

SAN MIGUEL COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS

January 24, 2019 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 p.m.
- II.** Pledge of Allegiance led by Director Kalvans.
- III. Roll Call:** Directors Present: Green, Parent, Kalvans, Sangster, and Palafox
Directors Absent: None
District Staff in attendance: Interim General Manager Rob Roberson, Board Clerk Tamara Parent, Director of Utilities Kelly Dodds, Bookkeeper Paola Freeman, District Engineer Dr. Blaine Reely and District General Counsel White, Brenner, and Seikaly
District Staff Absent: None
- IV. Adoption of Regular Meeting Agenda:**
Direction given by District General Counsel White to approve item of this agenda one at a time.
Motion by Director Green to approve item one at a time.
Seconded by Director Parent. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.
- V. ADJOURN TO CLOSED SESSION:**
Closed Session convened at 6:03 p.m.
- A. CLOSED SESSION AGENDA:**
- 1. CONFERENCE WITH DISTRICT GENERAL COUNSEL – Existing Litigation**
Pursuant to Government Code Section 54956.9 (d)(1) Case: *Steinbeck v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-265039* and Case: *Eidemiller v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-269212*
 - 2. CONFERENCE WITH DISTRICT GENERAL COUNSEL-ANTICIPATED LITIGATION**
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:(1 case)WO

3. CONFERENCE WITH LABOR NEGOTIATORS (Pursuant to Government Code Section 54954.5(f) and Government Code Section 54957.6)
Unrepresented Bargaining Units: Non-Management Non-Confidential Unit and Non-Management Confidential Unit

4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

(Pursuant to Government Code §54957)

Title: Fire Chief

5. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

(Pursuant to Government Code §54957)

Title: Assistant Fire Chief

VI. Call to Order for Regular Board Meeting/Report out of Closed Session: 7:05 P.M.
Report out of closed session by District General Counsel White. Board of Directors entered into the Tolling and Standstill agreement regarding the Steinbeck litigation. Direction was given to staff regarding other closed session items.

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

VIII. Special Presentations/Public Hearings/Other: (#2) Motion to hear out of order by Director Parent. Seconded by Director Kalvans. Motion passes 5/0/0

1. Election of Board Officers and Board Appointments:

A. Nominate and Elect Board of Director Officers:

A.2. Vice-President

Motion by Director Kalvans to nominate Director Sangster to Vice-President for Calendar year 2019.

Seconded by Director Palafox. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

2. PUBLIC HEARING FOR PETITION FOR RECOGNITION OF THE SAN MIGUEL EMPLOYEES' ASSOCIATION: Pursuant to Article II, Section 2 of the Resolution of the Board of Directors of the San Miguel Community Services District Implementing Chapter 10, Division 2, Title 1 of the Government Code of the State of California Relative to Employer-Employee Relations, that the San Miguel Community Services District is holding a public hearing to determine whether the proposed San Miguel Employees' Association is in compliance with the requirement for formal acknowledgment as a recognized employee organization and whether the proposed representation unit is an appropriate unit. (District General Counsel Seikaly) *Two Questions. District General Counsel Seikaly opened the Public Hearing for any Public Comments.
Public Comment: None

Board Comment: None

1. Motion by Director Sangster to approve that there has been compliance with the requirements for formal acknowledgment as a recognized employee organization in accordance with Article II, section 1 of the District's Employer-Employee Resolution.

Seconded by Director Parent. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

2. Motion by Director Parent to split the proposed SMEA unit is an appropriate unit if the unit is split into a Confidential Unit and a Non-Confidential Unit in accordance with Article II, section 7 of the Employer-Employee Resolution.

Seconded by Director Kalvans. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

IX. STAFF & COMMITTEE REPORTS: (#3) Motion to hear Non-District Reports 1-5 out of order by Director Green. Seconded by Director Sangster. Motion passes 5/0/0

