

**Board of Directors
San Simeon Community Services District**



**REGULAR BOARD MEETING
PACKET**

December 13, 2022

Meeting Start Time 5:00 pm

Virtual Board Meeting via Zoom Webinar

Prepared by:



GRACE
ENVIRONMENTAL SERVICES

AGENDA
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR BOARD MEETING
Tuesday, December 13, 2022
5:00 pm

Pursuant to San Simeon CSD Resolution 22-460 and incompliance with AB 361 this meeting shall occur as a virtual teleconference using the Zoom app.

Internet Meeting Location – Via ZOOM

Join Zoom for Regular Board Session:

<https://us02web.zoom.us/j/87307810050>

Or One tap mobile:

US: +16699009128, 87307810050#

Or Telephone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 9128

The following commands can be entered via DTMF tones using your **phone's** dial pad while in a **Zoom meeting**: *6 - Toggle mute/unmute. *9 - **Raise hand**.

Webinar ID: 873 0781 0050

NOTE: On the day of the meeting, the virtual meeting room will be open 30 minutes prior to the meeting start time. If you wish to submit public comment in the written format you can email admin@sansimeoncsd.org. Members of the public can also contact the District office at (805) 927-4778 with any questions or concerns related to this agenda or accessing the meeting.

1. REGULAR SESSION:

A. Roll Call

2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:

Public Comment - Any member of the public may address the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda.

Presentations are limited to three (3) minutes or less with additional time at the discretion of the Chair. Your comments should be directed to the Board as a whole and not directed to individual Board members. The Brown Act restricts the Board from taking formal action on matters not published on the agenda.

3. SPECIAL PRESENTATIONS AND REPORTS:

A. STAFF REPORTS:

- i. **Sheriff's Report** – Report for November.
- ii. **CHP Report** – Report for November.
- iii. **Superintendent's Report** – Summary of November Activities.

- iv. **General Manager's Report** – Summary of November Activities.
 - v. **District Financial Summary** – Summary of November Financials.
 - vi. **District Counsel's Report** – Summary of November Activities.
 - vii. **Board Member Report** – Summary of November Activities.
- B. AD-HOC & STANDING COMMITTEE REPORTS:**
- i. **Status Update** – Budget Committee (2 vacancies).
 - ii. **Status Update** – Water Committee (3 vacancies).
 - iii. **Status Update** – Camping Ordinance on District Streets.

Public Comment – This public comment period provides an opportunity for members of the public to address the Board on matters discussed during Special Presentations and Reports. If a member of the public wishes to speak at this time, Public Comment is limited to three (3) minutes or less with additional time at the discretion of the Chair.

4. CONSENT AGENDA ITEMS:

Public Comment – This public comment period provides an opportunity for members of the public to address the Board on matters discussed during Consent Agenda Items. If a member of the public wishes to speak at this time, Public Comment is limited to three (3) minutes or less with additional time at the discretion of the Chair.

- A. REVIEW AND APPROVAL OF MINUTES FOR THE REGULAR MEETING ON OCTOBER 11, 2022.**
- B. REVIEW AND APPROVAL OF MINUTES FOR THE REGULAR MEETING ON NOVEMBER 8, 2022.**
- C. REVIEW AND APPROVAL OF MINUTES FOR THE SPECIAL MEETING ON NOVEMBER 8, 2022.**
- D. REVIEW AND APPROVAL OF DISBURSEMENTS JOURNAL.**
- E. ADOPTION OF RESOLUTION 22-461 A RESOLUTION AUTHORIZING SIGNATURES INCLUDING FACSIMILE SIGNATURES FOR BANKING SERVICES ON BEHALF OF THE SSCSD.**

5. BUSINESS ACTION ITEMS:

Public Comment – Public comment will be allowed for each individual business item. Members of the public wishing to speak on business items may do so when recognized by the Chairperson. If a member of the public wishes to speak at this time, Public Comment is limited to three (3) minutes or less per person for each business item, with additional time at the discretion of the Chair.

- A. REVIEW AND APPROVAL OF THE DRAFT AUDIT FOR FISCAL YEAR 2021/2022.**
- B. DISCUSSION REGARDING PURCHASING OF LAPTOPS FOR BOARD MEMBERS AND CYBERSECURITY POLICIES FOR THE DISTRICT.**
- C. DISCUSSION, REVIEW AND APPROVAL FOR CHAIRPERSON KELLAS TO RESPOND TO MOUCHAWAR LETTER REGARDING THEIR POSITION AND EDUS ON THE SSCSD WAITLIST.**

D. DIRECTION TO STAFF REGARDING THE RESIGNATION OF ADAMSKI, MOROSKI, MADDEN, CUMBERLAND, AND GREEN, LLP.

E. ELECTION OF THE CHAIRPERSON AND VICE-CHAIRPERSON FOR THE 2023 CALENDAR YEAR.

6. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS – Requests from Board members to Staff to receive feedback, prepare information, and/or place an item on a future agenda(s).

7. ADJOURNMENT –

All staff reports or other written documentation, including any supplemental material distributed to a majority of the Board within 72 hours of a regular meeting, relating to each item of business on the agenda are available for public inspection during regular business hours in the District office, 111 Pico Avenue, San Simeon. If requested, this agenda shall be made available in appropriate alternative formats to persons with a disability, as required by the Americans with Disabilities Act. To make a request for a disability-related modification or accommodation, contact the Office Administrator at 805-927-4778 as soon as possible and at least 48 hours prior to the meeting date. This agenda was prepared and posted pursuant to Government Code Section 54954.2.

**3.A.iii. Special Presentations and Reports:
Superintendent Reports**



SUPERINTENDENT'S REPORT

Item 3.A.ii

Prepared By: Steve Orellana

1. Wastewater Treatment Plant

- Sampling, testing, and reporting at the Wastewater Treatment Plant was performed as required by the Regional Water Quality Control Board (RWQCB).
- The monthly report was submitted to the State Water Resources Control Board (SWRCB).

2. Water Treatment and Distribution System

- Sampling, testing, and reporting was performed as required by the State Water Resources Control Board (SWRCB), Division of Drinking Water (DDW).
- The monthly report was submitted to the SWRCB, DDW.
- Monthly water meter reading was performed.
- R.O. Distribution Mag Meter Replaced
- R.O. System was started for chloride treatment on 11/15/2022.
- State DDW Sanitary Survey field review was Completed.

3. District and Equipment Maintenance

- Staff continues with the scheduled preventive maintenance for the equipment at the facilities.

San Simeon Community Services District

Superintendent's Report

November 2022

MONTHLY DATA REPORT

Date	Day	Wastewater Influent Daily Flow	Wastewater Effluent Daily Flow	Well 1 Total Daily Produced	Well 2 Total Daily Produced	Total Daily Water Produced	R.O. Daily Influent Flow	R.O. Daily Effluent Flow	R.O. Daily Brine Flow	Distribution Chloride	Chloride Wells 1 2	Recycled Water Distributed	Water Level Well 1	Water Level Well 2	Rainfall in Inches	State Flows
11/01/22	Tuesday	39,221	47,210	299	62,458	62,757	0	0	0	176	257 190	0	13.9	13.6	0.00	1,283
11/02/22	Wednesday	37,085	41,670	673	20,346	21,019	0	0	0	162	222 190	0	14.2	13.8	0.00	1,999
11/03/22	Thursday	43,193	49,250	40,242	22,141	62,383	0	0	0	162	202 125	0	-	-	0.00	1,882
11/04/22	Friday	48,490	55,820	0	76,072	76,072	0	0	0	162	- 135	0	13.8	13.2	0.00	1,859
11/05/22	Saturday	63,358	69,110	0	62,458	62,458	0	0	0	-	- -	0	-	-	0.00	1,639
11/06/22	Sunday	55,182	62,500	0	0	0	0	0	0	-	- -	0	-	-	0.00	1,655
11/07/22	Monday	44,763	52,210	70,237	46,226	116,464	0	0	0	210	- 137	0	14.0	13.7	0.00	1,952
11/08/22	Tuesday	80,624	86,420	0	61,710	61,710	0	0	0	210	- -	0	13.9	13.7	0.00	584
11/09/22	Wednesday	48,159	53,720	1,122	51,462	52,584	0	0	0	210	239 206	0	13.8	13.3	0.00	58
11/10/22	Thursday	52,921	60,340	2,244	65,375	67,619	0	0	0	210	257 202	0	13.8	13.3	0.00	3,425
11/11/22	Friday	58,665	66,220	0	97,016	97,016	0	0	0	193	- 222	0	13.8	13.4	0.00	1,615
11/12/22	Saturday	69,241	76,050	0	39,120	39,120	0	0	0	193	- 222	0	13.8	13.5	0.00	1,641
11/13/22	Sunday	45,917	61,060	0	75,548	75,548	0	0	0	206	- 239	0	13.8	13.5	0.00	1,862
11/14/22	Monday	58,071	62,240	748	50,565	51,313	0	0	0	222	- 239	0	13.8	13.4	0.00	1,661
11/15/22	Tuesday	44,997	52,200	43,608	20,420	64,029	33,734	27,545	6,189	222	- 257	0	13.8	13.4	0.00	1,354
11/16/22	Wednesday	49,303	54,780	39,943	25,507	65,450	39,421	32,196	7,225	-	- 239	0	13.8	13.3	0.00	1,576
11/17/22	Thursday	49,348	56,530	36,203	19,224	55,427	33,582	27,427	6,155	162	342 -	0	13.8	13.4	0.00	631
11/18/22	Friday	48,889	54,700	57,970	23,936	81,906	40,805	33,007	7,798	149	- 222	0	13.9	13.7	0.00	3,553
11/19/22	Saturday	59,980	66,880	42,112	50,191	92,303	54,574	44,681	9,893	-	- -	0	13.9	13.6	0.00	742
11/20/22	Sunday	70,665	77,730	24,759	34,333	59,092	44,653	36,557	8,096	-	- -	0	13.9	13.6	0.00	2,578
11/21/22	Monday	73,823	79,170	41,514	21,842	63,356	30,248	24,812	5,436	137	342 257	0	13.8	13.6	0.00	1,694
11/22/22	Tuesday	67,416	73,440	56,324	29,621	85,945	56,682	46,519	10,163	-	- -	0	14.1	13.7	0.00	882
11/23/22	Wednesday	69,684	75,570	59,690	39,195	98,886	26,106	21,303	4,803	162	- -	0	14.1	13.7	0.00	2,168
11/24/22	Thursday	70,001	79,010	26,404	52,061	78,465	37,754	30,863	6,891	149	- 257	0	14.1	13.7	0.00	2,291
11/25/22	Friday	79,110	82,700	39,420	32,912	72,332	50,334	41,216	9,118	162	- 257	0	14.1	13.6	0.00	553
11/26/22	Saturday	83,006	89,010	52,285	46,825	99,110	41,262	33,695	7,567	-	- -	0	14.1	13.7	0.00	1,973
11/27/22	Sunday	63,352	67,110	41,589	39,943	81,532	52,534	42,938	9,596	-	- -	0	14.0	13.6	0.00	1,896
11/28/22	Monday	55,830	59,130	55,352	17,054	72,406	65,618	53,672	11,946	193	423 297	0	14.0	13.6	0.00	1,150
11/29/22	Tuesday	64,768	68,300	69,190	0	69,190	80,194	65,375	14,819	202	- -	0	14.1	13.7	0.00	1,664
11/30/22	Wednesday	54,044	59,120	83,776	1,870	85,646	43,334	35,461	7,873	193	- -	0	14.1	13.6	0.00	1,258
TOTALS		1,749,106	1,939,200	885,707	1,185,430	2,071,137	730,835	597,267	133,568			0			0.00	49,078
Average		58,304	64,640	29,524	39,514	69,038	24,361	19,909	4,452	184	286 216	0	13.9	13.6	0.00	1,636
Minimum		37,085	41,670	0	0	0	0	0	0	137	202 125	0	13.8	13.2	0.00	58
Maximum		83,006	89,010	83,776	97,016	116,464	80,194	65,375	14,819	222	423 297	0	14.2	13.8	0.00	3,553

