

AGENDA
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, March 13, 2019
6:00 pm

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

1. REGULAR SESSION: 6:00 PM

A. Roll Call

B. Pledge of Allegiance

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 February.
- ii. Superintendent's Report** - Summary of February Activities.
- iii. General Manager's Report** – Summary of February Activities.
- iv. District Financial Summary** – Update on Monthly Financial Status.
- v. District Counsel's Report** – Summary of February Activities.

B. BOARD OF DIRECTORS AND COMMITTEE REPORTS:

C. SPECIAL PRESENTATION:

D. PUBLIC COMMENTS ON SPECIAL PRESENTATIONS AND REPORTS:

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

4. CONSENT AGENDA ITEMS:

Public Comment - Members of the public wishing to speak on consent agenda items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public Comment is limited to three (3) minutes.

A. Review and approval of Minutes for the Regular Meeting on February 13, 2019.

B. Review and approval of Disbursements Journal.

C. Adoption of Resolution 19-408. A resolution authorizing destruction of certain district records pursuant to the records retention schedule.

5. PUBLIC HEARING:

Public Comment – Members of the public wishing to speak on the public hearing items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public Comment is limited to three (3) minutes.

A. Public Hearing on Adoption of an Ordinance Amending the District's Water and Wastewater Capacity Fee Charges.

6. BUSINESS 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 Presiding Officer. If a member of the public wishes to speak at this time, Public Comment is limited to three (3) minutes for each business item.

A. Authorization for the General Manager to retain Marine Diving Solutions, Inc. to perform an annual inspection and pipe strap repair of the wastewater treatment facility ocean outfall in the amount of \$ 40,000.00.

B. Authorization for the General Manager to retain Alpha Electric Service to repair the Muffin Monster not to exceed the amount of \$5,000.00.

C. Discussion regarding the Beautification Grant application submitted by the District.

D. Discussion regarding the creation of an Ad-Hoc Committee to review the 2000's series from the policy and procedures manual.

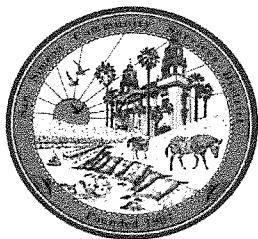
E. Discussion and Review Draft Policy & Procedures Manual.

7. 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).

8. 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 District 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. ii. SUPERINTENDENT'S REPORT
Jerry Copeland
Facilities Update for February 2019



SUPERINTENDENTS REPORT

Item 3.A.iii

Prepared by: Jerry Copeland

1. Wastewater Treatment Plant

- All sampling, testing and reporting at the Wastewater Treatment Plant and the Recycled Water Facility was performed as required by the RWQCB, including the Semi-Annual Oil and Grease Report.

2. Water Treatment and Distribution System

- All routine sampling and testing was performed. The monthly report was submitted to the State Water Resources Control Board (SWRCB), Division of Drinking Water (DDW).
- On December 20th and 23rd of 2018, the chlorine residual in the drinking water was lower than it needed to be to meet the Contact Time ratio compliance standard of 1.0 or greater set by the DDW. Chlorine residual has been increased and since then there has been no other instances where the CT ratio was out of compliance of this standard. The necessary actions were taken and this issue is resolved.
- Filter operations continue daily.
- Monthly maintenance on the R.O. unit was performed.
- Monthly water meter reading was performed.

3. District and Equipment Maintenance

- Staff continues with all of the scheduled preventive maintenance for all the equipment at the facilities. We are recording all of these activities.
- Pot holes were filled around the District streets.

San Simeon Community Services District														February 2019			
Superintendent's Report																	
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. Influent Flow	R.O. Effluent Flow	R.O. Daily Brine Flow	Distribution Chloride	Chloride Wells 1	Chloride Wells 2	Recycled Water Distributed	Water Level Well 1	Water Level Well 2	Rainfall in Inches	State Influent Daily Flow
02/01/19	Fri	113,557	114,060	59,616	0	59,616	0	0	0	-	-	-	0	9.6	9.9	0.32	7,081
02/02/19	Sat	201,217	210,840	0	51,163	51,163	0	0	0	-	-	-	0	7.1	7.7	1.53	21,733
02/03/19	Sun	130,114	133,280	0	32,912	32,912	0	0	0	-	-	-	0	6.1	6.7	0.16	29,404
02/04/19	Mon	120,933	120,140	0	33,136	33,136	0	0	0	-	-	44	0	6.9	7.4	0.47	19,130
02/05/19	Tue	93,345	96,630	0	57,297	57,297	0	0	0	-	-	44	0	7.7	8.3	0.04	19,487
02/06/19	Wed	87,271	88,350	0	60,139	60,139	0	0	0	-	-	-	0	8.4	9.0	0.00	12,960
02/07/19	Thu	92,160	93,850	0	84,225	84,225	0	0	0	-	-	-	0	8.9	9.4	0.00	9,809
02/08/19	Fri	130,721	129,250	0	66,647	66,647	0	0	0	-	-	-	0	9.2	9.8	0.56	8,031
02/09/19	Sat	111,692	112,300	0	77,642	77,642	0	0	0	-	-	-	0	9.1	9.6	0.08	19,552
02/10/19	Sun	119,272	118,430	0	76,969	76,969	0	0	0	-	-	-	0	9.1	9.5	0.08	15,498
02/11/19	Mon	86,726	81,290	0	86,544	86,544	0	0	0	-	-	-	0	8.9	9.4	0.00	13,854
02/12/19	Tue	92,409	86,640	0	54,529	54,529	0	0	0	-	-	44	0	8.9	9.4	0.00	11,095
02/13/19	Wed	149,945	142,860	0	58,718	58,718	0	0	0	-	-	-	0	9.6	9.8	0.55	10,718
02/14/19	Thu	134,970	129,490	0	33,361	33,361	0	0	0	-	-	44	0	7.8	8.0	0.24	21,020
02/15/19	Fri	135,063	126,450	0	75,174	75,174	0	0	0	-	-	-	0	7.7	8.2	0.36	21,242
02/16/19	Sat	146,587	145,700	0	60,139	60,139	0	0	0	-	-	-	0	7.8	8.3	0.11	24,486
02/17/19	Sun	161,742	162,720	0	81,457	81,457	0	0	0	-	-	-	0	7.8	8.3	0.16	28,752
02/18/19	Mon	111,991	104,150	0	66,722	66,722	0	0	0	-	-	-	0	8.7	9.2	0.00	29,680
02/19/19	Tue	88,361	84,810	0	64,029	64,029	0	0	0	-	-	44	0	8.9	9.4	0.00	19,140
02/20/19	Wed	76,610	79,850	0	46,002	46,002	0	0	0	-	-	-	0	9.3	9.7	0.00	11,849
02/21/19	Thu	76,324	74,270	0	49,518	49,518	0	0	0	-	-	-	0	9.6	9.8	0.00	11,967
02/22/19	Fri	73,052	73,040	0	51,163	51,163	0	0	0	-	-	-	0	9.3	9.8	0.00	10,443
02/23/19	Sat	80,129	81,990	0	59,316	59,316	0	0	0	-	-	-	0	9.3	9.8	0.00	9,046
02/24/19	Sun	88,247	86,120	0	67,918	67,918	0	0	0	-	-	-	0	9.4	10.0	0.00	12,870
02/25/19	Mon	63,141	62,910	0	55,427	55,427	0	0	0	-	-	44	0	9.6	10.1	0.00	8,902
02/26/19	Tue	64,491	65,300	0	44,656	44,656	0	0	0	-	-	-	0	9.6	10.1	0.00	11,333
02/27/19	Wed	72,865	70,940	0	43,010	43,010	0	0	0	-	-	-	0	9.6	10.1	0.08	7,224
02/28/19	Thu	75,787	75,080	0	46,301	46,301	4736	3075	1661	-	-	-	0	9.1	9.5	0.00	12,045
TOTALS		2,978,722	2,950,740	59,616	1,584,114	1,643,730	4736	3075	1661				0			4.74	438,351
Average		106,383	105,384	2,129	56,576	58,705	169	110	59	0	0	44	0	8.7	9.2	0.17	15655
Minimum		63,141	62,910	0	0	32,912	0	0	0	0	0	44	0	6.1	6.7	0.00	7081
Maximum		201,217	210,840	59,616	86,544	86,544	4736	3075	1661	0	0	44	0	9.6	10.1	1.53	29680

