

**MINUTES**  
**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**BOARD OF DIRECTORS REGULAR MEETING**  
**Wednesday, March 14, 2018**  
**6:00 pm**

**CAVALIER BANQUET ROOM**  
**250 San Simeon Avenue**  
**San Simeon, CA 93452**

**1. REGULAR SESSION @ 6:17 PM**

**A. Roll Call**

Chairperson Williams – Present	General Manager, Charles Grace
Vice-Chairperson McGuire – Present	District Counsel, Natalie Frye Laacke
Director Russell – Present	
Director Kellas – Present	

**B. Pledge of Allegiance**

**2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

NONE

**3. SPECIAL PRESENTATIONS AND REPORTS:**

**A. STAFF REPORTS:**

**i. Sheriff's Report** – Report for February.

There were 12 calls for service in February. Commander Voge also provided information about the sheriff's department preparing for school shootings using funds they received from a Homeland Security grant.

**ii. General Manager's Report** –

**Staff Activity** – Report on Staff activities for the month of February.

Regular day to day activities performed by District staff include:

Monday-Thursday office hours, processing of utility payments, customer service duties, answering phone calls, mailing of regular monthly utility bills, along with the preparation and distribution of the Agenda and Board packet.

During the month of February, staff also attended to the following items:

- Responded to 2 public records requests.
- Gathered information and conducted research for the Reservoir Project.
- Continued working with Phoenix Engineering on the Master Plan.
- Attended a webinar on infrastructure funding.
- Gathered bids and project information needed to submit the application for the beautification grant to the County.
- Submitted paperwork to the County Clerk Recorder's Office regarding the resignation of Director Ken Patel.

- Coordinated activities for GIS mapping work.
- Summarized archived documents for disposal.

**Pico Bluff Project** – Staff received the final project approval permit for the application that was submitted to the County.

**Coastal Commission Rip Rap CDP** – The Coastal Commission Staff postponed the March 7 permit hearing to provide time for the Commission’s Executive Director to review and meet with SSCSD staff/representatives.

**Additional Information** – Staff is still following up on the status of the pedestrian survey with Caltrans. The payment to the USDA in the amount of \$10,345.00 will be made during the month of March. In response to Director’s Russell’s request at the last meeting to review/forecast a chloride impact timeframe for 2018, attached is the water level aquifer spreadsheet, demonstrating the most likely time for elevated chloride levels to occur is October 2018. Additional rain fall, high tides and system water demand will limit or increase the severity of chloride impact.

iii. **Superintendent’s Report** –

**1. Wastewater Treatment Plant**

- All sampling, testing, and reporting at the Wastewater Treatment Plant and the Recycled Water Facility was performed as required by the RWQCB, including semi-annual Oil and Grease report.
- The chlorine analyzer at the Chlorine Contact Chamber was rebuilt.

**2. Water Distribution System**

- All routine sampling and testing was performed. The monthly report was submitted to the State Water Resources Control Board (SWRCB), Division of Drinking Water (DDW), including additional reporting required with filter operation.
- On February 6th we discontinued operation of the filter after receiving multiple results of "absent" of bacteria at the wells over the course of several weeks.
- The solenoid that operates the isolation valve on Well #1 was replaced after failure.
- A leak was repaired at the water service to 533 Casa Del Mar Drive.
- Monthly water meter reading was performed.

**3. District and Equipment Maintenance**

- Staff continues with all of the scheduled preventive maintenance for all the equipment at the facilities. We are recording all of these activities.
- Quarterly maintenance was performed on the stand-by generators at the WWTP and the well site.
- There was a power outage on 2/26/18. Staff was on site to monitor the facilities which included filling the reservoir manually under generator power.
- Annual Emissions Inventories were submitted to the Air Pollution Control District.