DATA SUMMARY SHEET

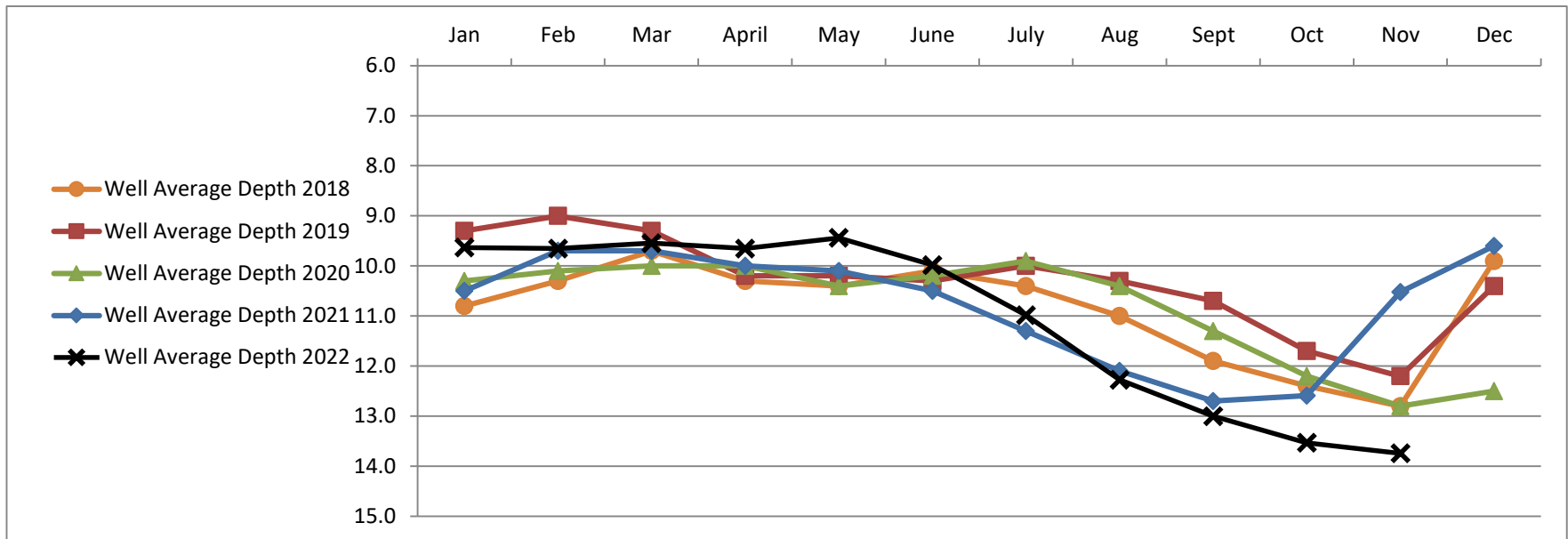
2022													
	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Total for 2022
Wastewater Influent	1,571,222	1,389,949	1,589,863	1,719,101	1,798,328	2,016,224	2,377,922	2,144,776	1,831,090	1,703,468	1,749,106		19,891,049
Wastewater Final Effluent (Month Cycle)	1,649,170	1,498,768	1,725,410	1,871,010	1,996,900	2,172,360	2,440,050	2,149,140	1,989,820	1,877,540	1,939,200		21,309,368
Adjusted Wastewater Influent (- State Flow)	1,522,839	1,356,607	1,549,685	1,690,058	1,608,515	1,780,084	2,203,484	2,090,258	1,774,814	1,650,919	1,700,028		18,927,291
Water Produced (month cycle)	1,683,299	1,654,800	1,924,903	2,059,394	2,175,259	2,390,458	2,811,134	2,445,960	2,414,544	2,119,832	2,071,137		23,750,720
Sewer Influent/Water Produced Ratio	0.93	0.84	0.83	0.84	0.83	0.84	0.85	0.88	0.76	0.80	0.84		N/A
Adusted Sewer/Water Produced Ratio	0.91	0.82	0.81	0.82	0.74	0.74	0.78	0.85	0.74	0.78	0.82		N/A
Well 1 Water Production	798,864	892,663	1,308,402	1,210,189	1,818,687	2,225,599	2,698,709	2,221,111	2,332,713	1,035,008	885,707		17,427,652
Well 2 Water Production	884,435	762,137	616,502	849,204	356,572	164,859	112,424	224,849	81,831	1,084,824	1,185,430		6,323,068
Total Well Production	1,683,299	1,654,800	1,924,903	2,059,394	2,175,259	2,390,458	2,811,134	2,445,960	2,414,544	2,119,832	2,071,137		23,750,720
Water Well 1 Avg Depth to Water	9.8	9.8	9.7	9.8	9.6	10.1	11.1	12.4	13.1	13.7	13.9		N/A
Water Well 2 Avg Depth to Water	9.4	9.5	9.4	9.5	9.3	9.9	10.9	12.2	12.9	13.4	13.6		N/A
Average Depth to Water of Both Wells	9.6	9.7	9.5	9.7	9.4	10.0	11.0	12.3	13.0	13.5	13.7		N/A
Change in Average Depth to Water from 2021	-0.9	0.0	-0.2	-0.3	-0.7	-0.5	+1.1	+1.9	+1.7	+0.8	+3.1		N/A
Average Chloride mg/L at the Wells	<30	36	35	32	<30	<30	<30	<30	39	115	251		N/A
State Wastewater Treated	48,383	33,342	40,178	29,043	189,813	236,140	174,439	54,518	56,276	52,549	49,078		963,758
State % of Total WW Flow	3%	2%	3%	3%	11%	12%	7%	3%	3%	3%	3%		N/A
Recycled Water Sold (Gallons)	0	0	0	0	0	0	0	0	0	0	0		0
Biosolids Removal (Gallons)	0	4,500	4,500	0	4,500	9,000	13,500	0	4,500	4,500	4,500		49,500
WW Permit Limitation Exceeded	0	0	0	0	0	0	0	0	0	0	0		0
RW Permit Limitation Exceeded	0	0	0	0	0	0	0	0	0	0	0		0
Constituent Exceeded	None	None	None	None	None	None	None	None	None	None	None		N/A
Sample Limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
Sample Result	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
2021													
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Total for 2021
Wastewater Influent	2,399,103	1,705,622	1,820,175	1,763,875	1,619,717	1,901,547	2,158,434	1,943,680	1,675,426	1,703,610	1,507,913	2,546,220	22,745,322
Wastewater Final Effluent (Month Cycle)	2,546,130	1,747,000	1,874,290	1,827,000	1,826,280	2,057,550	2,281,620	1,997,150	1,837,180	1,801,220	1,613,060	2,699,710	24,108,190
Adjusted Wastewater Influent(- State Flow) *	2,148,485	1,645,420	1,765,245	1,705,967	1,552,211	1,825,611	2,078,540	1,854,274	1,603,573	1,644,544	1,471,062	2,368,128	21,663,060
Water Produced (month cycle)	1,851,150	1,682,402	1,907,250	2,114,147	2,080,786	2,385,297	2,699,083	2,171,145	2,100,384	1,955,870	1,743,588	1,887,877	24,578,981
Sewer Influent/Water Produced Ratio	1.30	1.05	0.95	0.83	0.78	0.80	0.88	0.92	0.80	0.87	0.87	1.35	N/A
Adusted Sewer/Water Ratio	1.16	0.95	0.93	0.81	0.75	0.77	0.85	0.90	0.78	0.84	0.84	1.25	N/A
Average Depth of Both Wells	10.5	9.7	9.7	10.0	10.1	10.5	9.9	10.4	11.3	12.7	10.6	9.7	N/A
Change in Average Depth to Water from 2020	-0.2	0.4	0.3	0.0	0.3	-0.3	0.0	0.0	0.0	-0.5	2.2	2.8	N/A
Average Chloride mg/L at the Wells	352	169	77	41	31	30	-	-	-	<30	41	37	N/A
State Wastewater Treated	250,618	60,202	125,914	57,908	67,506	75,936	79,894	89,406	71,853	59,066	36,851	178,092	1,153,246
State % of Total WW Flow	10%	4%	7%	3%	4%	4%	4%	5%	4%	3%	2%	7%	N/A
Recycled Water Sold (Gallons)	0	0	0	0	0	0	0	0	0	0	0	0	0
Biosolids Removal (Gallons)	0	4,500	0	4,500	9,000	4,500	9,000	0	4,500	22,500	0	0	58,500
WW Permit Limitation Exceeded	0	0	0	0	0	0	0	0	0	0	0	0	N/A
RW Permit Limitation Exceeded	0	0	0	0	0	0	0	0	0	0	0	0	N/A
Constituent Exceeded	None	None	None	None	None	None	None	None	None	None	None	None	N/A
Sample Limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sample Result	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

San Simeon Community Services District

Superintendent's Report

November 2022

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Well Average Depth 2018	10.8	10.3	9.7	10.3	10.4	10.1	10.4	11.0	11.9	12.4	12.8	9.9
Well Average Depth 2019	9.3	9.0	9.3	10.2	10.2	10.3	10.0	10.3	10.7	11.7	12.2	10.4
Well Average Depth 2020	10.3	10.1	10.0	10.0	10.4	10.2	9.9	10.4	11.3	12.2	12.8	12.5
Well Average Depth 2021	10.5	9.7	9.7	10.0	10.1	10.5	11.3	12.1	12.7	12.6	10.5	9.6
Well Average Depth 2022	9.6	9.7	9.5	9.7	9.4	10.0	11.0	12.3	13.0	13.5	13.7	



**3.A.iv. Special Presentations and Reports:
General Manager's Report
Charlie Grace**



GENERAL MANAGER'S REPORT

Item 3.A.iv.

GES Staff Activity – Report on staff activities for the month of November 2022.

Regular activities performed by staff include:

Processing of utility payments, customer service duties, answering phone calls, mailing of the regular monthly utility bills. Prepared and distributed a Regular Board meeting agenda.

GES Staff also attended to the following items:

- Responded to ten (10) written public records requests.
- Assisted two new Board members with set up of District emails, processing of paperwork.

Update on District Grants:

LCP Grant – No update

Update on District Projects and RFP's:

Update on the Instream Flow Management Plan – During the November Board meeting the Board directed Stillwater to make several changes to the report. Stillwater is continuing to work on these changes. Staff anticipates that these updates will be brought to the Board in January.

Update on the Rate Study – In progress.

Update on the Hearst Encroachment Agreement – In progress; the Wildlife Conservation Board is reviewing.

Update on the Water Tank Project – Discussed timing of easement with the property owner. Priority is the Reverse Osmosis Hearst Encroachment Agreement completion mentioned above.

Update on Steps for lifting Moratorium (presented at the October 2020 Board meeting).

Steps for Removal of Water Service Moratorium

1. ~~Contact persons on the water waitlist regarding continues plans to develop~~ (Completed)

2. ~~Development of Instream Flow Management Plan (IFMP) and Program to Accommodate Affordable Housing (North Coast Plan) (Completed 11/2022).~~
3. ~~Conduct an Environmental review and analysis California Environmental Quality Act (CEQA). (UWMP and IFMP may satisfy CEQA) (UWMP is complete, IFMP is complete).~~
4. ~~Conduct a Source Capacity Planning Study required by the State Water Resources Control Board, Division of Drinking Water. (Found not to be a requirement).~~
5. ~~Review and (potentially) modify the District's Ordinance 117 regarding water conservation. (No modification is necessary).~~
6. ~~Develop process for reviewing and processing requests for will serve letters (in progress anticipated that a draft will serve letter was presented at the June Board meeting).~~
7. ~~Administrative Process to Repeal District Ordinance 102 — Water Connection Moratorium (in progress, the draft Ordinance 124 presented at the July meeting and is being presented at an August 30 meeting). (Draft Ordinance 124 failed a first reading on two occasions).~~
8. ~~Implement system of periodic review of water availability (currently described in Resolution 20-426, 4a).~~

**3.A.V. Special Presentations and Reports:
District Financial Summary**

SAN SIMEON COMMUNITY SERVICES DISTRICT



3.A.iv FINANCIAL SUMMARY

Billing November 30, 2022

October Billing Revenue	\$	93,045.98
November Billing Revenue	\$	98,077.03
Past Due (60+ days)	\$	2,321.00

ENDING BANK BALANCES

November 30, 2022

PACIFIC PREMIER BANK:

Money Market Account Closing Balance October 31, 2022	\$	1,672,670.77
Interest for November	\$	274.98
Money Market Account Closing Balance November 30, 2022	\$	1,672,945.75
Operating Reserve Funds		(340,000.00)
Capital Rehab & Replace Reserves		(448,076.82)
USDA Loan Reserves		(25,690.00)
Wait-list Deposits		(92,414.60)
Connection Fees		(678,999.00)
Customer Deposits		(8,300.00)
Available Funds	\$	79,465.33
General Checking Account November 31, 2022	\$	55,408.01
LAIF Closing Balance November 30, 2022	\$	565.03
Interest Money Market Account 2019	\$	22,529.11
Interest Money Market Account 2020	\$	12,206.44
Interest Money Market Account 2021	\$	1,104.91
Interest Money Market Account 2022	\$	1,085.37

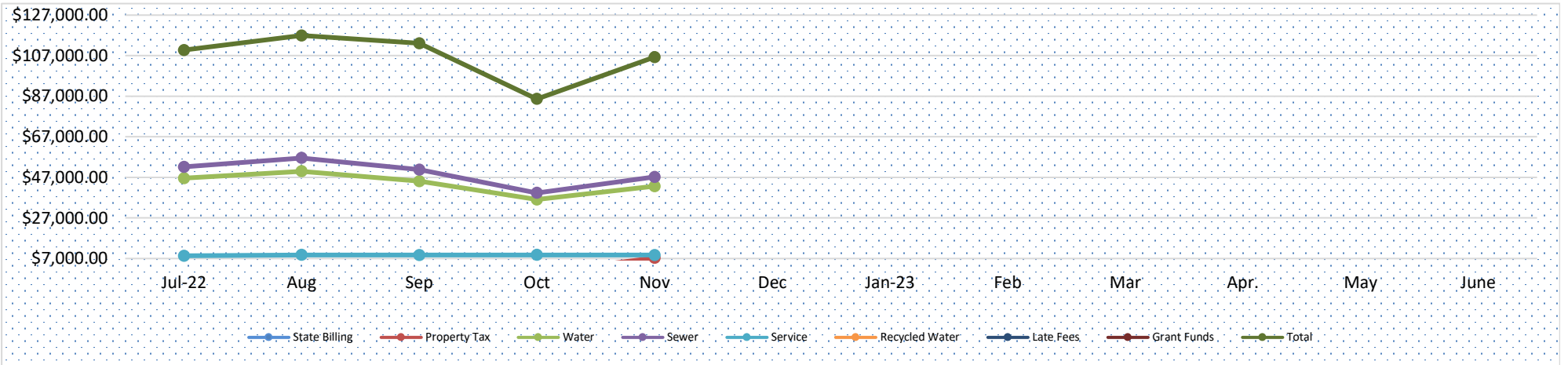
SAN SIMEON COMMUNITY SERVICES DISTRICT
Balance Sheet
As of November 30, 2022

	Nov 30, 22
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty cash	150.00
1015 · Pac Prem Ckg-6603	38,995.34
1017 · Money Market PPBI	
1017a · Pac Prem - Mon Mkt Unrestric...	79,565.33
1017b · USDA short lived asset fund	5,000.00
1017c · USDA Reserve for Annual Pymt	20,690.00
1017d · Operating Reserves	340,000.00
1017e · Reserves-Capital Rehab & Re...	448,076.82
1017f · Capacity Fees Held	678,999.00
1017g · Wait List deposits held	92,414.60
1017h · Customer security deposits held	8,200.00
Total 1017 · Money Market PPBI	1,672,945.75
1050 · LAIF - non-restricted cash	565.03
Total Checking/Savings	1,712,656.12
Other Current Assets	
1200 · Accounts receivable default	110,692.15
1300 · Prepaid insurance expense	6,865.01
Total Other Current Assets	117,557.16
Total Current Assets	1,830,213.28
Fixed Assets	
1400 · Fixed assets	
1420 · Building and structures	279,580.67
1500 · Equipment	
1500a · Equip-PA System	7,591.16
1500b · Equip-Muffin Monster	5,098.32
1500 · Equipment - Other	0.45
Total 1500 · Equipment	12,689.93
1560 · Pipe bridge	29,497.00
1580 · Sewer plant	869,352.16
1590 · Sewer plant equipment	12,468.83
1600 · Water system	235,615.43
1620 · WWTP expansion	299,565.92
1630 · Tertiary Project	568,063.00
1640 · Wellhead Rehab Project	448,253.95
1650 · Walkway access projects	26,791.00
1660 · RO Unit	948,021.38
1680 · Generator	18,291.00
Total 1400 · Fixed assets	3,748,190.27
1450 · Construction in Progress	
1670 · Reservoir / Water Tanks	287,693.56
Total 1450 · Construction in Progress	287,693.56
1690 · Accumulated depreciation	(1,666,176.04)
Total Fixed Assets	2,369,707.79
TOTAL ASSETS	4,199,921.07

	Nov 30, 22
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2500 · Customer security deposits	8,200.00
2510 · Connect hookup wait list	93,538.60
2515 · Unearned Revenue- Capacity F...	678,999.00
Total Other Current Liabilities	780,737.60
Total Current Liabilities	780,737.60
Long Term Liabilities	
2520 · USDA Loan Principal Bal	425,548.72
Total Long Term Liabilities	425,548.72
Total Liabilities	1,206,286.32
Equity	
3201 · Net Investment in Capital Asset	1,980,565.00
3204 · BOD Assigned-Rehab & Replace	
3204G · Board Assigned for General CIP	50,051.03
3204S · Board Assigned for WW CIP	199,047.69
3204W · Board Assigned for Water CIP	198,978.10
Total 3204 · BOD Assigned-Rehab & Repla...	448,076.82
3207 · BOD Assigned for Oper Reserves	
3207G · Op Reserves -Gen Fd	40,000.00
3207S · Op Reserves - Sewer Fd	150,000.00
3207W · Op Reserves - Water Fd	150,000.00
Total 3207 · BOD Assigned for Oper Reser...	340,000.00
3211 · Restricted-USDA Annual Loan Pmt	20,690.00
3212 · Restricted-USDA Short Liv Ass	5,000.00
3220 · Unrestricted-Undesignatd Equity	271,846.27
Net Income	(72,543.34)
Total Equity	2,993,634.75
TOTAL LIABILITIES & EQUITY	4,199,921.07

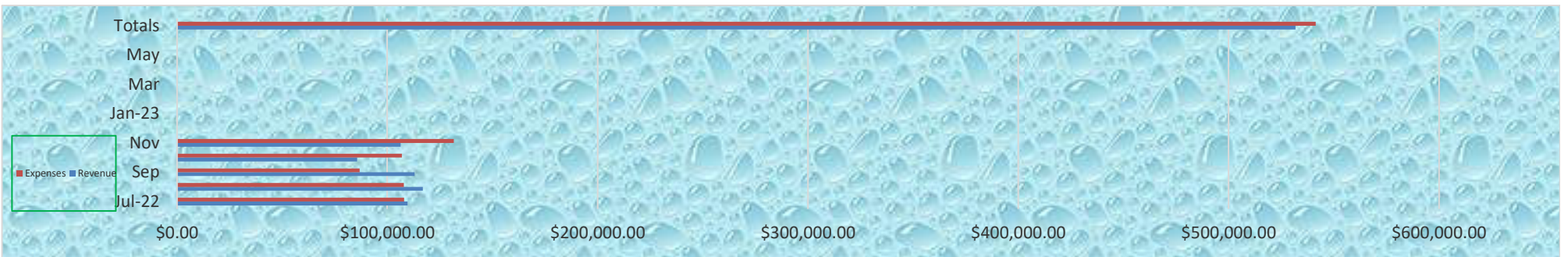
DISTRICT REVENUE FY 2021/2022

	Jul-22	Aug	Sep	Oct	Nov	Dec	Jan-23	Feb	Mar	Apr.	May	June	Totals
State Billing			\$6,238.09										\$6,238.09
Property Tax	\$1,155.48	\$1,181.01	\$1,373.09	\$62.27	\$7,341.57								\$11,113.42
Water	\$46,591.56	\$50,027.56	\$45,188.80	\$36,147.17	\$42,655.95								\$220,611.04
Sewer	\$52,231.30	\$56,585.04	\$50,804.24	\$39,404.66	\$47,278.96								\$246,304.20
Service	\$8,391.83	\$8,833.46	\$8,790.97	\$8,833.46	\$8,790.97								\$43,640.69
Recycled Water													\$0.00
Late Fees	\$1,359.93	\$351.81	\$657.37	\$1,280.53	\$243.28								\$3,892.92
Grant Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								\$0.00
Total	\$109,730.10	\$116,978.88	\$113,052.56	\$85,728.09	\$106,310.73								\$531,800.36
Water Sold Cu Ft	323170	325550	294504	234854	277634								1455712
Water Sold Acre ft	7.42	7.47	6.76	5.39	6.37								33.42