DATA SUMMARY SHEET

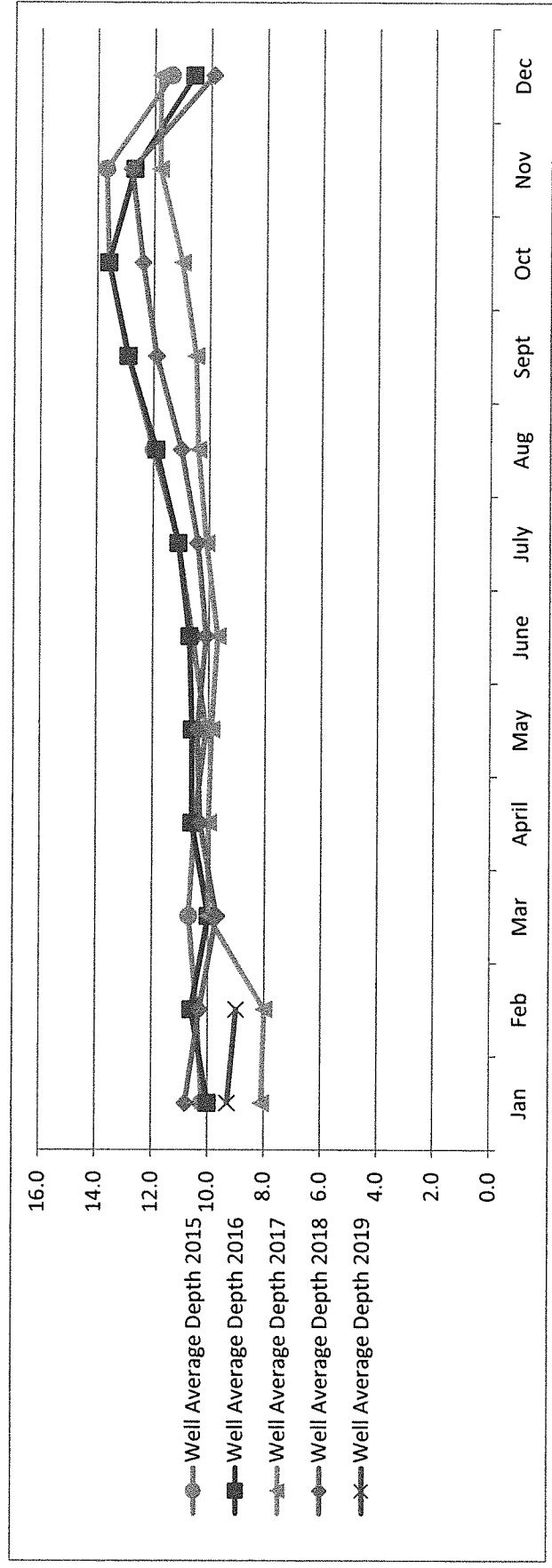
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total for 2019
Wastewater Influent	2,974,678	2,978,722											5,953,400
Wastewater Final Effluent (Month Cycle)	2,921,320	2,950,740											5,872,060
Adjusted Wastewater Influent (- State Flow)	2,599,672	2,540,371											5,140,043
Water Produced (month cycle)	1,849,654	1,643,730											3,493,384
Sewer Influent/Water Produced Ratio	1.61	1.81											N/A
Adjusted Sewer/Water Produced Ratio	1.41	1.55											N/A
Well 1 Water Production	103,897	59,616											163,513
Well 2 Water Production	1,745,757	1,584,114											3,329,872
Total Well Production	1,849,654	1,643,730											3,493,384
Water Well 1 Avg Depth to Water	9.0	8.7											N/A
Water Well 2 Avg Depth to Water	9.5	9.2											N/A
Average Depth to Water of Both Wells	9.3	9.0											N/A
Change in Average Depth to Water from 2018	-1.5	-1.3											N/A
Average Chloride mg/L at the Wells	55	44											N/A
State Wastewater Treated	375,006	438,351											813,357
State % of Total WW Flow	13%	15%											N/A
Recycled Water Sold (Gallons)	0	0											0
Biosolids Removal (Gallons)	4,500	0											4,500
WW Permit Limitation Exceeded	0	0											N/A
RW Permit Limitation Exceeded	0	0											N/A
Constituent Exceeded	None	None											N/A
Sample Limit	N/A	N/A											N/A
Sample Result	N/A	N/A											N/A

