



SAN MIGUEL COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS

APRIL 28, 2016 SPECIAL AND REGULAR MEETING MINUTES

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

- I. Meeting Called to Order by President Green—6:00 pm
- II. Pledge of Allegiance: lead by Director Buckman
- III. Roll Call: Directors Present: Buckman, Dawes, Green and Kalvans  
Directors Absent: Reuck
- IV. Adoption of Special and Regular Meeting Agendas:
- V. Public Comment and Communications: None
- VI. Adjourn to Closed Session 6:04pm
  - 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 Supervisor Court Case No. 1-14-CV269212
  - 2. **Conference with District General Counsel—Anticipated Litigation**  
Pursuant to Government Code Section 54956.7 (2) (d) (2 cases)

Reconvene to Open Session – 6:50pm

Report Out of Closed Session by District General Counsel--6:50pm

No Reportable Action

President Green recessed meeting at 6:51pm  
President Green called meeting back to order at 7:00pm

President Green request District General Counsel to restate the Report Out of Closed Session.

District General Counsel restated that there was no reportable action Out of Closed Session.

**VII.** President Green call to order the Regular Board Meeting at 7:01pm

**VIII.** Special Presentation by Paso Robles Area Power Connect Project

Project representatives gave a brief overview of this proposed power connect project and how the project is intended to provide a hook up to 230 kw with a tie-in connection. The San Miguel substation is a terminus for the grid system but will be unaffected by the project.

The Board briefly discussed the tie-in project and how it may benefit San Miguel area. Representatives spoke, in reply, about the improvements to grid system to make it more reliable and tie –in to alternative energy sources. They also spoke about statewide electric grid system improvements taking place elsewhere.

There were no further Board comments or questions.

President Green asked if there was anyone from the public that wished to ask a question.

There were no questions or comments.

President Green, on behalf of the Board, thanked the Project representatives for coming to make this presentation.

**IX.** Public Comment and Communications:

President Green announced that now is the time for anyone wanting to be heard on an item not on the agenda to speak with the Board.

There was no public comment, request or questions.

**X.** Staff & Committee Reports—Receive and File

**Non-District Reports:**

1. San Luis Obispo County Sheriff  
There was no report given.
2. San Luis Obispo County Board of Supervisors  
There was no report given.
3. San Luis Obispo County Planning and/or Public Works  
There was no report given.
4. San Miguel Area Advisory Council  
Director Kalvans gave a brief verbal report on items discussed at the last Advisory Council meeting on Wednesday, including development projects

for Dollar General store and Jason Leggitt for a duplex project.

5. Camp Roberts—Army National Guard  
There was no report given.

**District Staff & Committee Reports:**

6. General Manager (Mr. Gentry)  
General Manager gave a brief verbal report on administrative matters happening at District and also advised the Board that he would be on vacation from May 9<sup>th</sup> to May 16<sup>th</sup>. Reminder of April 30<sup>th</sup> workshop.
7. District General Counsel (Attorney Schweikert on behalf of Doug White)  
There was no report given.
8. Utility Supervisor - (Mr. Dodds)  
Supervisor Dodds reported that the Board agenda packet includes a written report and if there were any Board questions, he would respond. Supervisor also reported that the WWTP had a failed aerator motor earlier today. He also indicated that repairs had been done but in the future, there will be a need to replace existing motors with more energy efficient devices.

**Public Comments and Questions**

Laverne Buckman asked about lead in drinking water given recent events in Flint Michigan. Supervisor Dodds replied that an annual water quality report is prepared and filed with the State Board on existing water quality issues and compliance with standards. He indicated that there is lead but is well within allowable ppm (parts per million) standards by state regulations.

9. Fire Chief (Chief Roberson)  
Chief Roberson reported that the Board agenda packet contained a written report on Department activities and incident responses. He asked if there were any Board questions. There were no questions or comments.
10. District Engineer (Mr. Tanaka)  
Engineer Tanaka reported that the Board agenda contained a written monthly report showing very little change in activities or development projects since the March report.

Director Buckman asked District Engineer if it is possible for the stockpiled dirt at the WWTP site could be moved and used for other purposes at the treatment plant. Engineer Tanaka indicated that yes, it is possible as long as there were no permit requirements or environmental regulations that would prohibit that type of earth moving. After brief

discussion about possibility of reuse at WWTP, staff was asked to follow-up on what would be needed to get this type of reuse done.

11. Finance/Budget Committee (Director Dawes, Chair)  
Director Dawes reported that a written report was attached in Board packet. He indicated that the Committee, working with Staff, is making significant progress. As a result, the Committee is having fewer and fewer questions with monthly financial reports.
12. Organization/Personnel Committee (Director Green, Chair)  
Director Green reported that the Committee did not conduct a meeting in April.
13. Equipment & Facilities Committee (Director Kalvans, Chair)  
Director Kalvans reported that the E & F Committee held no April Meeting due to his absence out of the country.
14. Water Conservation Ad-Hoc Committee (Director Kalvans, Chair)  
Director Kalvans stated he is looking forward to water conservation ordinance coming back to Board in July.
15. Water Resources Advisory Committee (Director Kalvans, Rep)  
Director Kalvans reported that the Advisory Committee is done with any activity since the failure of the basin water district to be approved by voters. He also stated that he attended the WRAC meeting.