1. San Luis Obispo County Sheriff No Report
2. San Luis Obispo County Board of Supervisors No Report
3. San Luis Obispo County Planning and/or Public Works No Report
4. San Miguel Area Advisory Council No Report
5. Camp Roberts—Army National Guard (LTC Robert Horvath) LTC Horvath introduced himself to the Board of Directors and explained that Camp Roberts works closely with San Miguel Fire and has only heard good things about the relationship. Mr. Horvath explained that they will be having a regimen coming in for training from Guam. LTC Horvath thinks that this will have little impact on San Miguel.
6. **Interim General Manager:** Interim General Manager/ Fire Chief Rob Roberson, explained he had information in regard to Director Kalvans question about Gann Limit, Mr. Roberson informed the Board of Directors that local governments are not subject to appropriations limit requirements if special district did not, as of fiscal year 1977-78, levy a property tax in excess of \$0.125 per \$100 of assessed value, as a Special District most of the new Gann limits do not apply but informed the Directors that the percentage that the SLO County collects AB-8 factor for the District is \$0.020 for Lighting and \$0.068 for Fire. Interim General Manager/ Fire Chief Rob Roberson explained that Director Kalvans that his other question from last meeting was to talk about AB2, and this item will be brought back for discussion. Interim General Manager Roberson explained that the District Auditor was at the District Office on January 24th & 25th for the findings process for the FY 17-18 District Audit. Once the Audit is done we will be scheduling the financial Special Meeting. Mr. Roberson also explained that the District had researched other payroll companies like the Board asked and has decided that Paychex will work best for the District. Discussion ensued. Interim General Manager/ Fire Chief Rob Roberson explained

that the County has sent out information in regard to PG&E bankruptcy and wanted to inform the District that there might be a postponement in payment of taxes. Discussion ensued about the ongoing court case with former employee and the charges of embezzlement of public funds.

Board Comment: Director Kalvans voiced that he would be willing to wait for a smaller agenda but would like to hear in the future.

Public Comments: None

7. **District General Counsel:** Presented by District Counsel White. ChurchwellWhite, LLC. Mr. White voiced that he was not charging for his attendance at this District meeting.

Board Comments: Director Kalvans asked Counsel Brenner about the email that was sent to the District Board of Directors about AB401 (Assemblymen Dodd) and asked for more clarification for the record. Counsel Brenner informed the Board that it is a SWRCB is looking at ideas for low income rate assistance. This is because they are looking into how to get around Prop 218, the part where you must charge everyone the same. The State of California legislators are trying to levy a tax that then can be used for low income residence. Discussion ensued about Prop 218 and its not clear what will happen.

Public Comments: None

8. **District Engineer:** Written report submitted as is. District Engineer, Blaine Reely is absent

Board Comments: None

Public Comment: None

9. **Director of Utilities:** Director of Utilities, Kelly Dodds submitted report as written and asked for any questions. Mr. Dodds informed the Board that there were no shut offs this last month. Director of Utilities Dodds also informed the Board they had a water main leak and, in the process found an abandoned line that led to nowhere, and the leak was fixed.

Board Comment: Director Sangster informed D.O.U of the pole number with the street light out and asked if there was any update on lighting? Mr. Dodds explained that he has had no time to resubmit everything to PG&E, but it was on the list.

Public Comments: None

10. **Fire Chief:** Fire Chief Rob Roberson, asked for any question. Mr. Roberson explained that he went in front of the SLO County Board of Supervisor in regard to the Blue-Ribbon Committee put together by the SLO County Supervisors due to Cayucos Fire Department dissolving. Chief Roberson spoke for the District and informed the SLO Supervisors that the San Miguel Fire Department response to calls that Calfire Station 30 can't get to the calls in the required response time of 15 minutes. The Blue-Ribbon committee thanked San Miguel Fire and understands that we are doing a lot with a small budget. One-third of San Miguel calls are out of the District boundaries, into the County area. For them to come in and take over the San Miguel Fire Department they are looking at a cost estimate of 1.3 million and assuming all assets. The District would only get two people out here and all the thing the San Miguel Fire Department does, would cease to exist. The District Supervisor asked us what we needed and Chief Roberson explained to them it is all about service, response and coverage for the District. County Supervisor asked what it would take for our needs, and Chief Roberson explained to have coverage it

would be around a cost of \$77k. Chief Rob Roberson explained that what the Fire Department is really interested in is the tax base out side the district that San Miguel Fire response to that is the counties responsibility. Discussion Ensued about what other fire departments are asking for. Fire Chief Roberson explained that the Fire department has had Scott Young has taken over the Assistant Fire Chief /Prevention position, and with that he is looking at all the avenues for collection of fees, or we have missed out on because of the way things where structured in the past. The Fire Department has purchased a fire reports program called “Emergency Reporting Systems” ER it is computer based and all inspection reports will be downloadable. This system will benefit the District and will track hydrants, vehicles, inventory and will hopefully reduce our ISO rating. The Fire Department will be bringing forward a fee schedule for inspections and a new State Fire Code. Scott Young is taking an inspection course that certifies him to be an Inspector.

Board Comments: Director Sangster voiced that the Mileage Report needed to be looked at because the calculations of the spreadsheet are not adding up correctly. Chief Roberson explained that he would take look and get the form fixed.

