. Discussion ensued about a timeline to get a District “terms and conditions” and what the District would need in them. Director Kalvans voiced that he wants to know if the District does have a policy for “terms and conditions” and if so, does it stand? Board Clerk, Tamara Parent voiced that resolutions stand until one replaces the previous resolution. Discussion ensued about looking into if the District has ever had any resolution for District terms and conditions in the past and when the item will be discussed.

Public Comment: None

Motion by Director Kalvans to release RFP for Accounting Services

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

- 3. Consider Adoption of ORDINANCE 02-2020 SMCSO Solid Waste and Recycling Ordinance.** Item presented by Interim General Manager/ Fire Chief Rob Roberson explained that the Ordinance has been discussed and a public hearing was done, and section 18 was added per Board Consensus. Mr. Roberson explained that if an owner or occupant fails to properly dispose of waste or recyclables or allows such to collect on the property within the District, the District manager is empowered to notify the owner, his or her agent or person in control of the premises to direct the removal of the waste or recyclables. If an owner fails to pay for the service, the District or its Franchisee/s may seek to collect the fees through reasonable means including written notices or demands, placing the charges on the following year's tax roll of the respective property, or commencing an action in court to order the owner to pay the fees and costs of suit, including reasonable attorneys' fees. The initiation of a lawsuit would only occur with Board review and approval. The proposed ordinance here renews and makes minor modifications to the ordinance previously in existence in the District, including the right of the District to abate any property, not in compliance with the ordinance, and make specific collection efforts for unpaid fees. Interim General Manager/ Fire Chief Rob asked if anyone had any questions, and explained that the ordinance would be published and take effect in thirty days.

Board Comments: Director Kalvans thanked the staff for the changes.

Public Comment: None

Motion by Director Sangster to Adopt District ORDINANCE 02-2020 SMCSO Solid Waste and Recycling Ordinance.

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

- 4. Review and approve Resolution 2020-22 assuming the responsibility for maintenance of landscaping in specific areas within the San Miguel Community.** Item presented by Director of Utilities Kelly Dodds explained March 26th Board meeting; the Board gave consensus to move forward with cleanup, irrigation repairs, and plant replacement with District personnel, with reimbursement from the San Miguel Chamber of Commerce for any out of pocket cost. Staff performed the cleanup and irrigation repairs and is working through the planting. An invoice was prepared for the San Miguel Chamber for reimbursement once the planting was completed. At the May 28th Board meeting; the Board through consensus, directed staff to bring this item back pivoting to District Staff to performing the maintenance as opposed to contracting the maintenance out to a contractor. The Board and Staff discussed that there was enough staff to perform the normal maintenance of the landscaping. There was also discussion about the potential of needing day labor in the future or potentially needing to contract this work out in the future. The attached resolution formalizes the Board's position on the landscaping maintenance and authorizes the expense of Lighting Department funds for the purposes of performing the landscape maintenance activities. The District will perform the maintenance on the

landscaping on the West side of Mission Street between 11th and 14th, Father Reginald Park, and the North and South Gateway monuments.

Board Comment: Director Sangster asked what the annual cost would be to the District? Director of Utilities Kelly Dodds explained that in terms of water usage, doesn't know yet because of new drip irrigation. Mr. Dodds explained that the time the staff has been putting in it is approximately five-hundred to one-thousand a month.

Director Kalvans thanked staff for adding that Lighting will pay for water usage, and asked if he has had time to look at the Tree USA? Director of Utilities Kelly Dodds explained that he has looked at it, but would need more time. Director of Utilities Kelly Dodds voiced that he wanted to make sure that the Board of Directors understand that lighting will be paying for water usage and staff time for maintenance as described in the resolution. Discussion ensued.

Director Gregory asked about the plants at the "gateway signs", and if they were irrigated and what state the plants are in? Director of Utilities Kelly Dodds explained that they are all cactuses and are not irrigated, and are looking good.

Public Comment: Aron Kardashian from San Miguel Garbage voiced that for maintenance of the landscaping would be willing to donate wood chips. Directors thanked San Miguel Garbage.