**XI. Consent Agenda Items:**

President Green announced that is the time for considering the Consent Agenda items and asked if there were any items to be pulled.

Director Kalvans requested Items 18 and 19 be pulled for brief discussion.

Director Dawes made a motion to approve Consent Agenda Items 16a and 16b and Item 17. Motion was seconded by Director Buckman. **Motion was approved by voice vote of 4 Ayes and 1 Absent.**

18. Consider a request to nominate a Board Member or General Manager for CSDA Board of Director Elections to Seat B for term 2017-19.

Director Kalvans requested this item be pulled for discussion since he was interested in being nominated by SMCS D Board of Directors.

Board members indicated their support for nominating Director Kalvans for the open seat to CSDA Board. There was brief discussion. Motion to nominate Director Kalvans for Seat B to the CSDA Board of Directors was made by

Director Dawes, motion was seconded by Director Buckman. **Motion was approved by unanimous voice vote of 4 Ayes, 1 Absent.**

**19. Adopt Resolution No. 2016-18** ratifying the Board's March 24<sup>th</sup> approval of job reclassifications for 2 District employees and authorizing a change in compensation for job reclassifications.

President Green asked District General Counsel if he and Director Kalvans reclude themselves for potential conflict of interest reasons and a pending complaint, would there would be a quorum of the Board available for considering this item. District General Counsel responded that there would not be a quorum due to absence of 1 Director and 2 Directors reclude themselves. He recommended that the Board table this item until a quorum of the Board is available.

Item was tabled without discussion or consideration by the Board until a quorum of the Board was available.

**XII. Board Action Items:**

**21.** Review and Discussion approving proposed I T interim service improvement agreement with Allen Mapalo.

Staff gave a brief report and indicated that a written staff report was included with Board agenda packet. Mr. Mapalo was asked to speak about what services he could provide to the District, hourly or quote rates, licenses or certifications.

Mr. Mapalo described his nearly 20 years experience in I T Services having done this type of work for local CSD's and/or wastewater treatment plants in region. He listed his certifications for I T services and computer system work. He spoke about the immediate need of District to provide security to the system, improve the equipment and address what the system is currently (commonly known as mapping). He is also offering a discounted rate to SMCSO.

There were Board questions regarding the security of the current equipment and location needs. Mr. Mapalo spoke about lack of security at the present location for the system and equipment. He also spoke about need to update a server and router(s) with latest security.

Board asked about costs and other services. Board wanted to know if he was helping out with current needs. General Manager replied that he is currently helping with hourly services for which there are budget funds available for these hours. GM recommended that an interim service agreement for ongoing services up to 12 months or more at a fixed hourly or monthly rate as described by Mr. Mapalo and for future equipment specifications or future RFP be brought back for Board action.

Laverne Buckman asked Board about this request and questioned whether or not an RFP for long-term services agreement would be done with Mr. Mapalo's assistance as described to F & B Committee.

GM replied to question as requested by Board. Mr. Mapalo would be providing interim services for up to a year and assist with an RFP specifications description. Board requested that Staff bring this request back with items specified by GM. Board agreed by unanimous voice vote on direction to Staff.

**20.** Consider and Discuss a Presentation by Energy Watch of District Energy Large Integrated Audit Report for cost reduction opportunities and improving operational efficiencies.

Staff gave a brief introductory statement and indicated that Mr. Jon Griesser and Jordan Garbayo from Energy Watch program are here to make a short presentation of findings and recommendations.

Mr. Griesser thanked the Board for the opportunity and would be brief. He reviewed the purpose of the Energy Watch program as administered by County staffing. He then reviewed the specific results of the Audit Report which provides the Board with a picture of where the needs for systemic improvements in energy cost savings would be maximized. He acknowledged the District for its solar panel installation at Fire Station.

Mr. Griesser also thanked District staff for their assistance and cooperation in providing data, conducting site visits to individual facilities and responding to inquiries. He spoke briefly about the largest use of energy is the WWTP facility, which would be the preferred location for greatest energy cost savings, specifically potential solar panel, high efficiency aerator motors at ponds.

He also spoke about the financing options available to SMCSO, such as low-interest loans, on bill financing and grant funds, even technical assistance for energy efficiency projects. A viable option for aerator motors or solar panels may be the on-bill financing program available through PG & E. He spoke about need to replace existing light fixtures in various District facilities with LED lights for further cost reductions.