Director Green asked about the Gas Credit card and would like the District Staff to go to Paso Robles for fuel. Director of Utilities explained that with the new treatment facility there will be a gasoline tank, like the diesel tank we have now.

Chief Roberson voiced that all fire vehicles get diesel at the yard. Discussion ensued.

Public Comment: None

Motion by Director Kalvans to go to Board Comment.

Seconded by Director Parent. Motion passes 5/0/0

- X. CONSENT ITEMS: (#1) Motion to hear Agenda out of order by Director Kalvans.**
Seconded by Director Sangster. Motion passes 5/0/0

1. Review and Approve Board Meeting Minutes

a) 12-20-2018 Special Board Meeting Minutes

- 2.** Approving **RESOLUTION 2019-01**, assignment of banking powers for John Green, Anthony Kalvans, Joseph Parent, Ashley Sangster, Hector Palafox for District Bank accounts and revoking banking powers for Gilbert Buckman.
- 3.** Approving **RESOLUTION 2019-02**, assignment of banking powers for General Manager Rob Roberson and Bookkeeper Paola Freeman for District Bank.
- 4.** Approving **RESOLUTION 2019-03**, identifying the bookkeeper classification as a confidential employee pursuant to the district’s employer-employee relations resolution.

Motion by Director Parent to approve Consent Items 1 thru 4 (X)

Seconded by Director Kalvans. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

XI. BOARD ACTION ITEMS:

Motion by Director Green to hear Action Items in the order of item number 1,2,5,6,3 and 4. Seconded by Director Parent. Motion passes 5/0/0

1. #1 Discuss a green waste program for San Miguel residential and commercial customers and hear a presentation from San Miguel Garbage on the current programs available to the District customers.

Item was presented Utilities Director Kelly Dodds explaining that the staff report outlines the cost that District would incur if they took on providing a District Green Waste Facility. Mr. Dodds explained that the recommendation from staff is to not have a District Green waste but to educate the community on the green waste options that San Miguel Garbage offers. Mr. Dodds introduced Aron Kardashian from San Miguel Garbage. Mr. Kardashian explained that options they offer for green waste in the Community and what he felt the District needs are for solid waste and Ewaste.

Board Comment: Director Green asked about Organics. Mr. Kardashian explained that the future is green waste and organics in the same bin. Discussion ensued.

Director Kalvans asked if San Miguel thru San Miguel Garbage is compliant with the new Solid Waste requirements and asked what the Districts diversion rate is. Mr. Kardashian explained that San Miguel is compliant with all regulations and has been since 2012. The diversion rate for San Miguel is around 40-50% but wanted to make sure everyone understood that the percentage is calculated based on what the District was throwing away in 2000 and what is being thrown away now. Mr. Kardashian explained that the diversion rate will need to be at 75% by 2020. Discussion ensued with Director Kalvans about single stream recycling or multi recycling. Discussion about Lillian Larsen recycling program for food waste at the school. Discussion ensued with Mr. Kardashian about all the donations that San Miguel Garbage has done for the San Miguel Community voicing examples being donating around 300yards of chips to the sewer treatment and 140 yards to PSHH.

Director Green voiced that we have solid waste funds available for use in Solid Waste. Discussion ensued with Mr. Kardashian about the hazardous electronic waste and feels that there is a need in the community because there is no place to recycle these items any longer except at the landfill. Trash service in San Miguel is around 90%.

Public Comment: Owen Davis San Miguel resident voiced his approval of the San Miguel Garbage company and how they are a great asset to the community.

No action required. Consensus of the Board is to have the board work with staff on education and E-waste.

2. #2 Review, Discuss, Receive and File the Enumeration of Financial Report for December 2018.

Item presented by Paola Freeman, Bookkeeper informing the Board of Directors that the reports have been presented and asks for any questions.

Board Comment: Director Sangster asked about page 4 of 18 of the Claims Detail report and asked what the UPS is and what it was for. Director of Utilities explained that UPS is a backup for the district server SCADA system. Director Sangster also asked about page 10 of 18 of the Claims Detail report number 4451, Fire extinguisher service and the cost of \$100.00 to have it filled. Fire Chief Rob Roberson explained that the fire department does not have the certifications or equipment to refill the used fire extinguisher.

Director Green asked if it was cheaper to buy a new one at that cost.

Director Sangster asked about Statement of Expenditures page 4 of 7 381, PG&E and asked if that is a normal amount, and that it seemed high. Director of Utilities Kelly Dodds explained that yes that is a normal amount and it is due to the aerator and the sewer system is running 24/7.

Director Parent asked if there is a difference in the electric bill due to weather?