Scott Young from the San Miguel Firefighter's Association (SMFA) voiced that if the SMFA wanted to take on the maintenance of the Father Reginald Park, and would like to know if anyone from San Miguel CSD had spoken with the Native Sons about taking over the maintenance of the park. Director of Utilities Kelly Dodds explained that he has not spoken with the Native Sons and explained that the resolution is written so if anyone else takes over the Father Reginald Park they also take over the responsibility of the maintenance to the park.

Owen Davis San Miguel Resident voiced that there is no reason to take over the maintenance of Father Reginald Park because the Natives Sons will continue the maintenance and explained that they have put in a lot of time for it to be turned into a "dog park".

Board Comment: Director Kalvans voiced that he has spoken with a community member Dick Hoffman from the Natives Sons, and doesn't feel that it would be a good place for a dog park, and feels that a discussion with Native Sons is needed.

Director Sangster explained that the CSD doesn't have the authority to state that the park could become a "dog park" if it is the Counties property.

Public Comment: Richard Smithen San Miguel resident voiced that the County owns that park, and gave the maintenance to the Native Sons.

Board Comment: Director Sangster asked for consensus for removing the Father Reginald Park out of the resolution. Director of Utilities voiced that he put it into the resolution was for the intent of helping if needed.

Motion by Director Kalvans to approve Resolution 2020-22 assuming responsibility for landscaping minus Father Reginald Park, directing the General Manager and Board Officers to put together a press event, authorize the Board President to issue thank you letters in accordance with Board Bylaws, and research becoming a recognized Tree City USA.

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

- 5. Review and approve RESOLUTION 2020-19 authorizing the Director of Utilities to negotiate the purchase of a light-duty truck for the utilities department in an amount not to exceed \$35,000.** Item was presented by Director of Utilities Kelly Dodds explaining that this item was brought back from the May 28th, 2020 meeting, Staff, as well as Director Sangster, looked further into the cost for new and gently used vehicles. As suspected staff was able to find several vehicles from rental companies however most had a significant number of miles already. Discussion ensued and it was explained that this utility vehicle is not currently budgeted, and this request is to be paid from Capital Reserves.

Board Comment: Director Sangster voiced that he did look into his contacts and would also like to give information to the Director of Utilities Kelly Dodds in regards to County fleet and that he might be able to get in with a County purchase and might be at a better cost. Discussion ensued about the brand of truck.

Director Palafox asked about the pricing range? Director of Utilities Kelly Dodds explained that it was around twenty-seven thousand and thirty-four thousand, and a lot of rental vehicles are as much as a new vehicle.

Public Comment: Richard Smithen San Miguel resident voiced that he has a 2005 Dodge Turbo Diesel up for sale if the District would like to look at it.

Motion by Director Gregory to approve RESOLUTION 2020-19 authorizing the Director of Utilities to negotiate the purchase of a light-duty truck for the utilities department in an amount not to exceed \$35,000.

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

- 6. Consideration and Approval of RESOLUTION 2020-26 requesting consolidation of the San Miguel Community Services District's Biennial Election with County's November 3, 2020, Consolidated General Election.** Item presented by Board Clerk Tamara Parent explaining that this is a long-standing practice for past District elections, as it saves the District a substantial amount of staff time and money that would otherwise be spent on preparation of materials, mailing election materials, counting ballots and certifying the election results. Pursuant to California Elections Code §10555, the San Miguel Community Services District's Biennial Election can be consolidated with the San Luis Obispo County's November 3rd, 2020 General Election, and explained that this would be the most cost-effective for the District.

Board Comment: Director Gregory asked if they are two-year terms or four-year terms. Board Clerk Tamara Parent explained that there are three four-year terms to be put on the ballot. Director Green, Director Kalvans, and Director Gregory.