2018

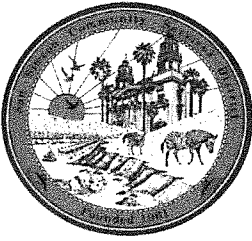
	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total for 2018
Wastewater Influent	1,762,514	1,707,154	2,752,139	2,188,423	2,254,636	2,475,142	3,200,941	3,139,374	2,539,174	2,339,012	2,086,790	2,227,833	28,683,132
Wastewater Final Effluent (Month Cycle)	1,718,650	1,748,894	2,796,460	2,287,640	2,303,330	2,485,760	3,156,580	3,158,998	2,479,999	2,286,320	2,004,920	2,144,640	28,572,191
Adjusted Wastewater Influent (- State Flow) *	1,516,601	1,459,319	2,320,828	1,819,468	1,901,248	2,082,826	2,641,403	2,500,033	2,107,514	1,951,269	1,800,530	1,941,526	24,042,565
Water Produced (month cycle)	1,464,210	1,578,354	1,677,091	1,845,614	2,252,051	2,539,202	2,954,183	2,975,092	2,423,071	2,187,526	1,858,930	1,887,877	25,643,203
Sewer Influent/Water Produced Ratio	1.20	1.08	1.64	1.19	1.00	0.99	1.08	1.05	1.05	1.07	1.13	1.18	N/A
Adjusted Sewer/Water Ratio	1.04	0.92	1.38	0.99	0.84	0.82	0.89	0.84	0.87	0.89	0.97	1.03	N/A
Average Depth of Both Wells	10.8	10.3	9.7	10.3	10.4	10.1	10.4	11.0	11.9	12.4	12.8	9.9	N/A
Change in Average Depth to Water from 2017	+2.7	+2.3	-0.3	+0.3	+0.5	+0.4	+0.3	+0.6	+1.4	+1.4	+1.0	-1.9	N/A
Average Chloride mg/L at the Wells	34.5	35.5	32	35.5	35.5	32	32	32	32	34.5	45	65	N/A
State Wastewater Treated	245,913	247,835	431,311	368,955	353,388	392,298	559,538	639,341	431,660	387,743	269,260	286,307	4,613,549
State % of Total WW Flow	14%	15%	16%	17%	16%	16%	18%	20%	17%	17%	13%	13%	N/A
Recycled Water Sold (Gallons)	0	0	0	0	0	0	0	0	0	0	0	0	0
Biosolids Removal (Gallons)	9,600	0	4,800	9,600	4,800	4,800	13,500	13,500	9,000	4,500	4,500	4,500	83,100
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 February 2019

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Well Average Depth 2015	10.2	10.4	10.7	10.5	10.1	10.6	11.1	12.0	12.9	13.6	13.7	11.4
Well Average Depth 2016	10.0	10.6	10.0	10.6	10.6	10.7	11.1	11.9	12.9	13.6	12.7	10.6
Well Average Depth 2017	8.1	8.0	10.0	10.0	9.9	9.7	10.1	10.4	10.5	11.0	11.8	11.8
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										



3. A. iii GENERAL MANAGER'S REPORT
Charles Grace
Update for February 2019



GENERAL MANAGER'S REPORT

Item 3.A.ii

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

Regular activities performed by District staff include:

Processing of utility payments, customer service duties, answering phone calls, mailing of the regular monthly utility bills. Prepared and distributed the agenda and Board packet. Prepared and mailed the quarterly newsletter.

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

- Responded to seven (7) public records requests.
- Finalized the draft version of the policy and procedures manual.
- Began working on the Consumer Confidence Report (CCR) template.
- Mailed a notice to the public regarding openings on the Water and Budget committees.

Filter – Included in the disbursements journal is a payment to Harrington in the amount of \$17,894.85 for cartridges purchased during the month of February. The District orders sets of 3 cartridges, there is an odd number due to a back order of one (1) cartridge from February 2019.

YEAR	Month	Quantity of Cartridges Purchased	Quantity of Cartridges Used	
2017	May	3	3 (1/11/18)	
2017	December	3	3 (3/22/18)	
2018	March	3	3 (4/27/18)	
2018	May	3	3 (12/19/18)	
2019	January 10	3	3 (1/19/19)	
2019	January 28	6	3 (2/2/19)	
2019	February 7	9	3 (2/4/19)	
2019	February 13	5	3 (2/6/19)	
2019	February 22	4	3 (2/12/19)	
2019	February 27	1	3 (2/16/19)	
2019	February 27	6	3 (2/18/19)	
		Total 46	Total 33	Stock 13

County Wide Hazardous Mitigation Plan –

During the 2018 rain storms, FEMA found all Hazardous Mitigation Plans (HMP) in our County to be lacking in many areas. Some District's did not have plans filed with the County, such as San Simeon CSD. Although FEMA agreed to assist our County with financial support, the County was instructed to revise the plans and create a County Wide Plan which would be more cost effective for everyone. FEMA provided the County with a Local Mitigation Plan Review Tool to help improve all HMPs in our County.

The County went through the RFP process and hired Wood Consulting to help write the HMP. There will be a section for each District. After comparison with the FEMA Local Mitigation Plan Review Tool, Wood determined that nearly every section of the plan would need revision to align the plan with the latest FEMA planning guidance and requirements. Our District's portion of the shared costs will be about \$1,000. Price is based on population. Ms. Osborne will be attending the review meetings and will keep the Board updated. When the District's draft is ready, it will be presented to the Board for review.

Prop 1 Grant Update –

The State has still not completed the revision of the grant guidelines. The guidelines will be forwarded to the District when received by the County. While the county is waiting for the guidelines, the IRWM group has decided to start the project selection process.

The project selection process for the State Prop 1 Grant has changed. Instead of each project creating their own application, the DWR has provided a standardized fillable forms for each project sponsor. Additionally, prior to submitting the final form, each project sponsor will present their project to DWR and other State Agencies.

DWR's scoring is both an evaluation of project merit and of application completeness. The selection process will focus only on the merit based criteria. Ms. Osborne is currently working on the District's Reservoir Project form for project consideration. She will keep us updated as our project progresses through the process.

Coastal Commission Rip Rap Permit Update –

Draft special conditions were re-submitted to the Coastal Commission and an internal review of the concept to install a splash wall inside the wastewater facility took place. A cover letter and application, as strongly recommended by Brian O'Neill with the Coastal Commission, was submitted to the Coastal Commission.

Phase 1 Tank Project Environmental Review – Please see attached Oliveira Report.

Phase 1 Tank Project Engineering Report – Please see attached Phoenix Report.

Enc: Phoenix Engineering Report, Oliveira Consulting Report,



Phoenix Civil Engineering, Inc.

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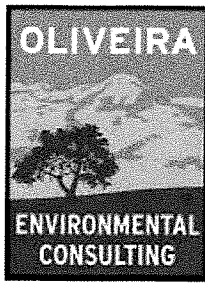
Memorandum – Project Design Status Water Systems Improvement Project Phase 1 San Simeon Community Services District Mar 5, 2019

This memo is providing you a project status update. The following activities have been performed to date:

- Phase I Pipeline Improvements design has been completed to 75% level. Electrical, instrumentation and civil/piping team continued to design and coordinate on the interface of the equipment and lighting systems at the tank site.
- Reservoir site grading and pipeline design plans were completed to a 75% level and were provided for the District to review. A list of technical specifications was prepared and submitted along with the front-end document to the District for their review. The District had no comments on the design package.
- Confirmation of the required USDA front end documents was performed. It was determined after extensive research that the EJCDC documents the USDA requires have not been updated since 2013. The last set of EJCDC documents will be used for this project front end document.
- Compilation of the District front end document for the purpose of bidding the tank manufacturer portion of the project was performed.
- Received preliminary input from the California Division of Drinking Water (DDW) on the tank piping configuration. Incorporated their comments into the planset.