REVENUE VS EXPENSES

	Jul-22	Aug	Sep	Oct	Nov	Dec	Jan-23	Feb	Mar	Apr.	May	June	Totals
Revenue	\$109,730.10	\$116,978.88	\$113,052.56	\$85,728.09	\$106,310.73								\$531,800.36
Expenses	\$108,042.12	\$107,950.12	\$86,903.09	\$106,925.30	\$131,633.07								\$541,453.70
Balance	\$1,687.98	\$9,028.76	\$26,149.47	(\$21,197.21)	(\$25,322.34)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$9,653.34)



**SAN SIMEON COMMUNITY SERVICES
HISTORICAL FISCAL REVIEW**

FY 2019/2020

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
State Billing			\$25,528.71			\$22,455.35			\$15,776.54			\$7,016.19	\$70,776.79
Property Tax	\$1,218.61	\$2,752.21	\$3,126.48	\$5,305.64	\$6,019.52	\$23,503.23	\$13,612.60	\$5,282.91	\$2,659.00	\$15,436.18	\$9,385.45	\$916.22	\$89,218.05
Water	\$41,718.97	\$39,623.52	\$40,324.01	\$43,808.36	\$32,208.00	\$23,432.56	\$33,732.14	\$34,067.23	\$24,268.55	\$17,909.86	\$28,582.31	\$36,460.31	\$396,135.82
Sewer	\$48,137.21	\$45,503.27	\$45,161.69	\$48,244.57	\$34,916.02	\$26,527.95	\$39,321.56	\$39,368.21	\$27,637.52	\$19,243.28	\$29,934.22	\$37,683.06	\$441,678.56
Service	\$7,113.60	\$7,045.20	\$7,079.40	\$7,451.10	\$7,489.26	\$7,344.54	\$7,525.44	\$7,453.08	\$7,489.26	\$7,489.26	\$7,489.26	\$7,453.08	\$88,422.48
Recycled Water													\$0.00
Late Fees	\$1,957.04	\$2,399.24	\$1,407.87	\$468.45	\$316.84	\$1,136.41	\$237.28	\$307.96	\$2,793.44	\$5,540.71	\$4,647.78	\$3,802.45	\$25,015.47
Grant Funds			\$8,750.00	\$167,376.61						\$1,485.90		\$8,369.50	\$185,982.01
Revenue	\$100,145.43	\$97,323.44	\$122,628.16	\$105,278.12	\$80,949.64	\$104,400.04	\$94,429.02	\$86,479.39	\$80,624.31	\$65,619.29	\$80,039.02	\$93,331.31	\$1,111,247.17
Expense	\$90,205.84	\$67,705.50	\$94,401.58	\$97,595.50	\$87,822.01	\$86,173.97	\$85,716.44	\$75,643.11	\$62,582.54	\$73,942.83	\$90,232.61	\$79,762.52	\$991,784.45
Balance	\$9,939.59	\$29,617.94	\$28,226.58	\$7,682.62	(\$6,872.37)	\$18,226.07	\$8,712.58	\$10,836.28	\$18,041.77	(\$8,323.54)	(\$10,193.59)	\$13,568.79	\$119,462.72
Water Sold Cu Ft	336845	319458	323518	329822	242893	179311	260006	261505	185972	137196	217871	274085	3,068,482
Water Sold Acre ft	7.73	7.33	7.43	7.57	5.58	4.12	5.97	6.00	4.27	3.15	5.00	6.29	70.44

FY 2020/2021

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
State Billing			\$4,898.26			\$4,898.26			\$9,978.14			\$5,654.87	\$25,429.53
Property Tax	\$2,336.92	\$751.11	\$11.88	\$6,945.71	\$5,461.44	\$26,458.17	\$12,827.64	\$1,063.98	\$5,505.65	\$8,582.80	\$15,086.53	\$2,262.87	\$87,294.70
Water	\$40,209.97	\$54,512.44	\$41,179.63	\$40,129.44	\$30,132.26	\$30,099.00	\$31,207.86	\$28,567.08	\$27,866.11	\$39,907.47	\$31,637.78	\$39,875.45	\$435,324.49
Sewer	\$45,546.00	\$60,488.59	\$45,320.14	\$44,227.62	\$32,486.93	\$31,269.68	\$29,285.81	\$31,276.88	\$30,546.56	\$44,784.48	\$34,717.31	\$44,261.59	\$474,211.59
Service	\$7,830.48	\$7,834.18	\$7,910.24	\$7,872.17	\$8,062.36	\$7,948.27	\$7,910.24	\$7,910.24	\$7,834.18	\$7,796.15	\$7,910.24	\$7,872.21	\$94,690.96
Recycled Water	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Late Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grant Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue	\$95,923.37	\$123,586.32	\$99,320.15	\$99,174.94	\$76,142.99	\$100,673.38	\$81,231.55	\$68,818.18	\$81,730.64	\$101,070.90	\$89,351.86	\$99,926.99	\$1,116,951.27
Expense	\$87,144.37	\$81,902.63	\$114,623.38	\$160,041.02	\$98,357.85	\$137,804.21	\$111,151.88	\$106,602.36	\$84,771.53	\$71,795.69	\$91,754.68	\$72,434.79	\$1,218,384.39
Balance	\$8,779.00	\$41,683.69	(\$15,303.23)	(\$60,866.08)	(\$22,214.86)	(\$37,130.83)	(\$29,920.33)	(\$37,784.18)	(\$3,040.89)	\$29,275.21	(\$2,372.82)	\$27,492.20	(\$101,403.12)
Water Sold Cu Ft	292033	387244	297886	291236	218802	217498	215864	209660	203888	291683	230285	288809	3,144,888
Water Sold Acre ft	6.70	8.89	6.84	6.69	5.02	4.99	4.96	4.81	4.68	6.70	5.29	6.63	72.20

FY 2021/2022

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
State Billing			\$6,340.85			\$7,273.93			\$7,273.93				\$20,888.71
Property Tax	\$115.78	\$1,381.14	\$10.01	\$5,809.34	\$11,583.42	\$7,622.03	\$163,743.57	\$4,095.69	\$4,104.27	\$14,321.21	\$12,933.74		\$225,720.20
Water	\$49,269.78	\$36,018.10	\$36,656.78	\$37,820.36	\$34,769.42	\$30,061.95	\$27,060.11	\$31,533.31	\$30,350.63	\$38,738.36	\$36,177.32	\$41,905.35	\$430,361.47
Sewer	\$55,516.22	\$40,331.83	\$40,336.81	\$42,047.97	\$38,874.20	\$35,068.70	\$30,298.87	\$35,079.28	\$33,573.78	\$44,078.35	\$39,679.66	\$47,223.70	\$482,109.37
Service	\$7,910.24	\$7,834.18	\$7,977.48	\$8,080.85	\$8,272.49	\$8,272.49	\$8,272.49	\$8,232.71	\$8,272.49	\$8,232.71	\$8,312.27	\$8,232.71	\$97,903.11
Recycled Water	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Late Fees	\$2,349.85	\$3,168.75	\$2,222.38	\$3,159.93	\$1,854.16	\$1,966.24	\$3,291.71	\$2,803.97	\$211.71	\$2,566.37	\$1,996.72	\$1,813.47	\$27,405.26
Grant Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue	\$115,161.87	\$88,734.00	\$93,544.31	\$96,918.45	\$95,353.69	\$90,265.34	\$232,666.75	\$81,744.96	\$83,786.81	\$107,937.00	\$99,099.71	\$99,175.23	\$1,284,388.12
Expense	\$95,803.89	\$75,209.49	\$80,233.53	\$84,995.77	\$103,695.19	\$90,282.75	\$103,403.23	\$102,972.34	\$153,478.50	\$111,977.33	\$101,809.55	\$101,809.55	\$1,205,671.12
Balance	\$19,357.98	\$13,524.51	\$13,310.78	\$11,922.68	(\$8,341.50)	(\$17.41)	\$129,263.52	(\$21,227.38)	(\$69,691.69)	(\$4,040.33)	(\$2,709.84)	(\$2,634.32)	\$78,717.00
Water Sold Cu Ft	357524	261467	253458	262346	241618	210787	189269	219034	211521	270041	249738	291510	3,018,313
Water Sold Acre ft	8.21	6.00	5.82	6.02	5.55	4.84	4.35	5.03	4.86	6.20	5.73	6.69	69.29

CONSENT AGENDA ITEMS:

- A. REVIEW AND APPROVAL OF MINUTES FOR THE REGULAR MEETING ON
OCTOBER 11, 2022.**

MEETING MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR BOARD MEETING
Tuesday, October 11, 2022
5:00 pm

Pursuant to San Simeon CSD Resolution 22-457 and incompliance with AB 361 this meeting occurred as a virtual teleconference using the Zoom app.

Internet Meeting Location – Via ZOOM

1. REGULAR SESSION @ 5:00 PM

- A. Chairperson Kellas – Present
- Vice-Chairperson Giacoletti – Present
- Director de la Rosa – Present
- Director Donahue – Present

2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA: (2:00)

Public Comment -

(2:35) Julie Tacker commented that she had sent the Board a letter requesting a boundary survey and title search of Pico Ave beach access. She requested that the Board members request this matter be placed onto an agenda.

(6:30) Henry Krzciuk commented on the Cavalier agreement stating that it was done unfairly.

(9:53) Director Donahue commented on his letter to the Board related to this agreement. He and Chairperson Kellas further discussed this matter.

3. SPECIAL PRESENTATIONS AND REPORTS: (11:00)

A. STAFF REPORTS:

- i. **Sheriff's Report** – None.
- ii. **CHP Report** – None.
- iii. **Dudek Public Outreach Report** – Wastewater Treatment Plant Relocation – CHRP – Director Donahue requested that this item be moved off special presentations stating that John Dudek was not staff. Josh George clarified that this practice was standard with other agencies further stating that this item was properly agenized. Dudek staff (John Davis, Mike Metts, and Caroline Groves) was present to provide information about the upcoming public outreach meeting. Dudek presented a brief power point presentation regarding the project timeline, possible alternative site locations, and the stakeholder list.

(34:00) Director Donahue commented on the concept of the leaving the plant in the same location that it currently is. Stating that it could be elevated. John Davis (Dudek) stated that they would be looking at this alternative through a coastal hazards modeling

plan. He further stated that the Coastal Commission regulations were very strict and that this was not likely based on the information that Dudek currently had.
(38:55) Vice-Chairperson Giacoletti commented about removal of the outfall and the potential of working with Cambria. Vice-Chairperson and John Davis (Dudek) further discussed her questions. Director de la Rosa inquired about the which technology had the largest footprint and which had the smallest footprint.

Public Comment –

(44:26) Henry Krzciuk commented.
(47:58) Karina Tiwana commented.
(54:38) Sherry Brajcich commented.
(1:00:20) Julie Tacker commented.

- iv. **Superintendent’s Report –** (1:08:33) Steve Orellana provided a summary of the September activities.
- v. **General Manager’s Report –** (1:09:50) Charlie Grace provided a summary of the September activities.
- vi. **District Financial Summary –** (1:13:00) Charlie Grace provided a summary of September financials.
- vii. **District Counsel’s Report –** (1:15:00) Josh George provided a summary of the September activities.
- viii. **Board Member Report –** None.

B. AD-HOC & STANDING COMMITTEE REPORTS:

- ii. **Status Update –** Budget Committee – None.
- iii. **Status Update –** Water Committee – None.

Public Comment –

(1:16:20) Julie Tacker commented.
(1:18:02) Henry Krzciuk commented.
(1:20:00) Marcia commented.

4. CLOSED SESSION: (1:21:00)

Public Comment –

(1:21:20) Julie Tacker commented.
(1:22:50) Henry Krzciuk commented.
(1:24:22) Karina Tiwana commented.

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code § 54956.9. One (1) Potential Case

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

(22 min: 6:30 pm – 6:52 pm)

Report on Closed Session: No reportable action.

5. CONSENT AGENDA ITEMS (part A): (1:30:40)

(1:31:40) Director Donahue commented on the payments to Bob Hather and Jeff Oliveira that were listed on the disbursements journal. He also asked that item A and B be part of the Business Action Items. There was further discussion about the disbursements journal.

- A. REVIEW AND APPROVAL OF MINUTES FOR THE REGULAR MEETING ON AUGUST 9, 2022.**
- B. REVIEW AND APPROVAL OF MINUTES FOR THE SPECIAL MEETING ON AUGUST 30, 2022.**
- C. REVIEW AND APPROVAL OF MINUTES FOR THE SPECIAL MEETING ON SEPTEMBER 14, 2022.**
- D. REVIEW AND APPROVAL OF DISBURSEMENTS JOURNAL.**
- E. ADOPTION OF RESOLUTION 22-458 TO CONTINUE VIRTUAL MEETINGS PURSUANT TO THE PROVISIONS OF AB 361.**
- F. DISCUSSION REVIEW AND APPROVAL OF PROPOSAL FROM PADRE ASSOCIATES, INC. FOR THE DISTRICT PICO STAIRS SLURRY REPAIR – PERMITTING (\$5,450).**

Public Comment –

(1:39:50) Karina Tiwana commented.

(1:42:26) Henry Krzciuk commented.

(1:44:49) Director Donahue made a motion to pull items 5.A and 5.F from the consent agenda items.

2nd: None

(1:47:43) It was acknowledged that the Chairperson was recusing herself from item 6.A and 6.B.

A motion was made to approve the consent agenda items 5.A-F as is.

Motion: Chairperson Kellas

2nd: Director Donahue

Vote: 4/0

Roll Call:

Kellas: Yes

Giacoletti: Yes

de la Rosa: Yes

Donahue: Yes

6. CONSENT AGENDA ITEMS (part B): (1:49:10)

Chairperson Kellas recused herself.

- A. DISCUSSION REVIEW AND APPROVAL OF PROPOSAL FROM PADRE ASSOCIATES, INC. FOR THE DISTRICT OCEAN OUTFALL LINE MAINTENANCE PROJECT – PERMITTING (\$32,980).**

B. DISCUSSION REVIEW AND APPROVAL OF PROPOSAL FROM BRENNAN FOR THE ANNUAL INSPECTION OF OCEAN OUTFALL LINE (\$11,703).

(1:49:12) A motion was made to approve consent agenda items 6.A and 6.B.

Motion: Director Donahue
2nd: Vice-Chairperson Giacoletti
Vote: 3/1
Absent: Kellas

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

7. BUSINESS ACTION ITEMS:

A. DISCUSSION, REVIEW AND APPROVAL REGARDING A CHARLES SCHWAB BROKERAGE /CHECKING ACCOUNT. (1:50:00)

(1:50:30) Chairperson Kellas introduced the item. Director Donahue provided additional information about this item. There was further discussion about this matter between the Board.

Public Comment –
(2:01:48) Karina Tiwana commented.
(2:04:25) Julie Tacker commented.
(2:07:40) Henry Krzciuk commented.
(2:10:50) Michael Hanchett commented.

(2:12:30) Director Donahue responded to Michael Hanchett's comment stating that this type of investment was completely risk free. Chairperson Kellas asked if more research could be done on this topic and it could be brought back to the Board at a later time.

No action was taken on this item.