Public Comment: None

Motion by Director Sangster to approve of RESOLUTION 2020-26 requesting consolidation of the San Miguel Community Services District's Biennial Election with County's November 3, 2020, Consolidated General Election

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

7. **Continued discussion on the Fire Department Temporary Housing unit.** Item was presented by Assistant Fire Chief/Fire Prevention Officer Scott Young updating the Board of Directors that he would like to discuss if the District has an interest in providing a "Beat Station" for the North County Sheriff's Deputies. This option has its complexities such as increased cost, increased unit size, access, and security, and would like to get Board consensus if they would be interested in moving in that direction. Discussion ensued about the property South of the Fire Station.

Board Comment: Director Sangster voiced that he feels that everyone would be interested in moving in that direction. Director Sangster asked if there would be any financial help from the San Luis County Sheriff? Assistant Fire Chief/Fire Prevention Officer Scott Young explained that he has not had that conversation yet. Fire Chief Rob Roberson voiced that on different occasions he has had discussions with the Board of Supervisor John Peschong about having funding for a "Beat Station".

Director Kalvans asked if Monterey County Sherriff come to San Miguel. It was explained that there might be a security issue. Discussion ensued about the CHP and the changes for the larger unit with utilities.

Director Palafox asked if it would be a two-room unit with a small area for sleeping quarters and a larger area for the Sherriff office? Assistant Fire Chief/Fire Prevention Officer Scott Young voiced that he would look at options for that arrangement and bring back to the Board.

Public Comment: Richard Smithen San Miguel resident asked if the property would be purchased or just leased. Assistant Fire Chief/Fire Prevention Officer Scott Young explained that after speaking to the property owner, he is not interested in selling so it would be a lease agreement.

Consensus of the Board of Directors is to have staff look at a bigger unit for San Miguel Fire Department sleeping quarters and Sherriff/ CHP office.

8. **Discussion on 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 in May the plant averaged 153,549 gallons per day 78% of hydraulic design capacity with a max day of 174,096 gallons 88% of hydraulic design capacity. Director of Utilities Kelly Dodds updated the Board that in May 2020 the District received the signed agreement back for the planning grant and submitted the initial invoice for reimbursement. June 2020 District Engineer completed an analysis of the flooding risk to the WWTF site from Salinas River flood flows, Director of Utilities explained that FEMA doesn't have a flood analysis prepared for the San Miguel area, however, a partial analysis was prepared for the North River Road Bridge by the County when it was replaced. The analysis completed by Monsoon Consultants shows that a large portion of the lower

areas of San Miguel is in the 100-year flood plain area and that all of the current WWTF is in the 500-year flood plain along with the majority of San Miguel. The ability to purchase of Railroad Property will be essential to reducing grading costs to bring the treatment processes out of the 100-year flood plain. The results of the study will be incorporated into the final design. June 2020 the DE completed the revisions of the USDA Preliminary Engineering Report (PER) and will resubmit to the USDA for funding consideration. Now that the FINAL engineering report is completed and has been approved by the Board, the District Engineer (DE) has begun working on a proposed schedule/timeline which will be presented to the Board for the preparation of construction documentation, environmental/regulatory compliance measures, and permitting. At that time, the DE will provide cost estimates associated with that schedule. Director of Utilities Kelly Dodds informed the Board of Directors that one of the first things that will be needed will be a headworks and larger lift station. Once a capacity is determined that will be brought to the board for approval. Based on discussions with the DE, we have initiated the final design phase for the recommended WWTP upgrade and expansion design alternative. We have scheduled approximately 9 months to complete the final design and the preparation of the Construction / Bidding Documents. On April 23, 2020, the Board awarded a contract to Dudek for Environmental Studies as required for CEQA/ NEPA Compliance for the recommended WWTP upgrade and expansion design alternative. The timing of the environmental compliance & permitting work will coincide with the completion of the final design phase. Under our currently planned schedule, the District should plan on initiating the process of obtaining financing for the WWTP upgrade and expansion project during the third quarter of 2020, to have financing in place to advertise and award a construction project in 2021. Although the District staff are aggressively researching and applying for grant funding opportunities, it is likely that to meet our deadline, the District may need to pay out of pocket for some of the construction design work.