Anticipated activities for the month of March:

- Preparation of the tank manufacturer coordination Contract Documents completed and the District to advertise for bids.
- Contact steel tank manufacturers to notify them of the upcoming project.
- Pre-bid meeting with prospective tank manufacturers (steel, aboveground) to be performed in late March.
- Preliminary discussions with USDA representatives as directed by the District to show them the project and obtain their approval on the bid package concept. This is a requirement of the process for potential USDA funding.
- Refinement of the OPCC to the District for review once the tank manufacturers provide cost data.



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March 5, 2019

San Simeon Community Services District
Board of Directors
111 Pico Avenue
San Simeon, CA 93452

Subject: Project Update – February 2019. San Simeon Community Services District Water Tank Project CEQA Review and Permitting

SSCSD Board:

Thank you for the opportunity to submit the following update for the San Simeon Community Services District (SSCSD) Water Tank Project CEQA review and permitting process. This memo is intended as a follow-up to the environmental review process and project permitting update presented to the SSCSD Board of Directors at the December 2018 hearing.

As you recall, the SSCSD Water Tank project is considered a "project" under the California Environmental Quality Act (CEQA). After a preliminary review of the potential project environmental impacts and discussion with County staff, it was determined that the preparation of a Mitigated Negative Declaration (MND) would be the appropriate level of environmental review.

The following is a brief update for each of the previously identified milestones.

Prepare Technical Reports (Archaeological, Biological Resource Assessment, Visual Simulations)

The archaeological report is complete and no pre-historic resources were discovered. The visual simulations have been finalized as of December. It has been confirmed that the proposed water tanks would be almost completely blocked from views along Highway 1 by intervening topography and vegetation. The biological assessment has been completed as of last week, confirming the presence of native coastal terrace habitat and identifying mitigation measures to address any impacts.

In-season (springtime) rare plant survey of the site will be required based on the coastal marine terrace habitat observed on-site during initial biological assessment. This natural community is known to support rare plants, which cannot be ruled out unless springtime surveys are completed. The local agencies (County of SLO, Coastal Commission, CDFW) prefer for seasonal surveys to be done prior to issuing a MND in order to rule out any impacts upfront. This approach is more in line with CEQA legislation and provides for a more accurate impact analysis.

As such, we anticipate publishing the Final MND with the results of the rare plant survey. Project biologist suggests an April timeframe for botanical survey, immediately after-which the MND will be published.

Currently coordinating with County staff on this approach, since the County will have to rely on the MND to issue Conditional Use Permit/Coastal Development Permit and for development of water tanks;

Issue Tribal Consultation Invitation per the Requirements of AB 52

As required by State law, a notice has been sent to the Tribal Representatives in the project area identified by the Native American Heritage Commission. This is a requirement for all CEQA projects, with the exception of CEQA Exemptions. Tribes have 30 days to request consultation on the project if they have any concerns. The comment period ended on January 7, 2019), consultation was requested and the project team was able to discuss project questions with Tribal Representatives. Additional comments have been received and noted and we will work with the County to ensure compliance.

Prepare Draft MND

Preparation of the Draft MND has already been initiated. However, publication of the Final MND will be timed with the preparation of seasonally timed (April) rare plant surveys.

Once reviewed, a Final MND will be printed and published through the State Clearinghouse for the required 30-day public review period. Any comments received will be noted and presented to the SSCSD Board during the hearing for Certification and Adoption of the MND. Please note that the timing for this task is subject to change.

Prepare Final MND

To be initiated upon final review of the Draft MND.

Publish MND and Notice of Availability

To be completed upon preparation of the Final MND. The Final MND will be printed and published with the State Clearinghouse for the 30-day public review period.

Public Review (30 Days)

To be initiated upon publication of the Final MND.

Consideration of MND for Certification by SSCSD Board

Once the public review period is complete, the MND will be considered for Certification and Adoption by the SSCSD Board.

File Notice of Determination with County Clerk

To be completed within 5 working days after Board Certification.

Submit Permit Application to County

To be completed upon filing of the NOD with the County. It is expected that the project will trigger the need for a Conditional Use Permit from the County. We will work with the County to

waive any project permit fees possible. CEQA review will have been completed already, which should speed up the County's review process.

County Permit Hearing

The project Land Use Permit will require a public hearing, to be scheduled by the County, for project approval.

Thank you for the opportunity to provide a brief project update. Please feel free to contact me if you have any questions.

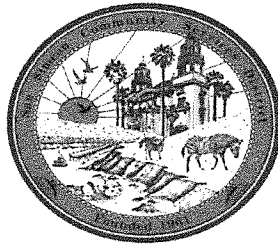
Sincerely,



Jeff Oliveira, Principal Environmental Planner
Oliveira Environmental Consulting LLC

3. A. iv. DISTRICT FINANCIALS
Cortney Murguia
February 28, 2019

SAN SIMEON COMMUNITY SERVICES DISTRICT



3.A.iv FINANCIAL SUMMARY

Billing February 28, 2019

January Billing Revenue	\$ 71,242.96
February Billing Revenue	\$ 67,417.85
Past Due (31 to 60 days)	\$ 403.58
Past Due (60 days)	\$ -

ENDING BANK BALANCES

February 28, 2019

RABOBANK SUMMARY:

Well Rehab Project/USDA Checking Account \$ 79.00

PACIFIC PREMIER BANK:

Money Market Account Closing Balance January 31, 2019 \$ 928,190.63

Interest for February \$ 1,670.16

Money Market Account Closing Balance February 28, 2019 \$ 929,860.79

Reserve Fund (250,000.00)

Wait-list Deposits (69,750.00)

Customer Deposits (9,350.00)

