

**MINUTES**  
**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**BOARD OF DIRECTORS SPECIAL BOARD MEETING**  
**1000 MAIN STREET**  
**CAMBRIA, CA 93428**  
**Tuesday, June 13, 2023**  
**6:00 p.m.**

**SPECIAL MEETING OF THE SAN SIMEON COMMUNITY SERVICE DISTRICT**  
**COUNCIL – MINUTES**

**1. CALL TO ORDER**

The Special Meeting of the San Simeon Community Service District Council was called to order at 5:59 p.m. by Vice Chair Tiwana.

**2. ROLL CALL**

Present: Vice Chair Karina Tiwana, Director Jacqueline Diamond, Director Michael Donahue

Absent: None

Staff Present: Charlie Grace, General Manager  
Nubia Goldstein, White Brenner LLP  
Steve Orellana, Superintendent

**3. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Vice Chair Tiwana.

- Vice Chair Tiwana stated the SSCSD Board is authorized to revise the agenda and order under specific requirements regarding findings that were brought to the board by the District Attorney's office after the agenda posting and require that immediate action be taken by the addition of two (2) closed session items.

Vice Chair Tiwana made a motion to accept the two (2) closed session items due to the statement made by the District Attorney's Office in San Luis Obispo County. Director Diamond seconds the motion.

Vote was taken as follows:

AYES: Tiwana, Diamond, Donahue  
NOES: None  
ABSTAIN: None

ABSENT: None

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

- David Sansom commented and asked the Board when the information was brought to the Board's attention
- Mike Hanchett commented a statement of appreciation to Charles Grace
- April Durri commented and requested that meetings be properly agendized and posted properly.

**4. SPECIAL PRESENTATIONS AND REPORTS (6:08 p.m. - 6:12 p.m.)**

**A. STAFF REPORTS:**

- Sheriff's Report** – No Items to Report
- CHP Report** – No Items to Report
- Superintendent's Report** – Summary of May Activities.
- General Manager's Report** – Summary of May Activities.
- District Financial Summary** – Summary of May Financials.
- District Counsel's Report** – Summary of May Activities.

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

- Board Member Report** – Summary of May Activities.
- Status Update** – Water/Facilities Committee
- Status Update** – Grant Acquisition Committee (no update)
- Status Update** – Policies and Procedures Committee (no update)
- Status Update** – Budget Committee

PUBLIC COMMENT FOR THIS ITEM

- Julie Tacker commented that if town hall meetings are to be held that the public should be notified
- Director Diamond commented concern for not hearing Dudek's report and asked if the GM heard from Dudek
- General Manager commented the townhall meetings will commence in June following the stake holders meeting
- Tina Dickerson commented concern for the lack of Dudeck's report
- David Sansom commented and requests transparency from the Board
- Gwen Kellas stated a correction for the record and stated that she did not request for the pipe bridge construction to be put on hold

**5. CONSENT AGENDA ITEMS (6:27p.m. - 6:52 p.m.)**

PUBLIC COMMENT FOR THIS ITEM

- Director Diamond requests that Item (G) be pulled from the agenda as it requires further discussion
- Julie Tacker commented concern for Item (I)

- David Sansom commented concern for Item (I)
- Hank Kruzick commented concern for Item (I)
- Chris & Michael commented concern for Item (G)

Vice Chair Tiwana made a motion to accept all consent agenda items except Items (G) and (I). Director Donahue seconded the motion.

Vote was taken as follows:

AYES: Tiwana, Diamond, Donahue  
NOES: None  
ABSTAIN: None  
ABSENT: None

- A. REVIEW AND APPROVAL OF MINUTES FOR THE SPECIAL BOARD MEETING ON MAY 23, 2023.**
- B. REVIEW AND APPROVAL OF DISBURSEMENTS JOURNAL.**
- C. ADOPTION OF RESOLUTION 23-469 APPROVING THE PROPOSITION 4 APPROPRIATION LIMIT FOR THE FISCAL YEAR 2023-2024.**
- D. APPROVAL OF THE JF BRENNAN OCEAN OUTFALL CHANGE ORDER TO PROVIDE AN INTEGRITY TEST AS REQUIRED BY THE STATE LANDS COMMISSION.**
- E. APPROVAL OF THE OCEAN OUTFALL REPAIR PERMITS WORK PLAN FOR THE PERMIT APPLICATIONS PREPARED BY PADRE.**
- F. ADOPTION OF RESOLUTION 23-470 APPROVING REVISED BOARD OF DIRECTORS MEETING AGENDA TEMPLATE.**
- G. ADOPTION OF RESOLUTION 23-471 ELIMINATING HYBRID MEETING FORMAT.**

Director Diamond commented on Agenda Item (G) and stated support for keeping the hybrid meeting model

Director Donahue commented on Agena Item (I) and (G) and stated support to keep the hybrid meeting indefinitely

Vice Chair Tiwana commented on Agenda Item (G) and stated her opposition to the hybrid meeting format.