Board Comment: Director Sangster asked if there is a large amount of cost to mitigate the one-hundred-year flood and asked what the estimated cost would be. Director of Utilities Kelly Dodds explained that the DE is still working on getting that information and explained that the biggest cost would be from whatever wall/dike system that would need to raise the eastern fence up eight-feet. Director of Utilities Kelly Dodds voiced that he should be able to give an update on that by the next meeting. Director Sangster asked if there will be any funds/grants that will help with offsetting the new cost? Director of Utilities Kelly Dodds explained that most likely that he can find to offset the wall/dike or some other system to help pay for the system. Discussion ensued about FEMA.

Director Kalvans voiced that he thought that it was odd that there is not flood study for that area, due to that area flooding. Director of Utilities Kelly Dodds explained that the FEMA flood maps show essentially the sides of the river as the flood plain, but there were no calculations or engineering done. However, based on the bridge data from San Miguel Bridge and Paso Robles Bridge the District Engineer, Blaine Reely from Monsoon Consultants was able to put together a flood analysis. Discussion ensued about the houses built at that lower level and how USDA will not fund any projects in the hundred-year flood plain.

Director Gregory asked if she was correct that USDA would not fund the project if the WWTF was not built outside the flood plain? Director of Utilities Kelly Dodds explained

that USDA's initial comment was it needed to be out of the one-hundred and five-hundred-year flood plain, but based on there is no place to build it outside the five-hundred-year flood plain; most likely they will fund it as long as it is outside the one-hundred-year flood plain with requirements of building the wall/dike. Director of Utilities Kelly Dodds explained that he will have more information next meeting. Discussion ensued.

Public Comment: None

Informational item only

9. **Review and approve RESOLUTION 2020-27 authorizing the Interim General Manager/Fire Chief to enter into a 10-year lease agreement with South Coast Equipment and PNC Equipment Finance for the acquisition a Type III; Model 34-F Pierce Wildland Fire apparatus for a total lease amount of \$471,919.** Item was presented by Interim General Manager/ Fire Chief Rob and Assistant Fire Chief/Fire Prevention Officer Scott Young explaining the background of E8687 that has had a catastrophic failure around two weeks prior. E 8687 was built at the time to perform as a first out front-line fire apparatus able to perform in the urban and urban-wildland interface areas throughout the District, in addition to fulfilling the Departments Automatic Aid and Mutual Aid Agreements with the County and State. Additionally, E8687 was scaled down to meet the DOT 26,000 GVW requirement allowing for a class "C" driver's license with additional specialized training for water tanks and air brakes. As well-intended as the concept was in 2006 E8687 has faced numerous setbacks in recent years due to mechanical failures, wear and tear, years of service, and changes in the County & State Standards. It has also been brought to the attention of Department Staff that the 2006 GMC Kick Top cab & chassis has become obsolete, making the acquisition of parts difficult or unavailable. The lack of readily available parts poses a great burden on the Department by potentially removing the unit from service for days, if not weeks at a time. Equipment failure prior, during, or post-event leaves the department members at risk. The solution is to replace E8687 buy selling E8687 and purchasing the discussed engine. Discussion ensued. Interim General Manager/ Fire Chief Rob explained that the Department Staff has contacted South Coast Equipment, HME, and BME Equipment Manufacturers requesting specifications and pricing information. HME & BME were able to forward equipment specifications without cost information or potential fabrication buildup start dates. South Coast Equipment is a Peirce distributor and was the only company that provided equipment specifications, diagrams, cost information, lease finance options, and photos of a new demo unit available for immediate delivery. The acquisition of a Model 34-F Type III Fire Apparatus would enhance the Department's fleet providing a unit in compliance with the current County & State standards, allowing for an overall increased level of safety to the District, County, and State. Interim General Manager/ Fire Chief Rob and Assistant Fire Chief/Fire Prevention Officer Scott Young asked that the Board of Directors Approve RESOLUTION 2020-27 to authorizing the Interim General Manager/Fire Chief to enter into a 10-year lease agreement with an annual payment of \$47,191.91 for the acquisition a Type III; Model 34-F Pierce Wildland Fire apparatus with South Coast Equipment and PNC Equipment Finance for a total amount of \$471,919.10. Interim General Manager/ Fire