Available Funds \$ 600,760.79

General Checking Account February 28, 2019 \$ 82,767.49

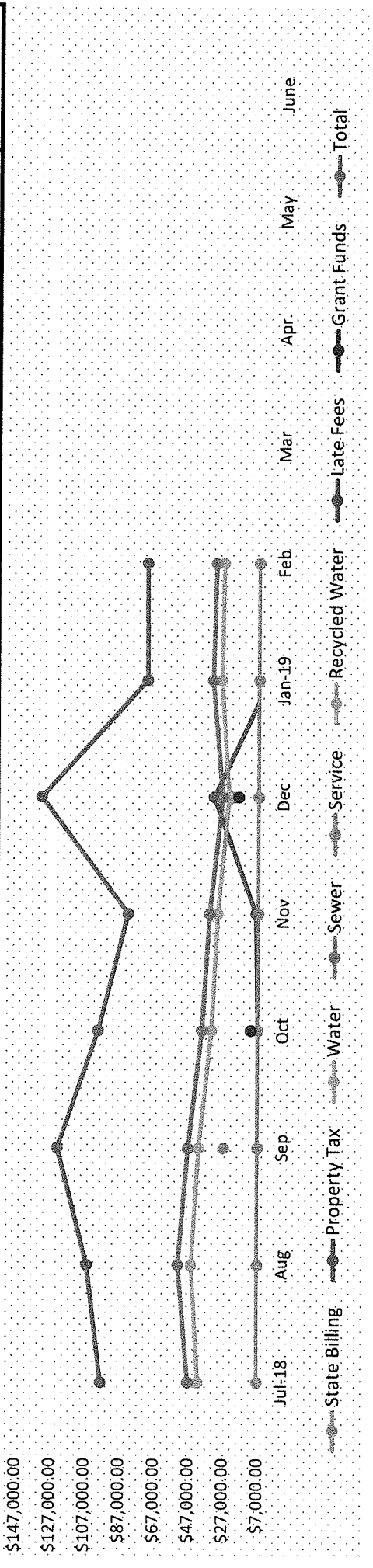
LAIF Closing Balance February 28, 2019 \$ 539.63

SAN SIMEON COMMUNITY SERVICES DISTRICT
Balance Sheet
As of February 28, 2019

	Feb 28, 19
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty cash	150.00
1015 · Pacific Prem - General Checking	82,298.09
1017 · Pacific Premier-Money Market	929,860.79
1022 · USDA checking	164.00
1040 · Cash in county treasury	108.33
1050 · LAIF - non-restricted cash	536.39
Total Checking/Savings	1,013,117.60
Other Current Assets	
1200 · Accounts receivable	65,741.36
1220 · A/R - Hearst Castle	20,971.00
1300 · Prepaid expenses	3,297.13
Total Other Current Assets	90,009.49
Total Current Assets	1,103,127.09
Fixed Assets	
1400 · Fixed assets	
1420 · Building and structures	395,874.73
1500 · Equipment	316,747.53
1540 · Major Water Projects	190,360.90
1560 · Pipe bridge	28,075.58
1580 · Sewer plant	1,488,555.08
1600 · Water system	550,390.00
1620 · WWTP expansion	299,565.92
1630 · Tertiary Project	262,932.67
1640 · Wellhead Rehab Project	450,827.53
1650 · Walkway access projects	21,511.00
1660 · RO Unit	931,966.97
1670 · Reservoir	140,540.91
1680 · Generator	29,101.14
Total 1400 · Fixed assets	5,106,449.96
1690 · Accumulated depreciation	(2,394,730.17)
Total Fixed Assets	2,711,719.79
TOTAL ASSETS	3,814,846.88
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 · Payroll liabilities	119.34
2500 · Customer security deposits	9,350.00
2510 · Connect hookup wait list	69,750.00
2520 · USDA Loan	396,550.00
Total Other Current Liabilities	475,769.34
Total Current Liabilities	475,769.34
Total Liabilities	475,769.34
Equity	
3200 · Fund balance	3,238,681.99
3900 · Suspense	(77.02)
Net Income	100,472.57
Total Equity	3,339,077.54
TOTAL LIABILITIES & EQUITY	3,814,846.88

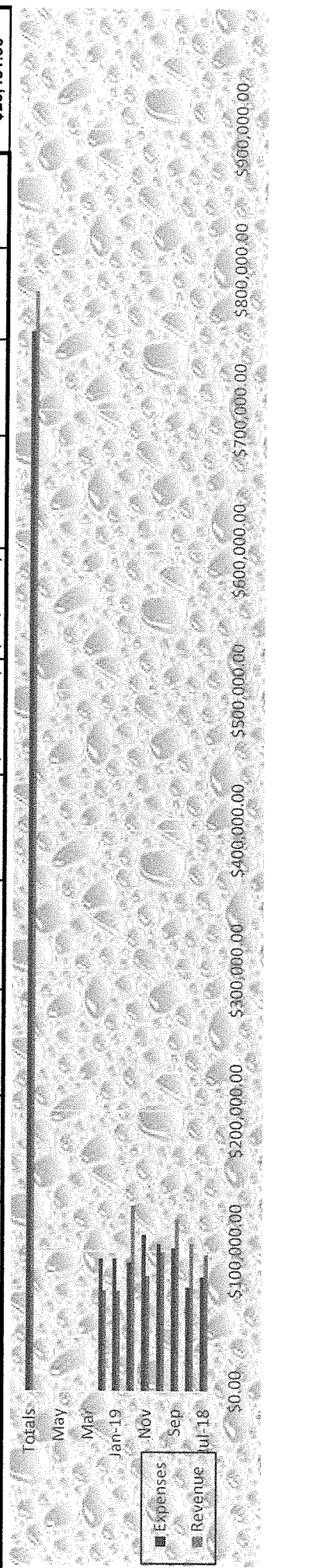
DISTRICT REVENUE FY 2018/2019

	Jul-18	Aug	Sep	Oct	Nov	Dec	Jan-19	Feb	Mar	Apr.	May	June	Totals
State Billing			\$26,723.91			\$20,971.00							\$47,694.91
Property Tax	\$1,288.59	\$0.00	\$169.19	\$7,205.82	\$8,542.19	\$33,187.58	\$1,319.32	\$4,888.55					\$56,601.24
Water	\$41,336.59	\$45,279.14	\$41,178.74	\$34,050.67	\$30,760.16	\$24,353.21	\$29,009.60	\$27,745.06					\$273,713.17
Sewer	\$47,258.33	\$53,156.35	\$47,379.43	\$39,628.31	\$35,491.84	\$28,149.21	\$34,169.78	\$32,181.86					\$317,415.11
Service	\$7,111.73	\$7,113.60	\$7,113.60	\$7,113.60	\$7,079.40	\$7,079.40	\$7,147.80	\$7,079.40					\$56,838.53
Recycled Water													\$0.00
Late Fees	\$461.43	\$201.49	\$290.08	\$168.71	\$600.53	\$135.60	\$178.43	\$146.51					\$2,182.78
Grant Funds				\$11,367.00		\$18,753.05							\$30,120.05
Total	\$97,456.67	\$105,750.58	\$122,854.95	\$99,534.11	\$82,474.12	\$132,629.05	\$71,824.93	\$72,041.38					\$784,565.79
Water Sold Cu Ft	334631	367360	332914	275609	243491	195107	236456	227602					2213170
Water Sold Acre ft	7.68	8.43	7.64	6.33	5.59	4.48	5.43	5.23	0.00	0.00	0.00	0.00	50.81



