

**MEETING MINUTES**  
**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**BOARD OF DIRECTORS REGULAR BOARD MEETING**  
**Tuesday, May 10, 2022**  
**5:00 pm**

Pursuant to San Simeon CSD Resolution 22-445 and incompliance with AB 361 this meeting occurred as a virtual teleconference using the Zoom app.

**Internet Meeting Location – Via ZOOM**

**1. REGULAR SESSION @ 5:02 PM**

- A. Chairperson Kellas – Present
- Vice-Chairperson Giacoletti – Present (joined the meeting after roll call during the Health Care District presentation)
- Director de la Rosa – Present
- Director Donahue - Present

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

**Public Comment –**

- (1:40) Henry Krzciuk commented that the General Manager and Office manager were refusing to provide candidate information to the public.
- (3:40) Julie Tacker commented on the appointment process related to the Board member vacancy.
- (6:00) Chairperson Kellas called on April Dury. April Dury did not respond.

**3. SPECIAL PRESENTATIONS AND REPORTS:**

**A. STAFF REPORTS:**

- i. **Sheriff’s Report** – There was no report provided for April.
- ii. **CHP Report** – There was no representative present. Cortney Murguia provided a summary of April activities.
- iii. Cambria Healthcare District Presentation on Ambulance Station (9:35) – Representatives from the Cambria Healthcare District presented a video related to the need a new ambulance facility for the community.  
**Public Comment –**
  - (19:40) Henry Krzciuk commented.
  - (22:50) Jeffrey Stulberg commented.
  - (25:45) April Dury commented.
- iv. **Superintendent’s Report (27:30)** – Charlie Grace provided a summary of April activities.
- v. **General Manager’s Report (29:15)** – Charlie Grace provided a summary of April activities.
- vi. **District Financial Summary (36:20)** – Charlie Grace provided a summary of the April financials.
- vii. **District Counsel’s Report (38:20)** – Jeff Minnery provided a summary of April activities.
- viii. **Board Member Report (39:25)** – Chairperson Kellas provided information related to the horse trough consumption. Charlie Grace also provided historical background on this matter, he suggested that as a good faith effort the connection remain in place.

**B. AD-HOC & STANDING COMMITTEE REPORTS:**

- i. **Status Update** – Coastal Hazard Response Plan (CHRP) – None provided.
- ii. **Status Update** – Budget Committee – Mike Hanchett provided a summary of the Budget committee meeting.
- iii. **Status Update** – Water Committee - No report was provided.

**Public Comment –**

(44:00) Julie Tacker commented.  
(47:00) Jeff Stolberg commented.  
(48:10) Henry Krzciuk commented.

**4. CONSENT AGENDA ITEMS:**

- A. REVIEW AND APPROVAL OF MINUTES FOR THE REGULAR MEETING ON APRIL 12, 2022.**
- B. REVIEW AND APPROVAL OF MINUTES FOR THE SPECIAL MEETING ON APRIL 22, 2022.**
- C. REVIEW AND APPROVAL OF DISBURSEMENTS JOURNAL.**
- D. ADOPTION OF RESOLUTION 22-447 TO CONTINUE VIRTUAL MEETINGS PURSUANT TO THE PROVISIONS OF AB 361.**
- E. APPROVAL OF DIRECTOR MICHAEL DONAHUE TO WORK WITH THE COUNTY OF SAN LUIS OBISPO ON A NO CAMPING ORDINANCE FOR COUNTY MAINTAINED STREETS IN THE BOUNDARY OF SAN SIMEON AND A NO CAMPING ORDINANCE FOR SSCSD MAINTAINED STREETS.**

(52:33) Chairperson Kellas commented on item 4A page 25 of the Board packet asking for a revision on Item 3B i. addition of the word “no” into the sentence camping ordinance.

Public Comment –  
There was no public comment.

Chairperson Kellas made a motion to approve consent agenda items 4A-4E with suggested edits to Item 3B.i.

Motion: Chairperson Kellas  
2nd: Director de la Rosa  
Vote: 3/1  
Abstain: Donahue

Roll Call: Kellas: Yes      Giacoletti: Yes      de la Rosa: Yes      Donahue: Abstain

**5. BUSINESS ACTION ITEMS: (57:20)**

- A. CONSIDERATION OF CANDIDATES TO REPLACE THE BOARD OF DIRECTOR VACANCY CREATED BY THE RESIGNATION OF ROBERTA REINSTEIN AND BOARD APPOINTMENT OF THE NEW DIRECTOR. (57:30)**

Jeff Minnery clarified that the District had the discretion to nominate and appoint a candidate.

Chairperson Kellas called on Jacqueline Diamond to speak about the application Ms. Diamond had submitted for the Board member vacancy.

Henry Krzciuk commented about issues with governance and the appointment process, stating that the County had never been notified.

Chairperson Kellas stated that the District had notified the County of the Board vacancy on March 9, 2022.