Chief Rob Roberson and Assistant Fire Chief/Fire Prevention Officer Scott Young explained the items on the proposed engine that upon taking possession of the new unit and placing it into service. The Department would then decommission E8687 and offer it for a surplus sale, with the potential sale price of around \$60,000.00 to \$100,000.00. There is no upfront cost and explained that these funds would be placed into a new "Vehicle Payment Account". Interim General Manager/ Fire Chief Rob Roberson voiced that the Fire Department has \$878,531.17 and the first lease payment of \$47,191.91 would be due 1-year after the lease commencement date, allowing time for the sale of E8687. Future payments shall be funded by utilizing restricted funding sources such as Facilities Impact Fees, OES reimbursements, potential equipment grants, and if necessary, a budgetary line item.

Board Comment: Director Sangster explained that he was informed about E8687 needing repairs and has looked and was shocked that he only found one other engine out there for sale at that price range. Director Sangster asked what the interest rate would be? Fire Prevention Officer Scott Young explained that it is at fourteen percent and the buyout at the end for one-dollar, and if the District decides to pay off early there would be a three percent fee of the principle. Discussion ensued about if E8687 and if it could be traded in. Director Sangster asked where they would put the new engine? Assistant Chief/Fire Prevention Officer Scott Young explained that E8687 would be in the back of the apparatus bay and the new engine in bay two. Director Sangster also voiced that he feels that the engine fits the need of the District but wants to make sure that we are following the District's Purchasing Policy. Discussion ensued that staff has reached out to four different vendors and discussion ensued about how some did not even respond to the quote request. Director Sangster voiced that he would be in favor of this item as long as Interim General Manager/ Fire Chief Rob Roberson writing a sole source justification. Discussion ensued. Director Sangster asked about the warranty, and if they could give more of a warranty. Assistant Chief/Fire Prevention Officer Scott Young explained that he did have that conversation with Peirce, and they explained that with the purchase you get the Pierce warranty and there is nothing else they offer. Discussion ensued about warranty see page 134 of Board packet.

Director Kalvans explained that he has always been in favor of fire equipment to handle wildland fire but would like to know if getting a water tender in the future. Wildland fires need to be able to be stopped within the district.

Director Palafox asked about the lease and if there are other options if this item doesn't get approved. Interim General Manager/ Fire Chief Rob Roberson explained that there are always options but voiced that this is the best deal for the District and would be in service within thirty days. Discussion ensued about what happens when it arrives and how it will be checked out.

Director Gregory asked what the cost break down and what the kind of break is the District getting by purchasing a "demo model" or what it would cost to order the same engine? Interim General Manager/ Fire Chief Rob Roberson explained that it would be around four-hundred and forty thousand. Director Gregory voiced that if they pay off early could save

around forty thousand. Discussion ensued lease agreement and how to calculate payment and payoff and how the lease includes the tax.

Public Comment: Richard Smithen voiced that it is a great deal, and informed the Board of Directors that he had been a Fire Chief for 34 years and has purchased many fire engines. Mr. Smithen voiced that the engine will pay for itself with wildland fire assignments and feels that the staff has done their homework on this item and thanked the Fire Chief.

Motion by Director Sangster to approve of RESOLUTION 2020-27 authorizing the Interim General Manager/Fire Chief to enter into a 10-year lease agreement with South Coast Equipment and PNC Equipment Finance for the acquisition a Type III; Model 34-F Pierce Wildland Fire apparatus for a total lease amount of \$471,919

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

XII. BOARD COMMENT: Director Kalvans asked if anyone has had time to view the land tax video. Director Kalvans also voiced that he would send information to thank the community during the COVID-19 and would send the wording for the Landscaping motion.

Director Sangster's voiced that he wanted to thank the Fire staff for the clear information given to the Board of Directors on the fire apparatus purchase.

XIII. ADJOURNMENT TO NEXT MEETING: Adjournment at Approximately 9:56 P.M.

6-25-2020 Minutes - Passed on July 23, 2020 was approved by Vote of 4 AYES and 0 NOES and 1 ABSENT and 0 ABSTAINED.