REVENUE VS EXPENSES

	Jul-18	Aug	Sep	Oct	Nov	Dec	Jan-19	Feb	Mar	Apr.	May	June	Totals
Revenue	\$97,456.67	\$105,750.58	\$122,854.95	\$99,534.11	\$82,474.12	\$132,629.05	\$71,824.93	\$72,041.38					\$784,565.79
Expenses	\$81,495.91	\$74,250.58	\$102,279.81	\$104,990.12	\$111,554.79	\$92,037.25	\$94,850.91	\$94,625.06					\$756,084.43
Balance	\$15,960.76	\$31,500.00	\$20,575.14	(\$5,456.01)	(\$29,080.67)	\$40,591.80	(\$23,025.98)	(\$22,583.68)					\$28,481.36



**SAN SIMEON COMMUNITY SERVICES
HISTORICAL FISCAL REVIEW**

FY 2015 / 2016

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
State Billing			\$7,200.02			\$8,584.90			\$11,992.94			\$10,529.30	\$38,307.16
Property Tax	\$1,299.10	\$78.29	\$89.78	\$6,473.88	\$5,162.73	\$31,035.95	\$732.82	\$3,907.74	\$4,380.61	\$20,311.05	\$670.65	\$812.49	\$74,955.09
Water	\$32,179.33	\$35,048.63	\$31,023.24	\$30,062.47	\$23,260.87	\$19,903.42	\$28,833.61	\$24,410.65	\$22,300.83	\$24,943.58	\$27,395.80	\$29,375.50	\$328,737.93
Sewer	\$38,340.31	\$41,800.72	\$36,517.90	\$35,482.63	\$27,568.63	\$23,716.44	\$33,983.50	\$28,929.28	\$26,405.46	\$29,496.09	\$31,742.13	\$34,065.24	\$388,048.33
Service	\$6,052.80	\$6,081.90	\$6,111.00	\$6,111.00	\$6,111.00	\$6,111.00	\$6,169.20	\$6,111.00	\$6,140.10	\$6,140.10	\$6,111.00	\$6,111.00	\$73,361.10
Recycled Water			\$1,359.75			\$854.07							\$2,213.82
Late Fees	\$118.83	\$71.20	\$72.27	\$239.83	\$386.63	\$99.38	\$153.29	\$138.82	\$86.36	\$485.53	\$657.24	\$418.39	\$2,927.77
Total Revenue	\$77,990.37	\$83,080.74	\$82,373.96	\$78,369.81	\$62,489.86	\$90,305.16	\$69,872.42	\$63,497.49	\$71,306.30	\$81,376.35	\$66,576.82	\$81,311.92	\$908,551.20
Total Expense	\$56,735.48	\$80,703.14	\$62,573.67	\$62,460.00	\$90,307.21	\$78,261.91	\$62,999.58	\$69,646.10	\$68,440.42	\$78,744.51	\$62,608.05	\$60,034.80	\$833,514.87
Water Sold Cu Ft	311247	338869	297896	288860	223460	191579	276707	234583	213757	239168	260907	278,453	3,155,486
Water Sold Acre ft	7.15	7.78	6.84	6.63	5.13	4.40	6.35	5.39	4.91	5.49	5.99	6.39	72.44

FY 2016/2017

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
State Billing			\$12,485.00			\$13,996.07			\$29,440.40			\$23,960.29	\$79,881.76
Property Tax	\$1,161.69		\$1,184.42	\$6,789.01	\$6,970.82	\$28,878.98	\$2,456.74	\$2,966.66	\$2,421.97	\$23,540.38	\$415.92	\$1,111.78	\$77,898.37
Water	\$36,292.1	\$36,746.52	\$31,241.74	\$29,953.03	\$22,549.49	\$19,445.8	\$25,600.5	\$22,112.36	\$19,816.90	\$27,563.35	\$27,763.55	\$31,331.40	\$330,416.71
Sewer	\$41,862.8	\$43,190.60	\$36,386.89	\$35,106.74	\$25,574.57	\$21,817.9	\$29,037.7	\$24,590.36	\$22,440.87	\$31,022.32	\$31,228.75	\$34,851.59	\$377,111.12
Service	\$6,559.5	\$6,472.20	\$6,472.20	\$6,472.20	\$6,626.30	\$6,533.8	\$6,503.0	\$6,503.02	\$6,503.02	\$6,503.02	\$6,564.66	\$6,626.30	\$78,339.28
Recycled Water						\$216.4							\$216.35
Late Fees	\$485.7	\$97.52	\$595.71	\$316.72	\$353.70	\$1,587.7	\$366.8	\$1,387.73	\$735.52	\$202.87	\$187.94	\$804.03	\$7,121.95
Total Revenue	\$86,361.78	\$86,506.84	\$88,365.96	\$78,637.70	\$62,074.88	\$92,476.61	\$63,964.81	\$57,560.13	\$81,358.68	\$88,831.94	\$66,160.82	\$98,685.39	\$950,985.54
Total Expense	\$127,105.89	\$72,035.48	\$114,268.09	\$71,273.31	\$75,340.87	\$66,017.87	\$71,441.43	\$72,822.48	\$152,049.21	\$62,994.78	\$77,525.44	\$71,657.28	\$1,034,532.13
Water Sold Cu Ft	324654	324654	281207	269907	203338	175391	232048	200704	179990	249876	249279	282352	2,973,400
Water Sold Acre ft	7.45	7.45	6.46	6.20	4.67	4.03	5.33	4.61	4.13	5.74	5.72	6.48	68.26