PUBLIC COMMENT FOR THIS ITEM

- Chris & Michael commented their support for the hybrid meetings to continue indefinitely
- Steve Orellana commented that the district would need to purchase the equipment to make the hybrid meetings continue indefinitely due to the current equipment being borrowed.
- Vice Chair Tiwana commented the public's complaints regarding technical difficulties was the reason this item was placed on the agenda
- April Durri commented a clarification of the zoom format
- David Sansom commented a concern with the Board

Director Diamond made a motion to continue with the hybrid meeting model. Director Donahue seconded the motion.

Vote was taken as follows:

AYES: Tiwana, Diamond, Donahue  
 NOES: None  
 ABSTAIN: None  
 ABSENT: None

**H. ADOPTION OF RESOLUTION 23-472 ESTABLISHING NEW DAY AND TIME FOR BOARD OF DIRECTOR MEETINGS.**

**I. ADOPTION OF RESOLUTION 23-473 OF REVISED DEADLINE FOR GENERAL MANAGER REQUESTS FOR QUALIFICATIONS AND OPERATIONS MANAGEMENT REQUEST FOR PROPOSALS.**

- Vice Chair Tiwana commented that the deadline for Item (I) be moved to July 15, 2023
- Director Donahue commented that the deadline for Item (I) be moved to June 30, 2023

**PUBLIC COMMENT FOR THIS ITEM**

- Julie Tacker commented that July 15, 2023, is a Saturday
- Tylier Hartridge commented if the delayed date would impact the contact start date
- General Manager commented the date be changed to Friday July 14, 2023
- Gwen Kellas commented if a law to applies to an RFP being posted or delayed

Vice Chair Tiwana made a motion for Item (I) on the agenda to have the deadline date of July 14, 2023. Director Donahue seconded the motion

Vote was taken as follows:

AYES: Tiwana, Diamond, Donahue  
NOES: None  
ABSTAIN: None  
ABSENT: None

**6. BUSINESS ACTION ITEMS (6:16 p.m. - 6:34 p.m.)**

**A. DISCUSSION AND APPROVAL OF A RESOLUTION RECOMMENDING THE SAN LUIS OBISPO COUNTY BOARD OF SUPERVISORS APPOINT HOLLY LE TO FILL A VACANCY ON THE SSCSD BOARD OF DIRECTORS.**

- Vice Chair Tiwana Commented that the timeline to fill the vacancies on the board has passed and urges to fill the vacancy immediately.
- Hank Kruzick commented that the title of the Resolution contained a clerical error
- Vice Chair Tiwana stated for the record that the title of the Resolution for Item (A) be changed to read Discussion and Approval of a Resolution Recommending the San Luis Obispo County Board of Supervisors Appoint Holly Le to fill a vacancy on the SSCSD Board of Directors.

**PUBLIC COMMENT FOR THIS ITEM**

- Julie Tacker commented that a member of the Board can reach out to make an addendum to the SLO County Board of Directors Agenda

Director Donahue makes a motion to approve Holly Le to be approved by the Board of Directors. Director Diamond seconded.

Vote was taken as follows:

AYES: Tiwana, Diamond, Donahue  
NOES: None  
ABSTAIN: None  
ABSENT: None

**B. DISCUSSION, REVIEW, AND APPROVAL OF THE SSCSD FY 2023-2024 DRAFT BUDGET.**

- General Manager stated that in this Item was removed from the agenda due to the lack of a budget being prepared

**C. DISCUSSION, REVIEW, AND APPROVAL OF REVISIONS TO THE SSCSD POLICIES AND PROCEDURES CONCERNING THE DUTIES AND RESPONSIBILITIES OF THE BUDGET/FINANCE STANDING COMMITTEE.**

PUBLIC COMMENT FOR THIS ITEM

- Hank Kruzick commented on a concern with the policy as written.
- District Counsel stated a motion be made to amend the resolution

Director Diamond made a motion to review the Policies and Procedure concerning the Duties and Responsibilities of the Budget Finance Committee. Director Donahue seconded the motion.