<b>iv. District Financial Summary –</b>	
<b>January Billing Revenue</b>	<b>\$ 55,243.87</b>
<b>February Billing Revenue</b>	<b>\$ 61,177.88</b>
Past Due (31 to 60 days)	\$ 172.50
Past Due (60 days)	\$ 153.71

**ENDING BANK BALANCES**  
**February 28, 2018**

**RABOBANK SUMMARY:**

<b>Well Rehab Project/USDA Checking Account</b>	<b>\$ 59.00</b>
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**HERITAGE OAKS BANK:**

<b>Money Marketing Account Closing Balance January 31, 2018</b>	<b>\$ 831,555.01</b>
<b>Interest for February 2018</b>	<b>\$ 230.01</b>
<b>Deposit on 2/15/2018 Transfer from General Checking</b>	<b>\$ 50,000.00</b>

<b>Money Marketing Account Closing Balance February 28, 2018</b>	<b>\$ 881,785.02</b>
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Reserve Fund	(\$ 250,000.00)
Wait-list Deposits	(\$ 45,750.00)
Customer Deposits	(\$ 9,450.00)
<b>Available Funds</b>	<b>\$ 576,585.02</b>

<b>General Checking Account February 28, 2018</b>	<b>\$ 27,664.89</b>
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<b>LAIF Closing Balance February 28, 2018</b>	<b>\$ 529.00</b>
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**v. District Counsel’s Report –**

Natalie Fry Laacke responded to two questions that had been asked during the previous Board meeting. She provided information about handouts that were provided during the Board meeting. She clarified that the Brown Act did not require these handouts to become part of the meeting minutes. Natalie also provided information regarding the contract with State Parks for the Waste Water Treatment Plant and how this information correlated with the District’s quarterly billing system.

**B. BOARD OF DIRECTORS AND COMMITTEE REPORTS:**

**i. Budget Committee Meeting Report Out**

Mike Hanchett provided a summary of the budget committee meeting and recommended that a Budget Workshop be held on April 11, 2018 at 5 pm.

**ii. Water Committee Meeting Report Out**

Director McGuire provided a recap of the Water Committee meeting. Director McGuire stated that the committee voted to recommend to the Board that they move forward with Phase I in the Master Plan using the 400,000 gallon tank and extra piping scenario. Additionally, that the groundwork for the second tank be completed.

Henry Krzciuk commented.

### **C. SPECIAL PRESENTATION**

- i. This presentation was given after the Sheriff's Report. Seth Sutherland provided a presentation on the spatial database that he had created for the District. Henry Krzciuk asked a question about who would be maintaining the database.

Seth Sutherland replied to this question.

### **D. PUBLIC COMMENTS ON SPECIAL PRESENTATIONS AND REPORTS:**

Henry Krzciuk commented about the Water Committee meeting. He also made a comment about the timeline for the tank project and installation of a fire hydrant in the mobile home park.

## **4. CONSENT AGENDA ITEMS:**

### **Public Comment**

Vice-Chairperson McGuire recommended one change be made regarding the spelling of Jon Turner's name.

Director Russell recommended a change to the special meeting minutes regarding the addition of Greg Sanders' name to the minutes.

Hank Krzciuk commented on two items on the disbursement journal.

A motion was made to approve consent agenda items 4A-4C with the changes recommended by Vice-Chairperson McGuire and Director Russell.

Motion by: Vice-Chairperson McGuire

2<sup>nd</sup>: Director Russell

All in: 4/ 0

## **5. BUSINESS ITEMS:**

### **Public Comment –**

- A.** Adoption of Resolution 18-397. A resolution authorizing staff to make payroll and federal tax payments to the government electronically.

Charlie Grace introduced the item.

A motion was made to approve Resolution 18-397.

Motion by: Vice-Chairperson McGuire

2<sup>nd</sup>: Director Russell

Roll Call: Chairperson Williams: YES    Vice-Chairperson McGuire: YES    Director Russell: YES

Director Kellas: YES

- B.** Adoption of Resolution 18-398. A resolution authorizing staff to remove and destroy specified documents from the master archive repository.

Charlie Grace introduced the item.