8. PUBLIC HEARING: (2:14:36)

A. PUBLIC HEARING PURSUANT TO SSCSD ORDINANCE 102 HARDSHIP – hearing to review water will serve requests based on hardship applications and responses from: Mr. Marcum, Mr. Hurlbert, Mrs. Seifert and Mrs. Brajcich.

Chairperson Kellas introduced this item. She stated that the Akel report needed to be further reviewed to accommodate a potential error on the waitlist.

Public Comment –
(2:16:28) Lloyd Marcum commented.
(2:18:15) Sherry Brajcich commented.
(2:21:10) Julie Tacker commented.

(2:25:00) Henry Krzciuk commented.
(2:28:40) Karina Tiwana commented.
(2:31:30) The Directors further discussed this matter.

Public Comment –
(2:36:40) Sherry Brajcich commented.

(2:41:10) Vice-Chairperson Giacoletti responded to Sherry's comment.

9. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS – Director Donahue requested that his complaint letter be placed on the November meeting agenda, he also requested that a title search and boundary survey for Pico Avenue beach access be placed on the agenda.

10. ADJOURNMENT – @ 8:10 PM

DRAFT

CONSENT AGENDA ITEMS:

- B. REVIEW AND APPROVAL OF MINUTES FOR THE REGULAR MEETING ON NOVEMBER 8, 2022.**

MEETING MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR BOARD MEETING
Tuesday, November 8, 2022
5:00 pm

Pursuant to San Simeon CSD Resolution 22-458 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
Director de la Rosa – Present
Director Donahue – Present

- B. Reportable Action from 3:30 Closed Session: The Board voted to approve indemnification for GES for the cost of legal services in the amount of 85%. Vote was 3/1 with Director Donahue voting No.

2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:

Public Comment –

(2:50) Julie Tacker commented on the Boards vote to approve indemnification for GES. She further commented on policy decisions that were being made by the Board.

(5:32) April Dury commented about how the Board meetings were laid out on the District's website. She also commented on the GES indemnification item.

(7:20) Henry Krzciuk commented that a member of the public was unable to raise her hand.

(8:02) Karina Tiwana commented that she could not see that hand raise icon in Zoom. She further commented on the GES indemnification item.

3. SPECIAL PRESENTATIONS AND REPORTS: (11:10)

A. STAFF REPORTS:

- i. **Sheriff's Report** – None.
- ii. **CHP Report** – None.
- iii. **Superintendent's Report (11:36)** – Steve Orellana provided a summary of October activities.
- iv. **General Manager's Report (12:50)** – Charlie Grace provided a summary of October activities.
- v. **District Financial Summary (15:05)** – Charlie Grace provided a summary of October financials.
- vi. **District Counsel's Report (16:43)** – Jeff Minnery provided a summary of October activities.
- vii. **Board Member Report** – None.

B. AD-HOC & STANDING COMMITTEE REPORTS: (17:00)

- i. **Status Update** Budget Committee (2 vacancies) – None.
- ii. **Status Update** Water Committee (3 vacancies) – None.
- iii. **Status Update** Camping Ordinance on District Streets – Director Donahue provided a report on this matter stating that the County would address it in February 2023.
- iv. **Status Update** CHRP (WWTP relocation) Dudek Public Outreach (18:29) – Chairperson Kellas provided a report. John Davis from Dudek was present and provided a summary of their work on preparing for the public outreach meeting.

(20:40) Director Donahue read his complaint against the District related to the District's agreement with the Cavalier Inn. He stated that this agreement was illegal.

(25:50) Chairperson Kellas provided a brief summary of the Board's decision to enter into this agreement.

Public Comment –
(27:05) Julie Tacker commented.

(29:30) Charlie Grace provided information related to the Pico Stairs repair.

Public Comment Continued –
(31:35) Karina Tiwana commented.
(33:32) Sherry Brajich commented.
(34:30) April Dury commented.

4. CONSENT AGENDA ITEMS: (35:45)

- A. REVIEW AND APPROVAL OF MINUTES FOR THE SPECIAL MEETING ON SEPTEMBER 6, 2022.**
- B. REVIEW AND APPROVAL OF MINUTES FOR THE SPECIAL MEETING ON SEPTEMBER 20, 2022.**
- C. REVIEW AND APPROVAL OF DISBURSEMENTS JOURNAL.**
- D. ADOPTION OF RESOLUTION 22-459 TO CONTINUE VIRTUAL MEETINGS PURSUANT TO THE PROVISIONS OF AB 361.**
- E. REVIEW AND APPROVAL OF A CONTRACT BETWEEN V&H HOLDINGS AND SSCSD FOR MEETING ROOM USE TO CONDUCT PUBLIC OUTREACH MEETINGS RELATED TO THE COASTAL HAZARD RESPONSE PLAN.**

(35:47) Chairperson Kellas stated that there were two typos that needed to be corrected on the September 20, 2022 meeting minutes. She stated that these updates would be emailed to GES Staff.

Public Comment –
(37:35) Julie Tacker commented.
(39:10) Chris commented.
(43:45) Karina Tiwana commented.

(45:20) Michael Cruz commented.
(47:25) April Dury commented.
(48:17) William Randolph Hearst commented (April Dury).
(48:36) Sherry Brajich commented.

(49:08) A motion was made to approve the consent agenda item with the changes to the September 20, 2022 meeting minutes.

Motion: Chairperson Kellas
2nd: Vice-Chairperson Giacoletti
Vote: 3/1

Roll Call:
Kellas: Yes Giacoletti: Yes de la Rosa: Yes Donahue: No

Business Action Item 6.A. (49:50)

A. DISCUSSION, REVIEW AND APPROVAL OF THE STILLWATER INFLOW STREAM MANAGEMENT STUDY.

Ken Jarrett and Ethan Bell (Stillwater) provided a presentation on the Pico Creek Instream Flow Report.

(1:01:20) There was conversation between Vice-Chairperson Giacoletti, Director de la Rosa, and Ken Jarrett. Ken Jarrett stated that the pumping did not impact the adult migration of Steelhead. There was further discussion about the juvenile Steelhead. There was Board member discussion regarding addendums to the report and additional monitoring tools. Director de la Rosa, Director Donahue, and Vice-Chairperson Giacoletti provided direction to Stillwater on additional items to include in the report.

Public Comment –

(1:18:40) Julie Tacker commented.
(1:20:30) Karina Tiwana commented.

(1:23:00) Ethan Bell and Ken Jarrett responded to the public comments stating that the study occurred during a drought, he provided further information about variables that were taking into the account during the study.

Public Comment continued –

(1:25:00) Michael Hanchett commented.

(1:26:20) Ethan Bell responded to public comment.

Public Comment continued –

(1:27:00) Henry Krzciuk commented.
(1:29:40) David Sansone commented.
(1:31:30) Ethan Bell provided procedural information related to submittal of the report to other government agencies.

The Chairperson asked that Stillwater provide a quote to provide additional services discussed as part of the addendum. The Board agreed with this direction.

5. PUBLIC HEARING: (1:34:07)

- A. PUBLIC HEARING PURSUANT TO SSCSD ORDINANCE 102 HARDSHIP – hearing to review water will serve requests based on hardship applications and responses from: Mr. Marcum, Mr. Hurlbert, Mrs. Brajcich, Mrs. Seifert, and Mr. Sansone.**

Chairperson Kellas introduced this item. Her and Jeff Minnery further discussed this matter. Director de la Rosa and Vice-Chairperson Giacoletti suggested that that would like to see the Stillwater report come back conclusively. There was further discussion about this item and the requests for hardships.

Public Comment –

- (1:43:30) Julie Tacker commented.
- (1:47:35) Michael Cruz commented.
- (1:48:35) Karina Tiwana commented.
- (1:51:30) Sherry Brajcich commented.
- (1:55:00) David Sansone commented.
- (1:59:18) Michael Hanchett commented.

(2:03:28) Chairperson Kellas made a motion 1st for Marcum, 2nd for Seifert, 3rd for Sansone that we issue intent to serve no fees waived based on the Stillwater report, continuing on for Ms. Brajcich that an intent to serve be issued with the caveat that no fees are waived contingent on the Stillwater report based on the water waitlist positions and the actual EDU demand.

Jeff Minnery asked for clarification on the motion.

(2:04:55) A motion was made that Marcum, Seifert, and Sansone be issued a will-serve under the hardship exemption.
2nd: None

(2:06:11) Director Donahue made a motion for Sherry Brajcich. Jeff Minnery asked him to clarify his motion. Director Donahue restated the motion as issuance of will-serve letter to Sherry Brajcich conditional on the Stillwater report.
2nd: Vice-Chairperson Giacoletti (2nd was stated late because she stated she was muted)

(2:08:05) Director Donahue made a motion to allow Sherry Brajcich her water allocation based on the Stillwater report.
2nd: Vice-Chairperson Giacoletti

Motion: Director Donahue
2nd: Vice-Chairperson Giacoletti
Vote: 2/2

Roll Call:

Kellas: No Giacoletti: Yes de la Rosa: No Donahue: Yes

(2:09:15) There was further discussion between the Board related to this item. Jeff Minnery provided direction to the Board related to Ordinance 102 asking that Board provide direction to legal counsel regarding this matter.

6. BUSINESS ACTION ITEMS:

B. DISCUSSION, REVIEW AND APPROVAL TO RE-PAVE APPROXIMATELY 75' X 25' AND RE-CURB 75' OF THE SSCSD OWNED PORTION OF SAN SIMEON AVENUE NOT TO EXCEED \$25,000. (2:13:10)

Chairperson Kellas introduced the item.

Public Comment –

(2:15:10) Julie Tacker commented.

(2:16:48) David Sansone commented.

(2:17:46) A motion was made to approve the direction to staff to pave the portion of San Simeon Road.

Motion: Chairperson Kellas

2nd: Vice-Chairperson Giacoletti

Vote: 4/0

Roll Call:

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

C. DISCUSSION, REVIEW AND APPROVAL FOR CHAIRPERSON KELLAS TO RESPOND TO MOUCHAWAR LETTER REGARDING THEIR POSITION AND EDUs ON THE SSCSD WAITLIST. (2:18:25)

Chairperson Kellas introduced the item.

Public Comment –

(2:20:40) Julie Tacker commented.

(2:24:24) Henry Krzciuk commented.

(2:27:45) Michael Hanchett commented.

(2:28:22) Director Donahue made a motion was made to direct Minnery to review this and come up with some recommendations to the Board at the December meeting.

2nd: None

(2:29:18) Chairperson Kellas made that she was at least allowed to write a letter or Minnery can write the letter because Paquette needed a response. She repeated the motion that she would be allowed to write a letter or Counsel could write a letter in saying that the Board was putting this off until December.

Motion: Chairperson Kellas
2nd: Director Donahue
No role call was taken.

(2:29:50) Director de la Rosa asked for clarification on the motion.

(2:29:28) Chairperson Kellas (restated) made a motion that Jeff Minnery send a letter to Paquette stating that the Board was delaying until the December meeting.

Motion: Chairperson Kellas
2nd: Director de la Rosa
Vote: 4/0

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

D. DISCUSSION, REVIEW AND APPROVAL OF GRACE ENVIRONMENTAL OPERATIONS & MANAGEMENT CONTRACT EXTENSION FOR OPERATIONS, MAINTENANCE AND GENERAL MANAGER SERVICES. (2:30:45)

Charlie Grace recused himself stating that he had a business interest in this matter.

Chairperson Kellas introduced the item.

(2:36:50) Michael Donahue commented stating that the he was unhappy with the contract language and that this matter should be revisited in December. There was further discussion about the RFP process between the Chairperson and Director Donahue.

Public Comment –
(2:41:00) Julie Tacker Commented.
(2:44:20) Michael Hanchett commented.
(2:46:38) Albert Barreto commented.
(2:47:10) Henry Krzciuk commented.
(2:50:30) Karina Tiwana commented.

(2:56:05) A motion was made to accept what was accepted at the September 6th Special meeting the first amendment to the amendment restatement of the professional services agreement dated October 12, 2021 and corrected, that we make a motion to accept it.

Motion: Chairperson Kellas
2nd: Vice-Chairperson Giacoletti
Vote: 3/1

Roll Call:
Kellas: Yes Giacoletti: Yes de la Rosa: Yes Donahue: No

E. DISCUSSION, REVIEW AND APPROVAL OF INDEMNIFICATION FOR GRACE ENVIRONMENTAL, (GES) COSTS INCURRED AS A RESULT OF THE DISTRICT ATTORNEY INVESTIGATION RELATED TO THE SSCSD / GES CONTRACT. (2:57:20)

Chairperson Kellas introduced this item. Jeff Minnery stated the Board discuss this in closed session and agreed to pay 85% percent with Director Donahue being the only dissenting vote.

Public Comment –

(2:58:35) Julie Tacker commented.

(3:02:40) Michael Hanchett commented.

(3:04:35) Chairperson Kellas stated that District Counsel received 60 letters of support for Charlie and asking that he be reimbursed for his expenses.

There was not additional action taken on this item.

7. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS –

Chairperson Kellas asked that properties with one meter be reviewed and installation of multiple meters be discussed.

8. ADJOURNMENT @ 8:09 PM

CONSENT AGENDA ITEMS:

- C. REVIEW AND APPROVAL OF MINUTES FOR THE SPECIAL MEETING ON NOVEMBER 8, 2022.**

**SPECIAL MEETING MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS SPECIAL BOARD MEETING
Tuesday, November 8, 2022
3:30 pm**

Pursuant to San Simeon CSD Resolution 22-458 and in compliance with AB 361 this meeting occurred as a virtual teleconference using the Zoom app.

Internet Meeting Location – Via ZOOM

1. OPEN SESSION @ 3:33 PM

- A. Chairperson Kellas – Present
- Vice-Chairperson Giacoletti – Present
- Director de la Rosa – Present
- Director Donahue – Present

2. CLOSED SESSION:

- Public Comment –
- (5:35) Henry Krzciuk commented.
- (10:30) Michael Hanchett commented.
- (11:25) David Sansone commented.
- (12:50) Paul Patel commented.

A. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION

- Pursuant to Government Code §54956.9(d)(2)
- Title: Grace Environmental Services, LLC – Request for indemnity

******Reportable action from Closed Session was given during the 5 PM Regular Session******

3. ADJOURNMENT – Board went into Closed Session @ 3:47 PM

CONSENT AGENDA ITEMS:

D. REVIEW AND APPROVAL OF DISBURSEMENTS JOURNAL.

SAN SIMEON COMMUNITY SERVICES DISTRICT

Disbursements Journal

December 2022

Type	Date	Num	Name	Memo	Paid Amount
Disbursements issued after November 8, 2022 BOD Meeting					
Bill Pmt -Check	11/14/2022	2567	VOID	VOID	0.00
Bill Pmt -Check	11/14/2022	2568	Grace Environmental Services (GES)	Reimbursement of legal fees approved by BOD 11/8/2022 Agenda Item 6E. Inv # 1582 dated 11/9/22.	-141,173.76
December, 2022 Disbursements					
Paycheck	12/13/2022	2569	GWEN KELLAS	Board Service November 2 through December 1, 2022.	-92.35
Paycheck	12/13/2022	2570	MARY P GIACOLETTI	Board Service November 2 through December 1, 2022.	-92.35
Paycheck	12/13/2022	2571	MICHAEL C DONAHUE	Board Service November 2 through December 1, 2022.	-92.35
Bill Pmt -Check	12/13/2022	2572	Accurate Measurement Systems, Inc.	Krohne Flowmeter and parts for emergency replacement of meter on R.O. System. Inv V11162DP2 dated 11/16/22.	-6,371.98
Bill Pmt -Check	12/13/2022	2573	Akel Engineering Group, Inc	Update waitlist, re-estimate water demands, evaluate water sufficiency, revise report. Service period through 10.31.22. Inv 22915-01 dated 11/15/22.	-2,684.50
Bill Pmt -Check	12/13/2022	2574	Ashley & Vance Engineering Inc	Pipe Bridge Replacement - Engineering services through Oct '22. Inv 67090 dated 11/27/22.	-12,165.00
Bill Pmt -Check	12/13/2022	2575	California Special Districts Assoc (CSDA)	2023 Membership dues, ID 255. Issue date: 10/1/22. Due: 12/31/22.	-4,358.00
Bill Pmt -Check	12/13/2022	2576	CrisCom Company	Grant research, writing, and grant related services December 2022. Inv #271004 dated 11/18/22.	-2,000.00
Bill Pmt -Check	12/13/2022	2577	Harrington Industrial Plastics, LLC	9 filters type LT2 3/4"L for RO System. Inv 013C5637 dated 11/09/22.	-3,717.95
Bill Pmt -Check	12/13/2022	2578	Kathleen Fry Bookkeeping Services	Monthly bookkeeping services November 2022. Inv CSD-2022-11 dated 11/30/22.	-1,500.00
Bill Pmt -Check	12/13/2022	2579	Lori Mather Video Services	Video services for Spec BOD Mtg 11.08.22, Public Hearing 11.14.22, Reg BOD mtg 12.13.22, Seagate Hard Drive. Invoice #12/1/22.	-1,247.86
Bill Pmt -Check	12/13/2022	2580	MBS Land Surveys	Pico staircase - topographic survey and map. Inv 12-005.1 dated 11/29/22.	-2,900.00
Bill Pmt -Check	12/13/2022	2581	Moss, Levy & Hartzheim, LLP	Audit to Date for FYE 6/30/2022. Inv 33608 dated 10/31/22.	-2,000.00
Bill Pmt -Check	12/13/2022	2582	Padre Associates, Inc	Environmental consulting services through 10/31/2022: Outfall pipeline, Pico Staircase, and General services. Inv 2022-2260 dated 11/07/22.	-3,850.00
Bill Pmt -Check	12/13/2022	2583	Simply Clear Marketing & Media	Monthly Website Service and Mgt fee service period 12.20.22 - 01.20.23. Inv 44157 dated 11/21/22.	-450.00
Bill Pmt -Check	12/13/2022	2584	SLO County - Environmental Health	Annual Hazmat Disclosure Program for WWTP Facility ID FA0001537. Inv 0139784 dated 11/1/22.	-532.00
Bill Pmt -Check	12/13/2022	2585	SLO County - Environmental Health	Annual Hazmat Disclosure Program for Water Facility ID FA0012591. Inv 0140383 dated 11/1/22.	-532.00
Bill Pmt -Check	12/13/2022	2586	Souza Construction, Inc.	Dig up 6" AC water line on SSCSD side of meter at Wampum Trading Post. Dig up and install new 2" service line. Inv 101822 dated 10/18/22.	-6,891.77
Bill Pmt -Check	12/13/2022	2587	Stillwater Sciences	Pico Creek instream flow management plan services through 10/2/22. Inv 9840009 dated 10/19/22.	-18,367.25
Bill Pmt -Check	12/13/2022	2588	Grace Environmental Services (GES)	Operations Management, Electrical and Maintenance Fees Nov 2022. Inv # 1586 dated 12/1/22.	-60,308.23
Liability Check	12/23/2022	Elec Pymt	United States Treasury (US Treasury)	Payroll tax payment for paychecks issued current month.	-45.90
Check	12/25/2022	Elec Pymt	CalPers Fiscal Svcs Divn	Monthly Unfunded Accrued Liability payment. Cust. ID # 7226734344.	-1,433.58
TOTAL				Disbursements month of December, 2022:	-131,633.07

CONSENT AGENDA ITEMS:
E. ADOPTION OF RESOLUTION 22-461

RESOLUTION NO. 22-461

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT AUTHORIZING SIGNATURES, INCLUDING FACSIMILE SIGNATURES, FOR BANKING SERVICES ON BEHALF OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT AT PACIFIC PREMIERE BANK

WHEREAS, the San Simeon Community Services District's ("District") priorities as to its investments are, in the following order, preservation of principal, liquidity of principal and return on investment; and

WHEREAS, the establishment of a general checking account and a money market account is consistent with these priorities; and

WHEREAS, based upon changes to the composition of the District Board of Directors, a change in authorized signatories is being requested by Pacific Premiere Bank, and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the San Simeon Community Services District as follows:

Section 1: The following persons are authorized to sign on behalf of the District, orders for payment or withdrawal of money: **Charles Grace, Daniel de la Rosa, Michael Donahue, Gwen Kellas, Jaqueline Diamond, and Karina Tiwana** with further powers as set forth in Exhibit A, attached hereto and incorporated herein by this reference.

Section 2: Any such authority shall remain in force until revoked by written notice to the affected bank of the action taken by the Board of Directors of the District. All prior authorizations are superseded.

Section 3: Any designated depository ("Bank") of the District is authorized and directed to honor and pay any checks, drafts, or other orders for the payment of money withdrawing funds from any account of the District when bearing or purporting to bear the signatures of TWO persons listed in the attached Resolution as having signatory authority. The Bank is authorized and directed to honor and to charge the District whom such actual or purported signatures were made, provided they resemble the signatures duly certified to and filed with the Bank by the District.

ADOPTED by the Board of Directors of the San Simeon Community Services District on December 13, 2022, by the following roll call votes:

AYES:

NOES:

ABSENT:

ABSTAINED:

Gwen Kellas, Chairperson
Board of Directors

ATTEST:

Charles Grace
Secretary/General Manager

**EXHIBIT A
POWERS & AUTHORITY
RESOLUTION 22-461**

NAME	TITLE	POWERS
Daniel de la Rosa	Director	Signatory
Michael Donahue	Director	Signatory
Jaqueline Diamond	Director	Signatory
Gwen Kellas	Director	Signatory
Karina Tiwana	Director	Signatory
Kathy Fry	Bookkeeper	Web Access Deposit of Funds
Charles Grace	General Manager	Signatory Web Access Exercise instructions to bank
Cortney Murguia	Office Manager	Web Access Deposit of Funds

Business Action Item

**5.A. REVIEW AND APPROVAL OF THE DRAFT AUDIT FOR FISCAL YEAR
2021/2022.**



BUSINESS ACTION ITEM STAFF REPORT

ITEM 5.A. REVIEW AND APPROVAL OF THE DRAFT AUDIT FOR FISCAL YEAR 2021/2022.

Summary:

Adam Guise will be presenting a draft version of the District audit for FY 2021/2022.

Recommendation:

1. The Board can approve and adopt the draft audit for FY 2021/2022.
2. The Board can suggest updates or edits to the audit.

Enc: Audit for Fiscal Year 2021/2022

SAN SIMEON COMMUNITY SERVICES DISTRICT

FINANCIAL STATEMENTS

June 30, 2022

Draft

SAN SIMEON COMMUNITY SERVICES DISTRICT
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June 30, 2022

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Draft

INTRODUCTORY SECTION

Draft

Board of Directors

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Gwen Kellas	Chairperson	2024
Mary Giacoletti	Vice-Chairperson	2022
Daniel de la Rosa	Director	2024
Michael Donahue	Director	2022

Draft

FINANCIAL SECTION

Draft

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
San Simeon Community Services District
San Simeon, California

Opinions

We have audited the accompanying financial statements of the business-type activities and each major fund of the San Simeon Community Services District, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the San Simeon Community Services District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the San Simeon Community Services District, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the San Simeon Community Services District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the San Simeon Community Services District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the San Simeon Community Services District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the San Simeon Community Services District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 3 through 8, the schedule of proportionate share of net pension liability on page 31, and the schedule of pension contributions on page 32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited the San Simeon Community Services District 2021 financial statements, and our report dated November 16, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2022, on our consideration of the San Simeon Community Services District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Santa Maria, California
November XX, 2022

SAN SIMEON COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION - PROPRIETARY FUND
June 30, 2022
with Comparative Totals for June 30, 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Petty cash	\$ 150	\$ 150
Cash and investments	1,149,580	1,155,515
Accounts receivable	125,533	122,234
Total current assets	<u>1,275,263</u>	<u>1,277,899</u>
Capital Assets:		
Non-depreciable:		
Construction in progress	287,694	287,694
Depreciable:		
Sewer plant	1,797,238	1,797,238
Water plant	1,631,891	1,631,891
Building	279,580	279,580
Equipment	12,690	12,690
Land improvements	26,791	26,791
Less: Accumulated depreciation	<u>(1,629,770)</u>	<u>(1,539,919)</u>
Net capital assets	<u>2,406,114</u>	<u>2,495,965</u>
Total assets	<u>3,681,377</u>	<u>3,773,864</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	86,995	36,278
Customer deposits	102,599	88,799
Long-Term Liabilities:		
Current portion of loan payable	<u>9,049</u>	<u>8,805</u>
Total current liabilities	<u>198,643</u>	<u>133,882</u>
Long-Term Liabilities		
Loan payable	<u>416,500</u>	<u>425,548</u>
Total long-term liabilities	<u>416,500</u>	<u>425,548</u>
Total Liabilities	<u>615,143</u>	<u>559,430</u>
NET POSITION		
Net investment in capital assets	1,980,565	2,061,612
Unrestricted:		
Board assigned for water capital improvements	198,978	155,505
Board assigned for wastewater capital improvements	199,048	155,785
Board assigned for general capital improvements	50,051	43,295
Board committed for operating reserves	340,000	250,000
Undesignated	<u>297,592</u>	<u>548,237</u>
Total net position	<u>\$ 3,066,234</u>	<u>\$ 3,214,434</u>

Draft

See accompanying notes to basic financial statements.

SAN SIMEON COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	2022	2021
Operating Revenues:		
Services-waste	\$ 482,109	\$ 471,529
Services-water	430,361	432,805
State of CA-Hearst Castle	30,665	25,430
Services-other	97,903	94,691
Late fees and adjustments	(1,059)	(27,990)
	<u>1,039,979</u>	<u>996,465</u>
Total operating revenues		
Operating Expenses:		
Accounting	14,115	5,775
Bank fees	78	1,033
Bookkeeping	16,740	15,720
Directors' fees	3,300	4,500
Payroll expenses	252	344
Dues and subscriptions	5,757	2,985
Road maintenance	4,550	29,800
Riprap engineering	0	4,273
Insurance-health	4,446	4,227
PERS Retirement	16,193	15,816
Insurance-liability	11,793	12,959
LAFCO budget allocation	3,140	2,637
Legal fees	266,733	117,212
Licenses and permits	21,397	19,784
Miscellaneous	3,627	6,590
Depreciation	89,851	93,492
Office expenses	316	958
Operations management	568,783	600,510
Repairs and maintenance allowance - GES contract	40,000	
Professional fees	187,405	108,636
Emergency stand by	20,000	10,000
Repairs	43,323	69,846
Utilities	80,539	82,332
Website	4,900	14,300
Weed abatement	2,625	2,175
	<u>1,409,863</u>	<u>1,225,904</u>
Total operating expenses		
Net operating income (loss)	<u>(369,884)</u>	<u>(229,439)</u>
Non-Operating Revenues (Expenses):		
Property taxes	91,086	90,912
Covid relief grant	135,531	
Interest expense	(11,886)	(12,123)
Interest income	415	7,472
	<u>215,146</u>	<u>86,261</u>
Total non-operating revenues (expenses)		
Capital Contributions:		
Grant income	6,538	
	<u>6,538</u>	
Total capital contributions		
Changes in net position	(148,200)	(143,178)
Net position - beginning of fiscal year	<u>3,214,434</u>	<u>3,357,612</u>
Net position - end of fiscal year	<u>\$ 3,066,234</u>	<u>\$ 3,214,434</u>

See accompanying notes to basic financial statements.

SAN SIMEON COMMUNITY SERVICES DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2022
With Comparative Totals for the Fiscal Year Ended June 30, 2021

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities:		
Receipts from customers and users	\$ 1,050,480	\$ 1,011,265
Payments to suppliers	(1,261,297)	(1,092,410)
Payments to employees	<u>(7,998)</u>	<u>(9,071)</u>
Net cash provided (used) by operating activities	<u>(218,815)</u>	<u>(90,216)</u>
Cash Flows from Capital and Related Financing Activities:		
Purchase of capital assets		(80,857)
Capital grants	6,538	
Interest payments	(11,886)	(12,123)
Principal loan payments	<u>(8,804)</u>	<u>(8,567)</u>
Net cash provided (used) by capital and related financing activities	<u>(14,152)</u>	<u>(101,547)</u>
Cash Flows from Noncapital Financing Activities:		
Noncapital grants	135,531	
Property taxes	91,086	90,912
Net cash provided by noncapital and related financing activities	<u>226,617</u>	<u>90,912</u>
Cash Flows from Investing Activities:		
Investment income	415	7,472
Net cash provided by investing activities	<u>415</u>	<u>7,472</u>
Net increase (decrease) in cash and cash equivalents	(5,935)	(93,379)
Cash and cash equivalents, beginning of fiscal year	1,155,665	1,249,044
Cash and cash equivalents, end of fiscal year	<u>\$ 1,149,730</u>	<u>\$ 1,155,665</u>
Reconciliation to Statement of Net Position		
Petty cash	\$ 150	\$ 150
Cash and investments	1,149,580	1,155,515
	<u>\$ 1,149,730</u>	<u>\$ 1,155,665</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ (369,884)	\$ (229,439)
Adjustments to reconcile operating income (loss) to net cash provided (used)		
by operating activities:		
Depreciation	89,851	93,492
Change in Operating Assets and Liabilities:		
(Increase) decrease in accounts receivable	(3,299)	6,141
(Increase) decrease in prepaid expenses		12,959
Increase (decrease) in accounts payable	50,717	17,972
Increase (decrease) in customer deposits	13,800	8,659
Net cash provided (used) by operating activities	<u>\$ (218,815)</u>	<u>\$ (90,216)</u>

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SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - NATURE OF DISTRICT

San Simeon Community Services District (the "District") is a political subdivision of the State of California. The District administers the following community services as provided by its charter: water, sanitation, streets, lighting, weed abatement, and general and administrative services.

The District is a Community Services District as defined under State Code Section: 61000. A Community Services District is a public agency (State Code Section: 12463.1) which is a State instrumentality (State Code Section: 23706). State instrumentalities are exempt from federal and state income taxes.

There are no component units included in this report which meet the criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61, and No. 80.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Accounting Policies - The accounting policies of the District conform with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).
- B. Basis of Accounting - The District is organized as an Enterprise Fund and follows the accrual method of accounting, whereby revenues are recorded as earned, and expenses are recorded when incurred.
- C. Budget - Although a budget is adopted annually, it is used primarily as a guideline for the Board in regulating expenditures. There is no legal requirement to stay within the adopted budget in the payment or classification of expenditures.
- D. Cash and Cash Equivalents - Cash and cash equivalents consist of cash on hand and in banks and short-term, highly liquid investments with a maturity of three months or less, which include money market funds, cash management pools in County Treasury and the state Local Agency Investment Fund (LAIF). Cash held in the county and state pooled funds is carried at cost, which approximates fair value. Interest earned is deposited quarterly into the participant's fund. Any investment losses are proportionately shared by all funds in the pool. The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County are either secured by federal depository insurance or are collateralized.
- E. Property, Plant and Equipment - Capital assets purchased by the District are recorded at cost. Contributed or donated capital assets are recorded at fair value when acquired.
- F. Depreciation - Capital assets purchased by the District are depreciated over their estimated useful lives (ranging from 5-50 years) under the straight-line method of depreciation.
- G. Receivables - The District did not experience any significant bad debt losses; accordingly, no provision has been made for doubtful accounts, and accounts receivable is shown at full value.
- H. Encumbrances - Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by the District.
- I. Customer Deposits - Customer deposits are recorded as a liability of the District. The District requires an advance deposit of \$50 for new customers.
- J. Net Position - GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- J. Net Position (Continued) - Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.
- K. Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the AICPA, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- L. Comparative Data/Total Only - Comparative total data for the prior fiscal year has been presented in certain accompanying financial statements in order to provide an understanding of the changes in the District's financial position, operations, and cash flows. Also, certain prior fiscal amounts have been reclassified to conform to the current fiscal year financial statements presentation.

M. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2021.
Statement No. 93	"Replacement of Interbank Offered Rates"	The provisions of this statement except for paragraphs 11b, 13, and 14 are effective for fiscal years beginning after June 15, 2020. Paragraph 11b is effective for fiscal years beginning after December 31, 2021. Paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021.
Statement No. 94	"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 96	"Subscription-Based Information Technology Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 98	"The Annual Comprehensive Financial Report"	The provisions of this statement are effective for fiscal years beginning after December 15, 2021.
Statement No. 99	"Omnibus 2022"	The provisions of this statement are effective in April 2022 except for the provisions related to leases, PPPs, SBITAs, financial guarantees and derivative instruments. The provisions related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. The provisions related to financial guarantees and derivative instruments are effective for fiscal years beginning after June 15, 2023.
Statement No. 100	"Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62"	The provisions of this statement are effective for fiscal years beginning after June 15, 2023.
Statement No. 101	"Compensated Absences"	The provisions of this statement are effective for fiscal years beginning after December 15, 2023.

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 - CASH AND INVESTMENTS

Investments are carried at fair value. On June 30, 2022, the District had the following cash and temporary investments on hand:

Deposits:		
Cash on hand		\$ 150
Cash in banks		58,794
		<u>58,944</u>
Investments:		
Money market		1,090,224
State of California Local Agency Investment Fund (LAIF)		562
		<u>1,090,786</u>
Total Cash and Investments		<u>\$1,149,730</u>

Cash and investments are presented on the accompanying basic financial statements, as follows:

Petty cash	\$ 150
Cash and investments	<u>1,149,580</u>
Total cash and investments	<u>\$1,149,730</u>

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Local Agency Investment Fund (LAIF) is measured under Level 2. The money market account is not measured under Levels 1, 2, or 3.

Restricted cash

Restricted cash consists of funds that are set aside for well refurbishment as well as appurtenant equipment and structures.

Investments Authorized by the District's Investment Policy

The following table identifies the investment types that are authorized for the District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
Federal Agency Securities	N/A	None	None
Banker's Acceptances	180 days	40%	None
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase and Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	20%	None
Mutual Funds	N/A	20%	None
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Fund	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75,000,000
State Registered Warrants, Notes or Bonds	N/A	None	None
Notes and Bonds for other Local California Agencies	5 years	None	None

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 - CASH AND INVESTMENTS (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>	<u>More than 60 Months</u>
Money market funds	\$ 1,090,224	\$ 1,090,224	\$ -	\$ -	\$ -
LAIF	<u>562</u>	<u>562</u>			
Total	<u>\$ 1,090,786</u>	<u>\$ 1,090,786</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below, is the minimum rating required by (where applicable) the California Government Code and the actual rating as of fiscal year end for each investment type.

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Fiscal Year End</u>		
				<u>AAA</u>	<u>Aa</u>	<u>Not Rated</u>
Money market funds	\$1,090,224	N/A	\$ -	\$ -	\$ -	\$1,090,224
LAIF	<u>562</u>	N/A				<u>562</u>
Total	<u>\$1,090,786</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,090,786</u>

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District's investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 3 - CASH AND INVESTMENTS (Continued)

Custodial Credit Risk (continued)

None of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying basic financial statements at the amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE 4 - SCHEDULE OF CAPITAL ASSETS

A schedule of changes in capital assets and depreciation for the fiscal years ended June 30, 2022, and June 30, 2021, are shown below and on the following page:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Non-depreciable capital assets:				
Construction in progress	\$ 287,694	\$ -	\$ -	\$ 287,694
Total non-depreciable capital assets	<u>\$ 287,694</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 287,694</u>
Depreciable capital assets:				
Sewer plant	\$ 1,797,238	\$ -	\$ -	\$ 1,797,238
Water plant	1,631,891			1,631,891
Building	279,580			279,580
Land improvements	26,791			26,791
Equipment	12,690			12,690
	<u>3,748,190</u>			<u>3,748,190</u>
Accumulated depreciation	1,539,919	89,851		1,629,770
Total depreciable capital assets	<u>\$ 2,208,271</u>	<u>\$ (89,851)</u>	<u>\$ -</u>	<u>\$ 2,118,420</u>
Net capital assets	<u>\$ 2,495,965</u>	<u>\$ (89,851)</u>	<u>\$ -</u>	<u>\$ 2,406,114</u>

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 4 - SCHEDULE OF CAPITAL ASSETS (Continued)

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Non-depreciable capital assets:				
Construction in progress	\$ 223,206	\$ 64,488	\$ -	\$ 287,694
Total non-depreciable capital assets	<u>\$ 223,206</u>	<u>\$ 64,488</u>	<u>\$ -</u>	<u>\$ 287,694</u>
Depreciable capital assets:				
Sewer plant	\$ 1,784,769	\$ 12,469	\$ -	\$ 1,797,238
Water plant	1,627,991	3,900		1,631,891
Building	279,580			279,580
Land improvements	26,791			26,791
Equipment	12,690			12,690
	<u>3,731,821</u>	<u>16,369</u>		<u>3,748,190</u>
Accumulated depreciation	1,446,427	93,492		1,539,919
Total depreciable capital assets	<u>\$ 2,285,394</u>	<u>\$ (77,123)</u>	<u>\$ -</u>	<u>\$ 2,208,271</u>
 Net capital assets	 <u>\$ 2,508,600</u>	 <u>\$ (12,635)</u>	 <u>\$ -</u>	 <u>\$ 2,495,965</u>

Depreciation expense for the fiscal years ended June 30, 2022 and 2021 was \$89,851 and \$93,492, respectively.

NOTE 5 – CUSTOMER DEPOSITS

The liability for customer deposits consists of the following as of June 30, 2022 and 2021:

	2022	2021
Hook-up deposits	\$ 94,149	\$ 80,099
Customer meter deposits	8,450	8,700
	<u>\$ 102,599</u>	<u>\$ 88,799</u>

The hook-up deposits are from customers on a waiting list to connect into the system. Each deposit represents total hook-up fees owed by the customer based on the fee schedule in place at the time of the payment. Additional fees may be required from the customer, based on the current fee schedule, when the utility connection is completed.

Customer meter deposits consist of a \$50 refundable deposit required for each metered customer before any service can be provided by the District.

NOTE 6 – LOAN PAYABLE

On July 11, 2011, the District applied for a \$500,000 loan from the United States Department of Agriculture. The loan was approved, and the District began to draw on the loan during the 13/14 fiscal year. The District is required to make semi-annual payments of \$10,345. The agreement is secured by a first lien and a pledge of revenues from the water system. In the event of a default by the District, the remaining amount of the note shall become due. Future minimum payments are as follows on the next page:

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 – LOAN PAYABLE (Continued)

Fiscal year Ended June 30,	Principal	Interest	Total
2023	\$ 9,049	\$ 11,641	\$ 20,690
2024	9,300	11,390	20,690
2025	9,557	11,133	20,690
2026	9,822	10,868	20,690
2027	10,094	10,596	20,690
2028-2032	54,820	48,630	103,450
2033-2037	62,842	40,608	103,450
2038-2042	72,037	31,413	103,450
2043-2047	82,578	20,872	103,450
2048-2052	94,662	8,788	103,450
2053	10,788	156	10,944
Total	\$ 425,549	\$ 206,095	\$ 631,644

NOTE 7 – LONG TERM DEBT – SCHEDULE OF CHANGES

A schedule of changes in long-term debt for the fiscal years ended June 30, 2022 and June 30, 2021, are shown below:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due within one year
Loan payable (Direct Borrowing)	\$ 434,353	\$ -	\$ 8,804	\$ 425,549	\$ 9,049
Totals	\$ 434,353	\$ -	\$ 8,804	\$ 425,549	\$ 9,049

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within one year
Loan payable (Direct Borrowing)	\$ 442,920	\$ -	\$ 8,567	\$ 434,353	\$ 8,805
Totals	\$ 442,920	\$ -	\$ 8,567	\$ 434,353	\$ 8,805

NOTE 8 – JOINT POWERS AUTHORITY

The District is a member of the Special District Risk Management Authority (S.D.R.M.A.), an intergovernmental risk sharing joint powers authority, created pursuant to California Government Code Sections 6500 et. Seq. In becoming a member of the S.D.R.M.A., the District elected to participate in the risk financing programs listed below for the program period July 1, 2017 through June 30, 2018.

General and Auto Liability, Public Officials’ and Employees’ Errors, and Employment Practices Liability and Employee Benefits Liability: Special District Risk Management Authority, coverage number LCA SDRMA 201112. This covers \$2,500,000 per occurrence, subject to policy deductibles.

Employee Dishonesty Coverage: Special District Risk Management Authority, coverage number EDC SDRMA 201112. This policy includes a \$400,000 Public Employee Dishonesty Blanket Coverage.

Property Loss: Special District Risk Management Authority, coverage number PPC SDRMA 201112. This policy covers the replacement cost for property on file, \$1,000,000,000 per occurrence, subject to policy deductibles.

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – JOINT POWERS AUTHORITY (Continued)

Boiler and Machinery: Special District Risk Management Authority, coverage number BMC SDRMA 201112. This covers \$100,000,000 per occurrence, subject to policy deductibles.

The District also participated in the elective comprehensive/collision coverage on selected vehicles, subject to policy deductibles.

Personal Liability Coverage for Board Members: This policy covers \$500,000 per occurrence, coverage number LCA SDRMA 201112, annual segregate per each selected/appointed official, subject to policy deductibles.

Members are subject to dividends and/or assessments, in accordance with Second Amended Joint Powers Agreement and amendments thereto, on file with the District. No such dividends have been declared, nor have any assessments been levied.

NOTE 9 – RELATED PARTY TRANSACTION

The District has an agreement with Grace Environmental Services to oversee the daily operations of the District with the President of Grace Environmental Services, Charles Grace, serving as the General Manager. San Simeon Community Services District paid \$689,322 for their services including \$568,783 for operations which includes staffing, \$80,539 for electricity, and \$40,000 for preventative maintenance during the 2021/22 fiscal year.

NOTE 10 – CONTINGENCIES

According to the District's staff and attorney, no contingent liabilities are outstanding and no lawsuits are pending of any significant financial consequence.

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SUPPLEMENTARY INFORMATION

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SAN SIMEON COMMUNITY SERVICES DISTRICT
SCHEDULE OF REVENUES AND EXPENSES BY FUNCTION
For the Fiscal Year Ended June 30, 2022

	Sanitation Fund	Water Fund	General	Total
Operating Revenues:				
Utility sales	\$ 482,109	\$ 430,361	\$ -	\$ 912,470
Service charges			97,903	97,903
State of CA-Dept. of Parks and Recreation	30,665			30,665
Late fees and adjustments		(10,161)	9,102	(1,059)
Total operating revenues	512,774	420,200	107,005	1,039,979
Operating Expenses:				
Accounting	4,705	4,705	4,705	14,115
Bank fees			78	78
Bookkeeping	5,580	5,580	5,580	16,740
Directors' fees	1,100	1,100	1,100	3,300
Payroll expenses	97	97	59	253
Dues and subscriptions	1,558	2,023	2,175	5,756
Road maintenance			4,550	4,550
Insurance-health	2,223	2,223		4,446
PERS Retirement	8,097	8,096		16,193
Insurance-liability	4,717	5,897	1,179	11,793
LAFCO budget allocation	785	785	1,570	3,140
Legal fees	52,634	161,465	52,634	266,733
Licenses and permits	18,362	3,035		21,397
Miscellaneous	206	154	3,267	3,627
Depreciation	41,462	43,668	4,721	89,851
Office expenses			316	316
Operations management	284,392	227,513	56,878	568,783
Repairs and maintenance allowance - GES contract	20,000	16,000	4,000	40,000
Professional fees	57,044	104,343	26,018	187,405
Emergency stand by		20,000		20,000
Repairs	14,544	17,728	11,051	43,323
Utilities	58,143	13,771	8,625	80,539
Website	1,633	1,633	1,634	4,900
Weed abatement			2,625	2,625
Total operating expenses	577,282	639,816	192,765	1,409,863
Net operating income (loss)	(64,508)	(219,616)	(85,760)	(369,884)
Non-Operating Revenues (Expenses):				
Property taxes			91,086	91,086
Covid relief grant			135,531	135,531
Interest expense		(11,886)		(11,886)
Interest income			415	415
Total non-operating revenues (expenses)		(11,886)	227,032	215,146
Capital Contributions				
Grant income	6,020	518		6,538
Total capital contributions	6,020	518		6,538
Change in net position	\$ (58,488)	\$ (230,984)	\$ 141,272	\$ (148,200)

SAN SIMEON COMMUNITY SERVICES DISTRICT
SCHEDULE OF REVENUES AND EXPENSES BY FUNCTION
For the Fiscal Year Ended June 30, 2021

	Sanitation Fund	Water Fund	General	Total
Operating Revenues:				
Utility sales	\$ 454,502	\$ 418,508	\$ 3,334	\$ 876,344
Service charges			94,691	94,691
State of CA-Dept. of Parks and Recreation	25,430			25,430
Total operating revenues	<u>479,932</u>	<u>418,508</u>	<u>98,025</u>	<u>996,465</u>
Operating Expenses:				
Accounting	1,925	1,925	1,925	5,775
Bank fees		1	1,032	1,033
Bookkeeping	5,240	5,240	5,240	15,720
Directors' fees	1,600	1,600	1,300	4,500
Payroll expenses	122	122	100	344
Dues and subscriptions	1,795	910	280	2,985
Road maintenance			29,800	29,800
Riprap engineering	4,273			4,273
Insurance-health			4,227	4,227
PERS Retirement			15,816	15,816
Insurance-liability	7,775	3,888	1,296	12,959
LAFCO budget allocation	659	659	1,319	2,637
Legal fees	37,447	53,615	26,150	117,212
Licenses and permits	15,600	3,884	300	19,784
Miscellaneous	36	2,561	3,993	6,590
Depreciation	43,263	43,473	6,756	93,492
Office expenses	409	458	91	958
Operations management	338,292	232,449	29,769	600,510
Professional fees	16,637	78,349	13,650	108,636
Emergency stand by		10,000		10,000
Repairs	33,116	29,741	6,989	69,846
Utilities	45,282	32,934	4,116	82,332
Website	4,767	4,767	4,766	14,300
Weed abatement			2,175	2,175
Total operating expenses	<u>558,238</u>	<u>506,576</u>	<u>161,090</u>	<u>1,225,904</u>
Net operating income (loss)	<u>(78,306)</u>	<u>(88,068)</u>	<u>(63,065)</u>	<u>(229,439)</u>
Non-Operating Revenues (Expenses):				
Property taxes			90,912	90,912
Interest expense		(12,123)		(12,123)
Interest income		4,732	2,740	7,472
Total non-operating revenues (expenses)		<u>(7,391)</u>	<u>93,652</u>	<u>86,261</u>
Change in net position	<u>\$ (78,306)</u>	<u>\$ (95,459)</u>	<u>\$ 30,587</u>	<u>\$ (143,178)</u>

Business Action Item

5.B. DISCUSSION REGARDING PURCHASING OF LAPTOPS FOR BOARD MEMBERS.



BUSINESS ACTION ITEM STAFF REPORT

ITEM 5.B. DISCUSSION REGARDING PURCHASING OF LAPTOPS FOR BOARD MEMBERS AND CYBERSECURITY POLICIES FOR THE DISTRICT.

Summary:

This item was placed on the agenda at the request of Director Tiwana. She has suggested via the attached email correspondence that the District may wish to consider adopting a policy related to cyber security/data security and the issuance of devices to allow Board members to access materials related to District business electronically. These types of services are not provided via the current GES contract.

Enc: Emails from Director Tiwana

Re: Fw: Microsoft 365 Email Backup is ready for ktiwana@sansimeoncsd.org.

Zebraview <[REDACTED]>

Wed 11/30/2022 2:12 PM

To: San Simeon CSD <admin@sansimeoncsd.org>

Hi Courtney-

I just wanted to point you to the County policy--

I'm sure there is some kind of mandate from the State that all municipal agencies have some kind of Cybeseurity/Data Security policy and appropriate for the business-- data security practices.

<https://www.slocounty.ca.gov/Departments/Information-Technology/Forms-Documents/Policy/Information-Security-Program-Master-and-Acceptable.pdf>

I did not look it up but I am sure it's there.