Director Dawes asked about the spreadsheet exhibit of costs, page 14 in the report which seemed to contain some errors and asked if this information was accurate. Mr. Griesser stated that he would re-check the figures and could provide a corrected version to the Board. Director Dawes stated that if a corrected version is found to be needed then certainly the Board would want to review a corrected copy. Mr. Griesser stated that he would follow-up with General Manager.

Board thanked Mr. Griesser for the presentation and directed Staff to work with Energy Watch on potential funding of energy efficiency equipment and funding sources.

**22. Review and Discussion of a Presentation and Report by District Engineer on Machado WWTP Loading Assessment Study Findings.**

District Engineer Tanaka provided the Board with a presentation about the findings from recently completed Loading Assessment Study. He gave an overview of the study which was tasked with determining the existing operating capacity of WWTP, identifying organic waste strength and plant flows for WDR compliance. His review and presentation identified the current plan operations at 70% to 75% capacity, which is typically viewed as the point where planning and design studies for expansion and/or plant upgrades are performed along with environmental documents. The plant's per capital wastewater flow is 67 gal/day. Average daily flow for past year, January to December has been trending higher throughout the year and reaching 140,000 gallons average daily flow.

District Engineer described influent sampling results in terms of TDS, BOD which signals the need for planning the WWTP expansion and upgrade operations. He also mentioned the need to upgrade the pond aerators which Utility Supervisor and Energy Watch representatives spoke about earlier in the evening. Downgradient conditions for TDS and nitrate nitrogen in groundwater wells is trending higher in concentration. This indicates that deeper well sampling may be warranted but would necessitate consultation with RWQCB.

In the future, SMCSO could anticipate requirements by RWQCB on nitrates, sludge drying beds being lined rather unlined and a requirement for expanding percolation ponds above the current design flow capacity rating.

General Manager reported to Board that staff has already begun coordinating with the State Water Resources Board, Office of Technical Assistance about possible grant funding for plant expansion design planning and environmental document preparation.

Board commented about the Loading Study findings, in particular, how soon should an effort to prepare such design planning and environmental documents as described by GM begin? District Engineer stated that the capacity results indicate that now would be prudent to begin rather than waiting longer.

There were no further Board questions.

There were no public requests to speak.

The Board, by consensus, directed GM to continue pursuit of grant funding possibility and to organize design planning work program.

**23.** Review and Discussion of District General Counsel Report of Interest Owed Analysis related to Inter-fund Loan Repayment.

District General Counsel reported that the written report in Board agenda packet gives the analysis of interest owed to other fund accounts by wastewater/sanitary fund for loan provided some years ago.

General Counsel calculated that the Board could determine that \$25,789.94 in interest payment is appropriately owed and supported by this analysis. GM recommended that the Board determine the this interest payment to be appropriate and supported by the analysis with authorization given to GM for this payment to be made from Wastewater/Sanitary Capital Reserves.

There were no Board questions or comments.

There were no public requests to speak or questions.

Director Kalvans made a motion to accept and file the General Counsel report and to direct General Manager to make fund transfer for an interest payment of \$25,789.94 by Wastewater/Sanitary Fund to original lending funds as recommended by staff. Motion seconded by Director Dawes. Motion was approved by roll call vote. **AYES—Buckman, Dawes, Green, Kalvans; ABSENT—Reuck.**

**24.** Review and Discussion of a report declaring hazardous weeds as a public nuisance to be abated within the boundaries of the District.

Fire Chief Roberson gave a brief report and also indicated that a written report was submitted in the Board's agenda packet. Chief also stated that this is the annual abatement program and described the intent of this meeting which will provide the required property owner notice to abate or pay the cost recovery of abatement expenses via annual property tax bill with administrative expenses.

Director Green asked the Chief about 2 properties on east side of Salinas River that may still need to be abated and requested Chief to re-examine. Director Dawes asked about the risk if a fire should begin on a property posted for weed abatement. Chief explained how District cannot "Force" a property owner to cut their weeds but can cut the weeds and assess property owner for cost of cutting plus administrative costs. Chief also indicated that the attached exhibit lists the properties that are currently posted for weed abatement. He expects the list to shrink as property owners realize cost potential to them and become aware that the District will act to cut down any weeds.

There were no further Board questions.



There were no public questions or requests to speak.

Director Kalvans made a motion to adopt Resolution No. 2016-19 declaring hazardous weeds a public nuisance with the SMCSO and to direct staff to proceed with mailing notices to abate out for all affected properties. Motion seconded by Director Dawes. Motion was approved by roll call vote: **AYES**—Buckman, Dawes, Green, Kalvans. **ABSENT**--Reuck

XIII. Board Comments:

Directors Kalvans and Dawes stated an interest in attending the scheduled CFCC Funding and request information be sent to them. Director Dawes stated that he would report back to the Board about any information that would result from his attendance.

There were no other comments.

President Green adjourned the meeting.

Adjournment

9:41pm

Attest:

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Darrell W. Gentry,  
General Manager and  
Secretary to the Board of Directors