Vote was taken as follows:

AYES: Tiwana, Diamond, Donahue

NOES: None

ABSTAIN: None

ABSENT: None

**D. DISCUSSION, REVIEW, AND APPROVAL OF A CONTRACT AMENDMENT WITH REGIONAL GOVERNMENT SERVICES AUTHORITY (RGS).**

- District Counsel stated at a previous meeting, the board voted to approve a set of operational financial services. Following the meeting, it was decided that the District will need additional services to provide the board with for the upcoming fiscal year, and to increase the budget to a cap of \$17,000.
- Director Donahue stated a question if this falls under GES's responsibilities.
- Vice Chair Tiwana commented that RGS ill absorb the responsibilities that GES will not perform

PUBLIC COMMENT FOR THIS ITEM

- Julie Taker commented a concern with the budget being pulled from the previous agenda
- Hank Kruzick commented that a transition plan needs to be included with the Resolution
- Tina Dickerson commented a concern with the increased cost for RGS services
- Glenn from RGS commented on a summary of the services that RGS will provide and what the increased costs will provide for the greater scope of services.

- David Sansom commented a concern with the =transition from GES to RGS

**\*7 Minute Recess to Replace Film\* (7:15 p.m.) \***

**\* Meeting Resumes (7:22 p.m.) \*s**

- Mike Hanchett commented further concern with the transition from GES to RGS
- Vice Chair Tiwana commented the scope of work from RGS would not exceed the amount of \$52,000

Director Donahue made a motion to approve the contract with RGS for the amendment to the contract for budgetary services. Director Diamond seconds the motion.

Vote was taken as follows:

AYES: Tiwana, Diamond, Donahue  
NOES: None  
ABSTAIN: None  
ABSENT: None

**E. DISCUSSION, REVIEW, AND APPROVAL TO RESCHEDULE THE JULY 11 REGULAR BOARD MEETING.**

- Vice Chair Tiwana commented the necessity of the Agenda Item due to Director Diamond being unable to attend the meeting
- District Counsel commented that there was a previous Consent Calendar Agenda Item approved by the Board to Change the date and time on the regular meetings.

PUBLIC COMMENT FOR THIS ITEM

- None

**F. DISCUSSION AND APPROVAL OF REQUEST TO CAMBRIA COMMUNITY SERVICES DISTRICT FOR MUTUAL AID AGREEMENT.**

- District Counsel commented that this agreement with Cambria CSD would provide a mutually beneficial agreement between both agencies and allow resources to be shared strictly in times of emergency.

PUBLIC COMMENT FOR THIS ITEM

- David Sansom commented a concern with liability and insurance coverage
- Tina Dickerson commented on her lack of support for this agenda item.

- Director Diamond commented her support for the agenda item

Director Donahue makes a motion to submit a formal request for a mutual ai agreement with Cambria CSD. Director Diamond seconds.

Vote was taken as follows:

AYES: Tiwana, Diamond, Donahue  
NOES: None  
ABSTAIN: None  
ABSENT: None

**7. CLOSED SESSION (7:44 p.m.- 9:22 p.m.)**

**A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov. Code, § 54957(b)(1)) Title: General Manager**

PUBLIC COMMENT FOR THIS ITEM

- None

**B. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (Govt. Code, § 54957(b)(1))**

PUBLIC COMMENT FOR THIS ITEM

- Mike Hatchet commented in support for Mr. Grace
- April Durri commented her appreciation for the San Luis Obispo DA's diligence
- Julie Tacker commented support for April Durri's statement and appreciates the DA's diligence
- David Sansom commented concern with the transition
- Gwen Kellas commented a concern with the publicity surrounding the agenda item

**C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION {CW129661.4} 111 Pico Avenue San Simeon, CA 93452 Page 4 of 3 Exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code § 54956.9: Three (3) Potential Cases**

PUBLIC COMMENT FOR THIS ITEM

- None

**District Counsel Report of Closed Session Items (9: 23 p.m.)**



District Counsel stated a report for item Closed Session (A) and (B) the San Simeon Board of Directors has relieved Mr. Charles Grace of all General manager Duties under contract. GES Staff will continue providing other operational services. The agreement with RGS may remain in place until the consideration of the District in search of a permanent General Manager. And the Board will explore the possibility of contracting an acting General Manager. Item (C) direction has been provided to Staff

**8. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS**  
**(9:23 p.m.)**

Director Donahue suggested that the District transfer some funds to a fully insured interest bearing bank account

Director Donahue suggested that Hearst easement updates be provided to the Board on a regular basis

Director Donahue suggested that the Board vote to resume construction on the Pipe Bridge

Director Donahue Suggested that the Board purchase the necessary equipment to make the hybrid meeting model possible

PUBLIC COMMENT OPEN TO FUTURE AGENDA ITEMS

- None

**9. ADJOURNMENT (9:26 p.m.):**

The Special Meeting of the San Simeon Community Service District adjourned at 9:26 p.m.