FY 2017/2018

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
State Billing			\$24,606.31			\$21,914.14			\$21,542.66			\$23,690.87	\$91,753.98
Property Tax	\$1,282.43		\$121.78	\$3,983.38	\$11,222.22	\$31,099.09	\$7,506.90	\$2,750.02	\$640.94	\$22,168.20	\$1,686.05	\$771.97	\$83,232.98
Water	\$34,880.43	\$36,192.33	\$31,137.52	\$27,999.25	\$26,930.07	\$19,762.53	\$22,551.64	\$25,457.70	\$16,741.07	\$28,408.76	\$27,795.23	\$36,075.95	\$333,932.48
Sewer	\$38,495.46	\$39,770.86	\$33,836.96	\$30,919.58	\$29,421.68	\$21,164.32	\$25,021.12	\$28,652.26	\$19,108.33	\$32,900.73	\$31,492.38	\$40,773.70	\$371,557.38
Service	\$6,820.12	\$6,950.95	\$6,821.63	\$6,659.98	\$6,886.29	\$6,886.29	\$6,789.30	\$6,853.96	\$6,724.64	\$6,724.64	\$6,724.64	\$6,724.64	\$81,567.08
Recycled Water													\$0.00
Late Fees	\$628.24	\$379.06	\$292.61	\$241.85	\$221.14	\$159.01	\$113.69	\$197.92	\$487.09	\$284.43	\$202.63	\$179.47	\$3,387.14
Total Revenue	\$82,106.68	\$83,293.20	\$96,816.81	\$69,804.04	\$74,681.40	\$100,985.38	\$61,982.65	\$63,911.86	\$65,244.73	\$90,486.76	\$67,900.93	\$108,216.60	\$965,431.04
Total Expense	\$94,660.34	\$87,503.06	\$104,489.98	\$71,763.52	\$62,490.35	\$85,613.60	\$88,196.48	\$73,251.65	\$109,510.66	\$70,856.21	\$80,363.24	\$80,743.66	\$1,009,442.75
Water Sold Cu Ft	299369	310960	266284	241692	232942	169355	194345	217741	144425	244412	237414	308832	2,867,771
Water Sold Acre	6.87	7.14	6.11	5.55	5.35	3.89	4.46	5.00	3.32	5.61	5.45	7.09	65.84

4. CONSENT AGENDA

- A. Review & Approval of Minutes for the Regular Meeting
– February 13, 2019**

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, February 13, 2019
6:00 pm

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

1. REGULAR SESSION: @ 6:00 PM

- A. Chairperson Kellas – present District Counsel, Natalie Frye Laacke
Vice-Chairperson McGuire – present General Manager, Charlie Grace (absent)
Director Russell – present
Director Stanert – present
Director Smith – present

2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:

Loni Price spoke regarding fire protection insurance and the ISO rating for the community.

Chairperson Kellas and Cortney Murguia responded to Mr. Price and asked that he contact the office so that staff could assist with this matter.

3. SPECIAL PRESENTATIONS AND REPORTS:

A. STAFF REPORTS:

- i. **Sheriff's Report** – Commander Manuele reported 55 calls for service for the month of January 2019.

Hank Krzciuk inquired about body cams for the sheriff's department and attrition related employment issues.

Commander Manuele replied, providing information regarding training and hiring practices at the Sheriff's department.

- ii. **Superintendent's Report** – Jerry Copeland provided a summary of January activities. Director Russell inquired about the Beautification grant and the work to be done at Pico Avenue.

Director Stanert replied about the proposed scope of work and the natural habitat and native plants.

Natalie Frye Laacke stated that since this item was not on the agenda it was not appropriate to continue discussion related to the Beautification Grant.

- iii. **General Manager's Report** – Cortney Murguia provided a summary of January Activities.

- iv. **District Financial Summary** – Cortney Murguia provided the financial summary.
- v. **District Counsel’s Report** – Natalie Frye Laacke provided a summary of January activities.
- B. BOARD OF DIRECTORS AND COMMITTEE REPORTS:** None
- C. SPECIAL PRESENTATION:** None
- D. PUBLIC COMMENTS ON SPECIAL PRESENTATIONS AND REPORTS:** None

4. CONSENT AGENDA ITEMS:

Public Comment – Leroy Price asked about the Harrington invoices and the costs of the filters, as well as how often the filters were being changed.

Cortney Murguia explained that the Harrington invoices were for different amounts due to a credit amount from a previous invoice.

- A.** Review and approval of Minutes for the Regular Meeting on January 9, 2019.
- B.** Review and approval of Disbursements Journal.

Vice-Chairperson McGuire page 2 under the public comment section be changed to “to answer any”. Under item 3.A.iii change the word onto to “to”.

Under item 3C remove the apostrophe in the word achievements.

A motion was made to approve items 4A – 4B with the changes recommended by Vice-Chairperson McGuire.

Motion by: Director Russell
 2nd: Director Stanert
 All in: 5 /0

5. BUSINESS ITEMS:

Public Comment – None

- A. Adoption of Resolution 19-407. A resolution adopting a records retention schedule and authorizing destruction of certain district records.**

A motion was made to approve Resolution 19-407 adopting a records retention schedule.

Motion by: Chairperson Kellas
 2nd: Director Russell
 All in: 5 /0

Roll Call: Chairperson Kellas: YES Vice-Chairperson McGuire: YES Director Russell: YES
 Director Stanert: YES Director Smith: YES

B. Review of Draft Policy & Procedures Manual.

Chairperson Kellas introduced the item.

Vice-Chairperson McGuire and Director Kellas suggested changes related to grammatical items.

Chairperson Kellas referenced Section "7.00 Agendas" and asked that language be added creating a process for members of the public to request that an item be added to the agenda. A consensus was reached in favor of this change.

Director Stanert asked for a change related to language. (This part of the meeting recording is not audible) (18:36:00 on the DVD recording)

Cortney Murguia discussed changes to the language in Section "5.02 Duties of District Secretary" asking that the last line be removed. A consensus was reached in favor of this change.

Director Stanert and Director Russell discussed Section "7.02 Consent Calendar" asking that the language "Reports" be removed. A consensus was reached in favor of this change.

Vice-Chairperson McGuire recommended referencing the Resolution number (19-407), related to the records retention policy, in the appropriate places in the document.

Chairperson Kellas asked that the Board move to Business Action Item "C", and return to review of this item after committee members have been appointed. (18:45:00 on the DVD recording)

The Board resumed discussion regarding review of the policy and procedures manual. (18:58:10 on the DVD recording).

There was discussion between the Directors regarding other proposed changes. No consensus was reached regarding these changes.

Director Stanert referenced "Section 10.5 Direction to Staff" and asked that language be added to clarify the intent of this item. A consensus was reached in favor of this change.

Director Kellas asked that language be removed at the end of the third bullet point on page 11.

Vice-Chairperson McGuire recommended referencing the "Conflict of Interest Code Section 20.00" in the appropriate places in the document. She also referenced Section "15.00 Educational Conferences" and proposed adding language related to the Brown Act and applicable Government Code. On page 25 she asked that under the Section "Donation" the language "to the District" be added.

Director Stanert inquired about the spending limit amount for the General Manager having been increased. Director Stanert, Vice-Chairperson McGuire, Director Russell and Cortney Murguia discussed this matter. No change to the language was approved.

Director Stanert inquired about adding invoices as back up to the disbursements journal. She, Natalie Frye Laacke, Vice-Chairperson McGuire, and Cortney Murguia discussed this matter. No change to the language was approved.

Chairperson Kellas asked that language be added under Section "19.03 A Procurement Procedures" that allows for a point system to be used regarding bids from the lowest bidder. She also inquired about the language on page 29 under "Sole Source" and asked that the language be clarified.