A motion was made to approve Resolution 18-398.

Motion by: Vice-Chairperson McGuire

2<sup>nd</sup>: Director Russell

Roll Call: Chairperson Williams: YES Vice-Chairperson McGuire: YES Director Russell: YES

Director Kellas: YES

- C.** Discussion and Direction to Staff regarding the amended Policies and Procedures Manual (Board of Directors and Board Meeting sections) for the District.

Charlie Grace introduced the item.

Natalie Fry Laacke provided an explanation about the creation of the new policy manual and explained that we would be asking the Board to adopt the changes in sections.

Director McGuire suggested that any reference to [board president] and [vice-president] be changed to reflect chairperson and vice-chairperson.

Director Russell discussed section 1.02 Officers. All language after “shall be one (1) year.” Is to be removed from the manual.

The recommended changes to Section 4.01 were approved.

Henry Krzciuk commented about the need for language that allows Board members the ability to make direct contact with District counsel. He also stated that the Board members should be allowed to conduct research about District business. He also mentioned that there is no language that sanctions Board members.

Natalie Frye Laacke responded stating that this language existed via government code.

Director Russell, Director Williams, and Hank Krzciuk further discussed the matter of Board members being able to contact the attorney directly.

The recommended changes to Section 6.01 and 6.05 were approved.

The Board needs to revisit section 5.03. Starting place for next meeting is page 5.

Director Russell asked that this matter be tabled until the next Board meeting.

2<sup>nd</sup>: Vice-Chairperson McGuire

All in: 4/0

- D.** Discussion on Procedure to Fill the Vacancy on the San Simeon Community Services District Board of Directors Created by the Resignation of Ken Patel; Direction to Staff to Post Notice of Vacancy

pursuant to Gov't Code 1780; schedule meeting at which candidates will be considered and the appointment made.

Charlie Grace introduced this item.

A motion was made to direct staff to move forward with the process of filling the vacancy.

Motion by: Director Russell

2<sup>nd</sup>: Director Kellas

All in: 4/ 0

- E. Board Discussion and Direction to Staff regarding the County Beautification Grant and whether to expend additional funds on the walkway proposed project.

Charlie Grace introduced the item.

Chairperson Williams and Vice-Chairperson McGuire discussed this item.

Henry Krzciuk commented on this item.

Vice-Chairperson McGuire asked that staff conduct more research regarding this matter in preparation for next year's application process.

A motion was made to withdraw the grant application for this year, and to conduct further research for next year's grant process.

Motion by: Vice-Chairperson McGuire

2<sup>nd</sup>: Director Russell

All in: 4 / 0

- F. Authorization for the General Manager to initiate the water storage tank and water distribution system project(s) - Phase One projects.

Charlie Grace introduced the item and discussed the attachments. He provided information on interest rates for USDA loans and clarified scenarios 1-3 on his handout.

There was discussion between Charlie Grace, Director Russell, and Director Kellas.

Mike Hanchett clarified what the motion had been during the Water Committee meeting. He explained that the grading work would be completed for both pads but not the concrete work.

A motion was made to allow staff to move forward with Phase 1 as provided and move forward the dirt work proposed in Phase 2.

Motion by: Director Kellas

2<sup>nd</sup>: Director Russell

All in: 4 / 0

- G.** Authorization for the General Manager to retain Marine Diving Solutions, Inc. to perform structural analysis and annual inspection of the wastewater treatment facility ocean outfall in the amount of \$30,000.00.

Charlie Grace introduced the item and discussed the attachments.

Director Kellas asked for clarification on the cleaning process and the possibility of a leak.

Charlie Grace responded to her questions.

A motion was made to approve the authorization and use the pipe clamping procedure.

Motion by: Director Kellas

2<sup>nd</sup>: Chairperson Williams

All in: 4 / 0

**6. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS –**

Special Workshop Meeting 4/11/18 at 5 pm.

**7. ADJOURNMENT @ 8:31 PM**