Further, I think our District should be concerned about supporting California's Privacy laws. GES does billing and that has personal information. Also, the security of account information is of paramount importance because each individual is entitled to a private right of action should there be a breach. A good defense to liability here is that a comprehensive security program compliant with privacy laws is in place. I'm sure GES has something like that because it deals with other municipalities in the State.

Best practices dictate that the devices touching any network with digital assets need to be secure and should have the ability to be audited in case an audit is called by a regulatory authority to determine compliance or a law enforcement agency conducting an investigation.

I'm sure you are familiar with this concept.

Thanks,

Karina

On Wed, Nov 30, 2022 at 12:13 PM Zebraview <[REDACTED]> wrote:

Hi Courtney-

I am not going to configure this email on my personal computer. As you know, cybersecurity, fraud and application-based threats are rampant in today's environment. I am concerned that the district does not have a policy on CyberSecurity and General Data Privacy. Does GES have any such policies under which it operates? It is an industry best practice for organizations-- especially those that deal with government/municipal funding to ensure that the devices they use and the records they store are adequately protected by using those best practices such as those reflected in CISA's guide for Enterprises. This is relevant for an organization of ANY size because one ransomware attack could cost many thousands of dollars and I do not wish to be responsible for that. It's the District that should be responsible for securing the data and the network and website. We deal with the infrastructure-- WATER and SEWER of an entire community and opportunist hackers can infiltrate

easily through a trusted source-- the unknowing victim --I was always afraid it would be Mary on her cell phone on Zoom that is well known to be not the most secure application for use.

These are best practices. It's really common for even small businesses to have IT management and require that all personnel that are issued an email address from the District-owned server are trained on good cybersecurity practices.

This kind of simple precautionary practice saves in the long-run.

I hope to get this on the agenda. 2023 --we will be working on lots of policies and procedures. Up-to-date processes, policies and procedures save the district money in the long run. Less controversy. Fewer targets.

I am going to purchase an appropriate device that I would not mind the District Attorney issuing a subpoena to seize and review. I don't want any of my personal day to-day business mixed with my District business. Everyone should follow this protocol. It's important.

So, I'll let you know when I have a new device. I hate to have to invest my own money. This should be issued to all directors and owned by the District so protocols can be enforced. This covers us also in the event a director leaves.... we are certain that no data is lost. Discovery process in litigation requires disclosures. AND--I don't want to be responsible for a HACK. It shouldn't be up to me to secure the data.

I know this is not your decision but you are the Office Manager so Cybersecurity processes should be published and well-known.

Thanks,

Karina

On Sat, Nov 12, 2022 at 4:17 PM San Simeon CSD <admin@sansimeoncsd.org> wrote:

Hi Karina,

Please let me know once your email set up has been completed.

Thank you,

Cortney Murguía

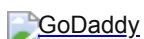
(805) 927-4778

From: GoDaddy <donotreply@godaddy.com>

Sent: Friday, November 11, 2022 6:01 PM

To: San Simeon CSD <admin@sansimeoncsd.org>

Subject: Microsoft 365 Email Backup is ready for ktiwana@sansimeoncsd.org.



4am-10pm MST: (480) 463-8347

Charles Grace — 145577734

Thanks for choosing GoDaddy Microsoft 365 Email Backup.

The backup for ktiwana@sansimeoncsd.org is ready to go and will start within 24 hours. Your Microsoft 365 administrator now has access to your mailbox backup.

If you use only webmail to access your email, there is nothing you need to do. If you use an email client, it must be on Exchange settings. [Click here](#) for more information.

Your plan includes:

- Email protection with up to six snapshots per day.
- One-click restore for emails, contacts, appointments, folders and more.
- Unlimited backups with no storage restrictions or hidden fees.

If you have any questions, please call our support team at (480) 463-8347.

Please do not reply to this email. Emails sent to this address will not be answered.

Copyright © 1999-2022 GoDaddy Operating Company, LLC. 2155 E. GoDaddy Way, Tempe, AZ 85284 USA. All rights reserved.

Re: Fw: Your Microsoft 365 account is ready.

San Simeon CSD <admin@sansimeoncsd.org>

Sat 11/12/2022 4:17 PM

To: Zebraview <[REDACTED]>

Cc: Charles Grace <cgrace@graceenviro.com>

Hi Karina,

Good morning. There is currently no policy (that I am aware of) that relates to the District purchasing or issuing a laptop for Board members use.

I have looped Charlie into this email to get his feedback. I would suggest that we could loop the Chairperson in and ask that this matter be agenized to allow for a formal Board discussion.

The other option would be to wait until the December Board meeting. Under the meeting agenda item Board/Staff general discussions and proposed agenda items you could ask the other Board members to agenized this matter.

If the Board chooses to move forward with this item, I would suggest GES staff could work to obtain quotes for an entity to both provide IT Services and to research the best type of technology the District should purchase. These types of services are not part of the current GES contract.

Please let us know how you would like for us move forward with this matter.

Thank you,

Cortney Murguía

(805) 927-4778

From: Zebraview <[REDACTED]>

Sent: Friday, November 11, 2022 4:43 PM

To: San Simeon CSD <admin@sansimeoncsd.org>

Subject: Re: Fw: Your Microsoft 365 account is ready.

Courtney

For many practical reasons, it's likely best for me to have a District-Issued device dedicated to District Business. Does the District Issue a laptop? It's likely in the Districts best interest to ensure that materials relevant to District Business are housed and stored on devices owned and controlled by the District. Please advise if the policy.

Thank you

Karina

On Fri, Nov 11, 2022, 11:36 AM San Simeon CSD <admin@sansimeoncsd.org> wrote:

Hi Karina,

Please finalize your new SSCSD Director email. Please let me know if you have any questions

Thank you,

Cortney Murguía
(805) 927-4778

From: GoDaddy <donotreply@godaddy.com>
Sent: Friday, November 11, 2022 11:34 AM
To: San Simeon CSD <admin@sansimeoncsd.org>
Subject: Your Microsoft 365 account is ready.



Need help? [Contact us.](#)
Customer Number: 145577734

Your new Microsoft 365 account is waiting for you.

Your inbox is all ready to go on our end. Use your email credentials to create a secure password and sign in. Your temporary password will expire in 21 days.

[Create a New Password](#)

Account Information

Username: ktiwana@sansimeoncsd.org

Temporary password: n&5N7&_aOB

Bookmark your sign-in address: <http://email.sansimeoncsd.org>

Business Action Item

- 5.C. DISCUSSION, REVIEW AND APPROVAL FOR CHAIRPERSON KELLAS TO RESPOND TO MOUCHAWAR LETTER REGARDING THEIR POSITION AND EDUs ON THE SSCSD WAITLIST.**



BUSINESS ACTION ITEM STAFF REPORT

ITEM 5.C. DISCUSSION, REVIEW AND APPROVAL FOR CHAIRPERSON KELLAS TO RESPOND TO MOUCHAWAR LETTER REGARDING THEIR POSITION AND EDUS ON THE SSCSD WAITLIST.

Summary:

This item was continued from the November 8, 2022 Board meeting. On or about October 24, 2022 the SSCSD Office received a letter from Marie Louise Paquet', trustee for the Camille Mouchawar Trust, in response to the letter that SSCSD mailed to vacant property owners and waitlist list participants, notifying of the SSCSD intent to lift, in whole or in part, the long-standing water moratorium. The SSCSD letter mailed to vacant property was also sent to determine if the participant on the SSCSD waitlist still wished to remain on the waitlist. Marie Louise Paquet' describes in the October 24, 2022 letter that 1, they wish to participate 2, the trust was relegated to a lower position 3, previous waitlist shows the Trust water demand to be 35 hotel rooms, 1 apartment and a 2000 square foot restaurant while current waitlist has water demand for only 35 hotel rooms.

This business action item is brought before the board to request approval for Chairperson Kellas, on behalf of SSCSD, to draft a response to Marie Louise Paquet'.

In the SSCSD response to the October 24, 2022 letter from Marie Louise Paquet it should be noted that in 1994 the SSCSD was duly informed that the restaurant was no longer part of the project (see attached letter from the office of Mel McColloch). Also in the SSCSD response a request to identify and remedy potential road and viewing platform bluff gabion encroachments should be made.

Enc: July 29, 2022 vacant property / waitlist letter notice
October 24, 2022 Camille Trust letter to SSCSD
1994 Mel McColloch letter to SSCSD
Historical waitlist and current draft waitlist
Plan map of Pico Road in area of potential encroachments

From: [Louise Paquet](#)
To: [Gwen Kellas](#); [Charlie Grace](#)
Subject: Camille Mouchawar Trust San Simeon Property Boundaries
Date: Friday, November 25, 2022 3:43:11 PM
Attachments: [San Simeon Beach Access - Supplemental Topo \(12-005\)-24x36 updated 11-18-2022-1.pdf](#)

iCAMILLE MOUCHAWAR TRUST
4501 GLENSHYRE COURT
RENO NV 89519
775-829-0310

November 25, 2022

Gwen Kellas, San Simeon CSD Chairperson
Charlie Grace, San Simeon CSD General Manager
San Simeon District
111 Pico Avenue
San Simeon, CA 93452

Dear Mrs. Kellas and Mr. Grace :

Camille Mouchawar Trust (Trust) has been informed of an encroachment by the San Simeon CSD (District) on its property located in San Simeon Parcel 013-091-001 in connection with the stairway to access the beach area.

We are further informed that the District has been aware of this encroachment but has refused to obtain a boundaries survey. It has recently obtained a topographic survey, the failure to acquiesce to a boundaries survey leads us to believe that the encroachment may be quite extensive.

After review of the Topo map dated 11/18/2022 attached, in order to determine the full extent of the encroachment, the Trust has requested its own boundaries survey and report which will take place within the next 2 weeks.

The Trust is hereby requesting that the District halt any proposed repair work on the stairway site and viewing area and to close the site pending a full report to determine the exact boundaries and land ownership of the site.

Truly yours,

Marie Louise Paquet , Trustee

San Simeon Community Services District



111 Pico Avenue, San Simeon, California 93452

(805) 927-4778 Fax (805) 927-0399

July 29, 2022

To whom it may concern:

You are receiving this letter as records indicate that you are a participant on the water "Wait List" maintained by San Simeon Community Services District.

The San Simeon Community Services District (SSCSD) is currently in the process of efforts toward modifying the long-standing water moratorium.

Given that the wait list has been in existence for many years and circumstances regarding participation on the wait list may have changed, the SSCSD is attempting to contact you to determine if you would like to remain on the wait list and possibly receive a will serve letter in the near future.

Please contact the SSCSD office at your earliest convenience to assist the SSCSD with updating the wait list and participation in the water moratorium modification process. SSCSD contact information is:

Office Phone: 805-927-4778

Email: Admin@sansimeoncsd.com

Mailing Address: 111 Pico Avenue, San Simeon CA, 93452

SSCSD Board Meeting: Held via Zoom every second Tuesday of the month at 5:00pm PST
<https://us02web.zoom.us/j/87307810050> or One tap mobile: US: +16699009128, 87307810050#

Sincerely,

A handwritten signature in cursive script that reads "Gwen Kellas".

Gwen Kellas
San Simeon CSD
Chairperson

Camille Mouchawar Trust



October 24, 2022

Gwen Kellas ,Chairperson
San Simeon CSD
111 Pico Avenue
San Simeon, CA 93452

Re: Wait list and Water Moratorium Modification, Will Serve Letter
Property: San Simeon APN 013-391-001

Dear Mrs. Kellas:

On October 18, 2022 , we received from your office a Certified Return Request envelope containing a letter dated July 29, 2022 addressed To whom it may concern:

Concerns indeed:

First, we would like to inform you that after being on the San Simeon District waiting list since 1979 we have every intention to actively participate and are looking forward to receive a Will Serve letter. We trust that the three months delay of your letter will not impede the process. Letter attached.

Second, for unexplained reasons and without Notice , the Camille Mouchawar Trust has been relegated to a lower position on the waiting list in spite of having joined the list in 1979 and paid the fees after having foreclosed on 105 Units from W. Dalton.

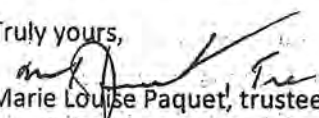
Third, not only was there a demotion by San Simeon District but a decrease in water demand. While visiting San Simeon District web site , we noted on Akel Report Table 3. Water Wait List Camille Mouchawar Trust as proposed future development 35 Motel. This is contrary to the initial water waiting list : 35 motel , 1 apartment and 2,000 square feet restaurant.

We are hereby requesting correction to reflect: 35 motel , 1 apartment and 2,000 square feet restaurant and accurate adjustment of the water demand AFY.

We are further requesting that proof of correction be provided to us within 15 days of this letter and no delay in the issuance of a Will Serve letter.

Time is of the essence since your office has already issued Will Serve letters.

Truly yours,


Marie Louise Paquet, trustee
Camille Mouchawar Trust

Enclosure

RECEIVED JAN 21 1994

MEL MCCOLLOCH
P. O. BOX 454
CAMBERIA, CA 93428
(805) 927-5993

January 21, 1994

Mr. John Wallace
John L. Wallace and Associates
Manager
San Simeon Acres Community Services District
4115 Broad Street, Suite B-5
San Luis Obispo, CA 93401-7963

Re: Mouchawar Property - San Simeon

Dear John,

On June 1, 1979, Dr. Mouchawar deposited \$30,445 with the San Simeon Acres Community Services District (District) for a position on the District's water and sewer waiting list. The deposit was calculated by the District based on Dr. Mouchawar's plans at that time to build a sixty-nine (69) unit motel, one (1) manager's apartment, and a two thousand (2,000) square foot restaurant. As I understand the District's ordinance, Dr. Mouchawar has not received interest on his deposit, which is in a reserve account under the District's name, and the District receives the interest. I didn't realize this was legal; however, this is not the question at this time.

Dr. Mouchawar has waited patiently for over fourteen (14) years for the District to serve him water for a project on his property. Dr. Mouchawar now wants plan to proceed with the development of his parcel with thirty-four (34) units and a manager's apartment on his property. The restaurant has been deleted from his plans. The plans are to provide water for the development with an on-site desal plant.

If the District will not be able to provide water to the development in the immediate future, I am requesting by this letter that the District allow Dr. Mouchawar to provide his own water, at his cost, for his project. I am also requesting the District allow him to use the District's sewer system for sewage from the development. We feel we may have the right to use the District's sewer system if Dr. Mouchawar is willing to pay the fees applicable to the District and there is capacity in the system.

I would like written clarification on the status and timing of any long-term water project that will allow the District to supply water to Dr. Mouchawar, for the development of his property in San Simeon. We would also like to know the District's position in allowing us to use the District's

Mr. John Wallace
January 21, 1994

sewer system, at the regular charges, so we can proceed with our project and our own water system for the motel.

Thank you very much for your time and efforts, and I appreciate your taking time to meet with me.

Sincerely,

Mel McColloch
Mel McColloch

MMc:gg

cc: Dr. Mouchawar

Consent of Landowner

I/we the undersigned owner(s) of record of the fee interest land located at (street address) Legal Description attached, in _____, California, Assessor's Parcel Number 013, 391, 001, appoint Mel McColloch to act as my/our authorized agent in all contacts with the San Simeon Acres Community Services District (SSACSD), the County of San Luis Obispo (SLO), and State of California (State) relating to matters pertaining to the planning and development of the above property.

I/we also grant the SSACSD, SLO or State, or any of their authorized agents, the right to enter upon the property described above at any time during normal business hours for purposes associated with inspections necessary during the development of the property, including compliance with any conditions of approval.