Director Kalvans asked about the Timeclocks Plus payment. Bookkeeper Paola Freeman explained that the payment was from an old invoice that the district has been disputing the old invoice and this will be the final close out payment.

Director Sangster asked about report L160 and asked for clarification.

Public Comment: Laverne Buckman San Miguel Resident asked about the admin payroll and was questioning why it was showing up in the report. Mrs. Freeman explained that it is sitting and should be out of the system after the audit. The amount is erroneous. Mrs. Buckman voiced that she can see that the financials are going in the right direction and that it is nice to see. Laverne asked about the investments and voiced that the computer maintenance is high and would like staff to keep an eye out.

Scott Young San Miguel Fire Captain explained that the Fire extinguisher was needed and used on a vehicle fire and voiced that he does appreciate the board looking and asking about the District Financials.

Motion by Director Sangster to Receive and File the Enumeration of Financial Report with clarification and/or correction to report L160 for December 2018

Seconded by Director Green. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

3. **#5 Review and approve the 2019 Engineering report for the WWTP Expansion and upgrade Project as prepared by Monsoon Consulting.** Item was presented by District Engineer, Blaine Reely. In the November Board of Directors meeting Monsoon Consulting presented a PowerPoint summarizing the results of the engineering report for the WWTP expansion for a new treatment facility today the only addition item is the final recommendation for the type of plant the report recommends. Mr. Reely explained that there were three different treatment plant configurations, that we brought to a final level of analysis. Monsoon and District has toured other plant and the final recommendation is the “Membrane Bioreactor” configuration. Mr. Reely voiced that all the information was in the final engineering report and asked for any questions. (report is available at the District Office)

Board Comment: Director Parent voiced that he felt the report was thorough and thanked Monsoon Consultants for all the work.

Public Comment: None

Motion by Director Sangster to approve the 2019 Engineering report for the WWTP Expansion and upgrade Project as prepared by Monsoon Consulting.

Seconded by Director Kalvans. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

4. **#6 Review and Discuss changes recommended by the Ad Hoc Personnel Committee to sections one (1) thru four (4) of the District Personnel Guidelines & Policy Manual, previously adopted by the Board September 15, 2016.** Item presented by District General Counsel Seikaly and Interim General Manager informing the Board that the AD-Hoc Personnel Committee had meet and the purpose of these changes are being made to bring it up to current practices and not changing any negatable items. Item that are up for consideration are marked in red on the copy in the Board of Directors Packet.

Board Comment: Director Parent asked about the 3.4; on call time/after hours. Mr. Parent voiced that there are two level of on call time and would like clarification on why? Director of Utilities Kelly Dodds explained that currently we have two, one for weekdays and one for weekends but explained that this is a negotiable item and had to be what is currently being practiced. Mr. Dodds explained that he does have a proposal, but it would be a meet and confer item.

Director Green asked if that is how it is being done? Mr. Dodd's explained that yes and explained that in the past it has been one rate and at the adopted change to this policy in 2014/2016 it was changed to be two different rates.

Director Parent asked about 2.7 and voiced that he would like it to be reimbursement upon completion of the course, exam, or test as an option. Mr. Parent asked what is done now. Director of Utilities Kelly Dodds explained that the District is currently paying for classes, CEU, and License renewal. Again, this too is a negotiable item. Discussion ensued about what the District requires.

Director Sangster voiced that he would like it to be a one-time payment, not to keep paying for failed test.

Director Green voiced that in the before 2016 Personnel Policies the Board approved all new hires and would like to see that in the current policy. He also voiced that 4.1.1 is opt out of health insurance and needs to read that the District need proof of other health coverage. 4.4.3 needs to have conditions on sick leave use is not oaky. 4.9. education and training time don't like department head, discussion about what policy Directors should be working on. 4.10 Jury duty and District General Counsel Seikaly voiced that the District by law is not required to pay for jury duty. Director Green voiced that he would like proof of jury duty.

Director Sangster would like 4.9 to have General manager approval before department head.

Director Green voiced that the policy needs to be worked on some more in committee. District General Counsel Seikaly explained to the Board of Directors that there are items that will need to have a meet and confer with the SMEA.

Public Comment: Owen Davis San Miguel Resident voiced that he feels that the Board is finally looking at the problem with the District and that is the employees. The way he sees it is that the employees are writing their own check and coming and going as they please. Mr. Davis voiced that he has a suggestion, that the District starts using service orders. Interim General Manager asked why Mr. Davis feels that services orders were not getting done and thanked Mr. Davis for his comments but his three minutes are up. Discussion ensued.