(1:05:42) A motion was made to direct counsel and staff to send a letter to the County Board of Supervisors requesting a ninety-day (90) extension to the District to appoint a new Board member.

Public Comment –

(1:06:10) Michael Hanchett commented.

(1:07:46) Julie Tacker commented.

(1:10:57) Henry Krzciuk commented.

(1:12:45) Chairperson Kellas stated for the Board that she had reviewed the Government code related to the appointment process, she went on to reiterate that the County had been notified of the Board vacancy.

(1:13:15) Director Donahue spoke stating that he agreed with Henry Krzciuk. He stated that the County needed to step in.

(1:14:35) Charlie Grace stated that the County had been notified of the vacancy, in the same fashion that the District always followed to notify the County of the vacancy. He went on to further explain that Staff had not refused to distribute the applications, that staff stated the applications will be distributed in two days with the board packet.

(1:15:58) Jeff Minnery provided additional information related to Government Code 1780. Further stating that the District had permissive discretion to appoint a Board member.

(1:17:40) Chairperson Kellas asked for a second to her original motion (1:05:42)

Motion: Chairperson Kellas

2nd: Director de la Rosa

Vote: 3/1

Abstain:

Roll Call: Kellas: Yes

Giacoletti: Absent

de la Rosa: Yes

Donahue: No

(1:18:18) Vice-Chairperson Giacioletti dropped off the meeting for the roll-call vote. The motion failed.

(1:18:39) Director Donahue made a motion that the District hand this over to the Board of Supervisors to make their decision and not wait the 90 days. There was no second.

(1:20:00) Director Donahue and Jeff Minnery further discussed the appointment process and the timeline.

(1:24:25) Vice-Chairperson Giacioletti rejoined the meeting.

(1:24:38) Chairperson Kellas made a motion to direct counsel and staff to send a letter to

the County Board of Supervisors requesting a ninety-day (90) extension to the District to appoint a new Board member.

Motion: Director Donahue  
2nd: Director de la Rosa  
Vote: 4/0  
Abstain:

Roll Call: Kellas: Yes                      Giacoletti: Yes                      de la Rosa: Yes                      Donahue: Yes

**B. REVIEW, CONSIDERATION AND APPROVAL OF A PROPOSAL FROM J.F. BRENNAN COMPANY, INC. TO REPAIR THE OCEAN OUTFALL NOT TO EXCEED THE AMOUNT OF \$115,000.00.**  
(1:26:40)

Charlie Grace introduced the item. He asked that the amount to exceed be \$120,000.00.

Public Comment –  
(1:29:00) Henry Krzciuk commented.  
(1:30:35) Julie Tacker commented.  
(1:32:20) Jeff Stolberg commented.

(1:33:05) Director Donahue commented on the need to add additional funds to the not to exceed amount.

(1:35:00) Chairperson Kellas recused herself.

(1:35:50) Cortney Murguia asked Director de la Rosa if Vice-Chairperson Giacoletti was still on the line. He stated that she was not.

(1:36:24) A motion was made to approve the proposal from J.F. Brennan Company not to exceed the amount of \$115,000.00. (There was no quorum)

This item was postponed until after the closed session occurred.

**6. CLOSED SESSION: (1:39:40)**

Public Comment –  
(1:40:00) Henry Krzciuk commented.  
(1:42:55) Julie Tacker commented.

**A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Government Code section §54956.9(d)(1)  
Name of Cases – Robert Hather v. San Simeon Community Services District, et al., U.S. District Court C1:Case No. 2:21-cv-04711  
Robert Hather v. San Simeon Community Services District, et al., SLO Superior Court Case No. 22CVP-0008

**B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section §54956.9 – Ron Hurlbert

**\*\*\*\*RECONVENE TO OPEN SESSION\*\*\*\***

(1:47:31) Kellas, de la Rosa, and Giacoletti rejoined the meeting.

**Report on Closed Session:** The Board voted to ratify the settlement agreement with Robert Hather. Item B. There was no reportable action.

(1:49:07) A motion was made to approve the proposal from J.F. Brennan Company not to exceed the amount of \$115,000.00. (Chairperson Kellas made the motion and then recused herself from this matter).

(1:50:15) Jeff Minnery contacted Director Donahue via the phone.

A motion was made to approve the proposal from J.F. Brennan Company to repair the ocean outfall not to exceed the amount of \$115,000.00.

(1:52:00) Director Donahue rejoined the meeting.

(1:52:20) A motion was made to approve the proposal from J.F. Brennan Company to repair the ocean outfall not to exceed the amount of \$115,000.00.

Motion: de la Rosa  
2nd: Vice-Chairperson Giacoletti  
Vote: 3/1  
Absent: Kellas

Roll Call: Kellas: Absent      Giacoletti: Yes      de la Rosa: Yes      Donahue: Yes

**7. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS – None**

**8. ADJOURNMENT @ 7:57 PM**