Camille Muehler
Signature of owner(s)

12/16/93
Date

August 17, 1989

HOOK-UP DEPOSIT AND WAITING LIST

NAME	DEPOSITS * PAID	DATE	CURRENT	DESCRIPTION	DUE **
DALTON	\$48,500.	1/25/72	\$163,800.	105 MOTEL	\$115,300.
EVANS	425.	11/16/75	3,800.	4 RETAIL	3,375
MOUCHAWAR	original revised	30,445.	6/1/79	35 MOTEL 1 APARTMENT 2000 sq ft RESTAURANT	51,135.
LONG	1,200.	10/29/85	2,280.	1 RESIDENCE	1,080.
HURLBERT	22,800.	3/15/89	22,800.	10 CONDOS	
SANSONE	92,340.	8/2/89	91,200. 1,140.	40 CONDOS 1 IRRIGATION 1 dwelling hook-up now in use	
TOTALS	\$195,710. =====		\$366,600. =====		\$170,890. =====

* DEPOSIT PAID - Indicates total fees paid based on the Fee Schedule in place at time of payment.

** DUE - Indicates amount due to make up difference between old fee schedule and current Fee Schedule (7/89)

EXHIBIT "A"
HOOK UP WAITING LIST

2014 CR6

Priority	Name	Deposits		Description
		Paid	Date	
1	Cavalier Inn Inc. APN#	\$0.00	01/25/1972	145 Motel 2400 sq ft restaurant
2	Evans APN# 013-071-018	\$425	11/16/1975	Retail
3	Mouchawar APN# 013-391-001	\$30,445	06/01/1979	35 Motel 1 Apartment 2000 sq ft Restaurant
4	V& H Holdings APN# 013-031-022	\$1,200	11/21/2013	1 Residence
5	Hurlbert for The Tides of San Simeon APN# 013-402-012	\$2,280	09/06/1990	6 Condos 1 Irrigation
6	Ramirez APN# 013-402-013	\$2,280	03/09/2001	6 Condos
7	Tyo APN# 013-402-006	\$6,840	12/11/2013	3 Residences
8	Hather and/or Hulbert APN# 013-071-009	\$2,280	10/8/2014	10 Residences

- 1 Cavalier Inn Inc. acquired the rights and obligations of Dalton through bankruptcy proceedings in July 1989.
- 2 The deposit of Dalton was forfeited when he failed to comply with the Terms of Agreement with the District.
- 3 The Date of the agreement between the District and Dalton.
- 4 Per agreement, remaining balance of project after Mouchawar foreclosure on 105 units.
- 5 V&H Holdings purchased property and wait list position #4 From Raymond Long.
- 6 John & Ann Tyo Purchased property and wait list position #7 from Eva Redwood-Chavez

EXHIBIT "A"
 RESOLUTION-20-426
HOOK UP WAITING LIST

2020 (CR)

Position Number	APN Number	Name	Deposit Amount	Date Added	EDU's
1		Cavalier Inn Inc. ¹	² 0.00	³ 1/25/1972	⁴ 145 Motel & 2400 sq ft restaurant
2	013-071-018	Evans	\$425.00	11/16/1975	Retail
3	013-391-001	Mouchawar	\$30,445.00	6/1/1978	35 Motel
4	013-031-022	V & H Holdings ⁵	\$1,200.00	11/21/2013	1 Residence
5	013-402-012	Hurlbert for Tides of San Simeon	\$2,280.00	9/6/1990	6 Condos + 1 irrigation meter
6	013-402-013	Seifert ⁷	\$2,280.00	3/9/2001	6 Condos
7	013-402-006	Tyo ⁶	\$6,840.00	12/11/2013	3 Residences
8	013-071-009	Hather /or Hulberts ⁹	\$3420.00	10/8/2014	15 Residences (added 5 edu's)
9	013-091-030	Sansone, Inc. ⁸	\$6498.00	7/11/2018	30.5 (28 Multi-Family Edu's + .5 Irrigation)
10	013-091-032, 013-071-023/024/025	Sansone, Inc.	\$14706.00	7/11/2018	64.5 (64 Multi-Family EDU's + .5 Irrigation)
11	013-031-049	Sansone, Inc.	\$2796.00	7/11/2018	10.5 (10 Multi-Family EDU's + .5 Irrigation)

- ¹ Cavalier Inn Inc. acquired the rights and obligations of Dalton through bankruptcy proceedings in July 1989.
- ² The deposit of Dalton was forfeited when he failed to comply with the Terms of Agreement with the District.
- ³ The Date of the agreement between the District and Dalton.
- ⁴ Per agreement, remaining balance of project after Mouchawar foreclosure on 105 units.
- ⁵ V&H Holdings purchased property and wait list position #4 From Raymond Long.
- ⁶ John & Ann Tyo Purchased property and wait list position #7 from Eva Redwood-Chavez
- ⁷ Seifert purchased the property from Ramirez in 2004.
- ⁸ Sansone, Inc submitted one payment in the amount of \$24,000.00 for positions 9,10 & 11
- ⁹ Hather added 5 edus w/ a deposit in the amount of \$1140 on 11/2019
- ¹⁰ Sansone added 2 EDU's with a deposit in the amount of \$54.00 on 9/9/2020

Table 3 Water Wait List
 System-Wide Water Supply Assessment
 San Simeon Community Services District

3/21/22 (CSG)

Position Number	Name	Proposed Future Developments	Estimated Water Demand (AFY)
1	Cavalier Inn Inc. ¹	145 Motel & 2400 sq ft. restaurant	11.81
2	Evans ¹	Retail	0.38
3	Mouchawar ¹	35 Motel	2.58
4	V& H Holdings ¹	1 Residence	0.10
5	Hurlbert for Tides of San Simeon ¹	6 Condos + 1 Irrigation meter	0.65
6	Seifert ¹	6 Condos	0.61
7	Tyo ¹	3 Residences	0.30
8	Hather and/or Hulbert ¹	10 Residences	1.01
9	Sansone, Inc. ¹	30.5 (30 Multi-Family Edu's + .5 Irrigation)	3.07
10	Sansone, Inc. ¹	64.5 (64 Multi-Family EDU's + .5 Irrigation)	6.51
11	Sansone, Inc. ¹	10.5 (10 Multi-Family EDU's + .5 Irrigation)	1.05
12	Hather ²	5 Residences	0.51
13	Lloyd Marcum ³	26 (13 residential 13 mixed use)	6.30
14	V&H Holdings ³	25 residential units	2.53
Total			37.41

AKEL
 ENGINEERING GROUP, INC.


3/8/2022

Notes:

1. Source: San Simeon Community Services District Resolution No. 20-426, 2020 Water Sewer Connection Waitlist, Exhibit "A".
2. Proposed Hather developments were split up per updated Water Wait List Reconciliation document dated 03/07/2022.
3. 2 developments has been added to the waitlist per updated Water Wait List Reconciliation document provided by District staff on 03/07/2022.

Table 3 Water Wait List

System-Wide Water Supply Assessment
San Simeon Community Services District

10/27/22 

PRELIMINARY

Position Number	Name	Proposed Future Developments	Estimated Water Demand (AFY)
1	Cavalier Inn Inc. ¹	145 Motel & 2400 sq-ft. restaurant	11.81
2	Evans ¹	Retail	0.38
3	Mouchawar ^{1,2}	35 Motel & 2,000 sq-ft. restaurant & 1 apartment unit	3.80
4	V& H Holdings ¹	1 Residence	0.10
5	Hurlbert for Tides of San Simeon ¹	6 Condos + 1 irrigation meter	0.65
6	Seifert ¹	6 Condos	0.61
7	Tyo ¹	3 Residences	0.30
8	Hather and/or Hulbert ¹	10 Residences	1.01
9	Sansone, Inc. ¹	30.5 (30 Multi-Family Edu's + .5 Irrigation)	3.07
10	Sansone, Inc. ¹	64.5 (64 Multi-Family EDU's + .5 Irrigation)	6.51
11	Sansone, Inc. ¹	10.5 (10 Multi-Family EDU's + .5 Irrigation)	1.05
12	Hather ³	5 Residences	0.51
13	Lloyd Marcum ⁴	26 (13 residential 13 mixed use)	6.30
14	V&H Holdings ⁴	25 residential units	2.53
		Total	38.63

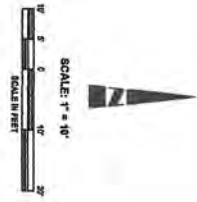
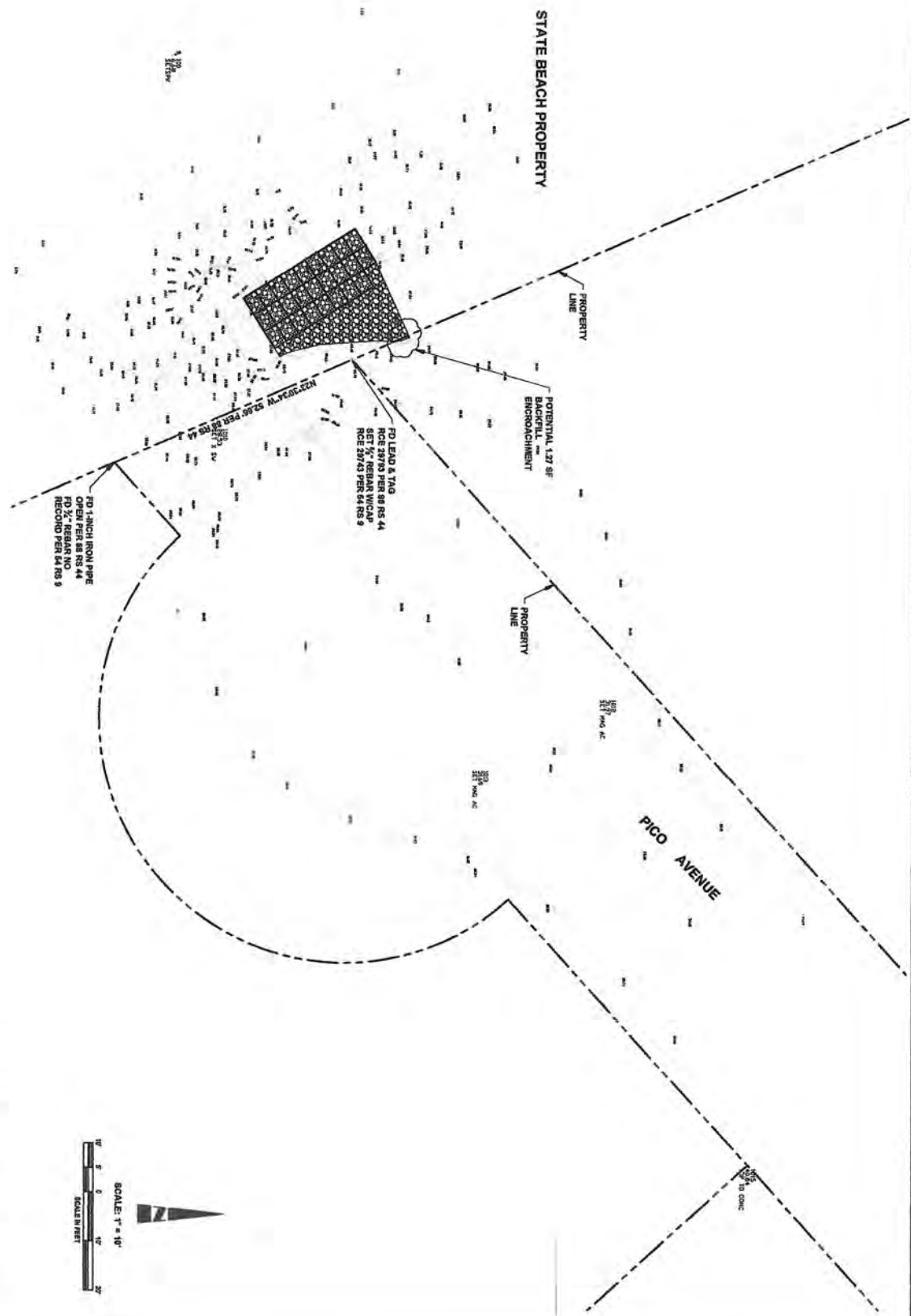


10/18/2022

Notes:

1. Source: San Simeon Community Services District Resolution No. 20-426, 2020 Water Sewer Connection Waitlist, Exhibit "A".
2. Source: San Simeon Hook-Up Deposit and Water Waiting List from August 1989 and February 2004.
3. Proposed Hather developments were split up per updated Water Wait List Reconciliation document dated 03/07/2022.
4. 2 developments has been added to the waitlist per updated Water Wait List Reconciliation document provided by District staff on 3/7/2022.

VERIFY SCALES
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BUSINESS ACTION ITEM STAFF REPORT

ITEM 5.D. DIRECTION TO STAFF REGARDING THE RESIGNATION OF ADAMSKI, MOROSKI, MADDEN, CUMBERLAND, AND GREEN, LLP.

Summary:

Attached is a copy of the resignation letter from District's legal Counsel dated Monday December 5, 2022.

Enc: Resignation letter from District Counsel

**ADAMSKI MOROSKI MADDEN
CUMBERLAND & GREEN LLP**

ATTORNEYS AT LAW

Post Office Box 3835 • San Luis Obispo, California 93403-3835
T 805-543-0990 • F 805-543-0980 • www.ammcglaw.com

December 5, 2022

[VIA EMAIL]

San Simeon Community Services District (“District”)
Attn: Board of Directors
111 Pico Ave
San Simeon, CA 93452

Re: Resignation of District Counsel

Dear Directors of the Board:

I am writing to inform you that Adamski Moroski Madden Cumberland & Green, LLP (“AMMCG”) is resigning as District legal counsel effective as soon as new counsel can be appointed. We will remain available to serve the District and assist with the transition of matters to new legal counsel. It has been our pleasure to work with you over the past several years. I suggest the Board seek new representation as quickly as possible. Please contact me with any questions or concerns.

Very truly yours,

ADAMSKI MOROSKI MADDEN
CUMBERLAND & GREEN LLP



JEFFREY A. MINNERY

Business Action Item

- 5.E. ELECTION OF THE CHAIRPERSON AND VICE-CHAIRPERSON FOR THE
2023 CALENDAR YEAR.**



BUSINESS ACTION ITEM STAFF REPORT

ITEM 5.E. ELECTION OF THE CHAIRPERSON AND VICE-CHAIRPERSON FOR THE 2023 CALENDAR YEAR.

Background:

As of January 1, 2023, the Chairpersons term will have expired. Staff is requesting nominations and acceptance from the SSCSD Board for the position of Chairperson and Vice-Chairperson for the 2023 calendar year. A section of the Policy & Procedures manual pertaining to the Chair and Vice-Chairperson duties has been included in the report.

SECTION 3.00 Duties of the Board of Directors:

3.01 Presiding Officer. The Chairperson shall preside at all meetings of the Board. The Vice-Chairperson shall preside at all meetings of the Board in the absence of the Chairperson. If both the Chairperson and Vice-Chairperson are absent, the Directors in attendance shall select a Director to preside over the meeting.

3.02 Duties of the Chairperson. The Chairperson of the Board shall preserve order and decorum and shall decide questions of order subject to appeal to the Board of Directors. The Chairperson from the chair may place a motion before the Board, second a motion, and vote irrespective of the existence of an otherwise tie vote.

The Chairperson shall act as spokesperson for the Board with respect to its actions and policies and those of the District. This provision, however, shall not preclude any other member of the Board from making appropriate comments within the scope of his or her position.

The Chairperson, or any member of the Board or staff person so designated, shall represent the Board where it is appropriate or desirable for the District to appear at meetings of other public agencies, private entities, before public or private groups, or on other public or private occasions. However, this provision shall not limit the attendance of any Director or authorized officer or staff

member of the District at other public gatherings or meetings. Prior to attending such a gathering or meeting, Directors are encouraged to review Government Code Section 54952.2(c) and ensure their attendance is in conformance with the requirements of the Brown Act. (Please refer to Section 3.04)

To obtain such information as may be necessary and appropriate to assist the Board in its deliberations, the Chairperson shall work with the General Manager, District Counsel, or other staff member of the District. The Chairperson may also direct staff to implement the policies and decisions of the Board. Individual members of the Board shall not act independently to direct staff in the performance of their duties unless specifically provided for in these policies or as approved by the Board.

3.03 Duties of the Vice-Chairperson. The Vice-Chairperson shall act if the Chairperson is absent or unable to act and shall exercise all of the powers of the Chairperson on such occasions.

Recommendation:

It is recommended that the Board appoint a Chairperson and Vice-Chairperson for the 2023 calendar year.