Laverne Buckman voiced that she would like more clarification on this item before it is voted on. District General Counsel Doug White voiced that the when it says Review and Discuss there will be no vote just direction to staff. Mrs. Buckman voiced that it says review revisions and it feels a little misleading.

Discussion ensued, and Director Green voiced that, he was working on the Approved Document not a red line version.

Discussion item only, Ad- Hoc Committee will meet again.

- 5. #3 Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project.** Item was presented by Director of Utilities Kelly Dodds explaining that this item is a continued discussion for expansion of the Wastewater facility. Basic facts for December 2018, we are at 69% hydraulic capacity with 86% being our max capacity. Mr. Dodds explained that the tours that Mr. Reely and himself took was very insightful and provided insight. Mr. Dodds explained that the 200k grant is being held up by the 2017/18 Audit. The design phase is up next and should have approval in front of the Board by May for approval for design. Director of Utilities Kelly Dodds explaining the District is at 78k below what was anticipated. The next phase is design for construction and would be a grant but we are waiting on the 17/18 Audit. Mr. Dodds explained that for the timeline the District has 2.9 years March 2021 and we have 26 months left. Director Parent asked if there would be fines. Mr. Dodds explained that they will be lenient but if there is no activity they can and will fine the District.

Board Comment: Director Green voiced that the District has not yet exceeded our capacity therefore the clock should not even start ticking yet. Mr. Dodds explained that the 2.9 years is based on the projected current development.

Director Sangster asked if the timeline can be extended if there is no building, and who will be preparing the RFP? Director of Utilities Kelly Dodds voiced that if there is any leeway it will be because of issues out of the District control but because we are so small, we really do not have any more room in the waste facility. The District should be moving forward like we will meet the proposed deadline. Mr. Dodds explained that the RFP (Request for Proposal) would most likely be done by him, with direction from the Board. If the Board wants to hire the District engineering firm with help from a consultant for the archeological and CEQA (California Environmental Quality Act) information, we could go in that direction with Board approval. The posting of the RFP will be posted at the

District office, website, newspaper and local plan rooms. Director Sangster offered ideas for posting at public purchase, and FisCal. Discussion ensued about equipment and design. Director Kalvans asked if the Board will see the RFP first. Mr. Dodds explained that Yes, all RFP will come to the Board for approval.

Director Kalvans asked about CEQA and wants to make sure that the District doesn't get in trouble with there regulations. Mr. Dodds explained that the District will need to hire a consultant for that part, due to the complexity of the environmental issues. Discussion ensued.

Public Comments: None

Discussion item only.

6. #4 Review and discuss future staffing needs and reorganization of Utility staffing structure as part of the expansion/ upgrade of the Wastewater Treatment Facility.

Item was presented by Director of Utilities Kelly Dodds, due to the construction of the new Wastewater plant the District will need a division of labor and would like to separate out the water and wastewater. Currently we have a one Utility Operator and one Utility Worker that do everything with water and wastewater. Mr. Dodds would like to have two positions to run the new wastewater plant on offset schedules and proposes to separate everything outside the treatment plant from the wastewater plant. In the current proposal the wastewater operators would have a three day overlap to get projects done. Everything inside the Wastewater treatment plant would be Wastewater treatment operators, and everything outside would be field staff. The field staff would still have to have wastewater license so if they needed to work inside the faciality they could.

Board Comment: Director Green voiced that he would like to know if there is enough work to do for eight hours at the new Facility. Mr. Dodds explained that yes, per his tours there is defiantly enough work to be done and it proposes to get rid of the weekend cost for the on-call consultant that we have currently.

Mr. Kalvans asked if there are any liability issues with having one person at the faciality or are there safety concerns. Mr. Dodds explained that per his proposal all work would be done on the overlapping days.

Director Parent voiced that four tens might also be good for the District to look at.

Discussion ensued. Director Green voiced that he would like to see Job Descriptions for these positions. Director agreed.

Public Comment: None

Consensus of the Board is to have the Director of Utilities to bring back job descriptions for the desired utility positions.

Discussion item only.

*Motion by Director Green to go to District Staff & Committee Reports IX. 6-10
Seconded by Director Sangster. Motion passes 5/0/0 (page 3-4)*

Director Parent left at 10:00 P.M

XII. BOARD COMMENT: *last item.*

Director Parent asked if March Regular Meeting could be changed, due to his work schedule.

Director Kalvans voiced that the CSDA will be having the leadership academy

Director Green asked about the plans upstairs.

XIII. ADJOURNMENT TO NEXT MEETING February 28, 2019: 10:16 P.M.