Director Stanert asked about the \$25,000 limit referenced on page 32 under the Section "6. Renewal of Contracts with Professional Consultants". It was decided that this amount be reduced to \$5,000.00. Director Russell, Chairperson Kellas, and Cortney Murguia discussed this matter.

Vice-Chairperson McGuire recommended grammatical changes to Section "21.00 Social Media Policy".

Amanda Rice (audience member) inquired about language in the social media policy regulating the District's social media accounts and a Grant Policy.

Natalie Fry Laacke asked the Board about adding a "Grant Policy" to the manual. A consensus was reached in favor of this change.

Chairperson Kellas inquired about the language in the existing manual (2000's section) and what the process should be related to this matter.

C. Approval of Chairperson's appointment of members to the standing committee.

Chairperson Kellas introduced the item and asked for any volunteers in the audience that were interested in being on the water committee.

Leroy Price and Daniel De la Rosa volunteered for the water committee.

Chairperson Kellas made a motion to appoint the following people to the Water & Budget Committees:

Water Committee

1. Leroy Price
2. Mike Hanchett
3. Gwen Kellas (Board Member)
4. John Russell (Board Member)
5. Daniel De la Rosa

Budget Committee

1. Kathy Fry
2. Mary Margaret McGuire (Board Member)
3. Hunter Smith (Board Member)
4. Mike Hanchett
5. Charlie Grace

Motion by: Chairperson Kellas
2nd: Vice-Chairperson McGuire
All in: 5/0

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

7. ADJOURNMENT @ 7:47 PM

4. CONSENT AGENDA

B. Consideration of approval of Disbursements Journal

SAN SIMEON COMMUNITY SERVICES DISTRICT
Disbursements Journal
 March 2019

Type	Date	Num	Name	Memo	Paid Amount
Paycheck	03/01/2019	1752	GWEN KELLAS	Board Service February 2 through March 1, 2019.	-92.35
Paycheck	03/01/2019	1753	HUNTER C SMITH	Board Service February 2 through March 1, 2019.	-92.35
Paycheck	03/01/2019	1754	JOHN K RUSSELL	Board Service February 2 through March 1, 2019.	-92.35
Paycheck	03/01/2019	1755	JULIA A GREENAN	Board Service February 2 through March 1, 2019.	-92.35
Paycheck	03/01/2019	1756	MARY M MCGUIRE	Board Service February 2 through March 1, 2019.	-92.35
Bill Pmt -Check	03/13/2019	1752	Charles Pefister	Refund customer security deposit less balance due on closed account #427.	-34.20
Bill Pmt -Check	03/13/2019	1753	Cheryl Bridgman	Refund customer security deposit and overpayment on closed account #45.	-100.52
Bill Pmt -Check	03/13/2019	1754	S&S Liquor, Pecko Creek LLC	Refund customer security deposit and overpayment on closed account #38.	-98.43
Bill Pmt -Check	03/13/2019	1755	Adamski Moroski Madden Cumberland & Green	Legal services on rip-rap project through 1/31/19. Inv 46397 dated 02/26/19.	-559.00
Bill Pmt -Check	03/13/2019	1756	Adamski Moroski Madden Cumberland & Green	Legal services on policy manual updates through 1/31/2019. Inv 46399 dated 02/26/19.	-1,526.50
Bill Pmt -Check	03/13/2019	1752	Adamski Moroski Madden Cumberland & Green	General legal services through 1/31/19. Inv 46398 dated 2/26/19.	-3,670.53
Bill Pmt -Check	03/13/2019	1753	Harrington Industrial Plastics, LLC	Water filters size 30-3/4" for water filtration system. 25 filters total	-17,894.85
Bill Pmt -Check	03/13/2019	1754	Kathleen Fry Bookkeeping Services	Professional accounting services preparing Fixed Asset Schedule for Capacity Fee Study project. Services Sept 1 - Feb 28. Inv 2019-01	-780.00
Bill Pmt -Check	03/13/2019	1755	Kathleen Fry Bookkeeping Services	Bookkeeping Services February 2019. Inv 2019-02 dated 02/28/19.	-1,200.00
Bill Pmt -Check	03/13/2019	1756	New Times	Public Hearing Notice re: Capacity Fees. Inv 293534 dated 2/21/19.	-106.00
Bill Pmt -Check	03/13/2019	1752	Nossaman LLP	Legal services re. rip-rap matter through 1/31/19. Inv 492327 dated 2/15/19.	-375.00
Bill Pmt -Check	03/13/2019	1753	Oliveira Environmental Consulting LLC	Professional consulting services on rip-rap project 12/15/18 through 3/1/2019. Total \$2185.00	
				Professional consulting services on Reservoir Project re: letter of intent and easement Total \$855.00	
				Professional consulting services easement and encroachment permit along San Simeon Ave. Total \$950.00	
				Professional consulting services Beautification Grant Total \$997.50	
Bill Pmt -Check	03/13/2019	1754	Oliveira Environmental Consulting LLC	Services Dec 15 - Mar 1. Inv OEC_2019_005 dated 03/04/19.	-4,987.50
Bill Pmt -Check	03/13/2019	1755	RVS Software	Professional consulting services on Reservoir project. Task 3: Biological Resource Assessment Inv OEC_2019_006 dated 3/1/19.	-4,720.00
Bill Pmt -Check	03/13/2019	1756	SLO County Clerk-Recorder	Annual software maintenance and updates 3/21/19 to 3/20/20. Inv 157304 dated 2/1/19.	-648.00
Bill Pmt -Check	03/13/2019	1752	Grace Environmental	Statement of charges for general election on November 6, 2018. Inv dated 2/22/19.	-549.31
Bill Pmt -Check	03/13/2019	1753	Grace Environmental	Reimbursement for purchase of Goulds End Suction Centrifugal Pump. Backup distribution pump for RO Unit. Inv 1271 dated 3/1/19.	-3,464.89
Bill Pmt -Check	03/13/2019	1753	Grace Environmental	Operations Management and Maintenance Fees March 2019. Inv 1265 dated 3/1/19.	-51,892.67

SAN SIMEON COMMUNITY SERVICES DISTRICT
Disbursements Journal
 March 2019

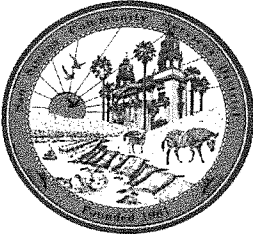
Type	Date	Num	Name	Memo	Paid Amount
Check	03/25/2019	Elec Pymt	CalPERS Fiscal Services Division	Retiree monthly retirement contributions for April 2019.	-1,132.64
Check	03/25/2019	Elec Pymt	CalPERS Fiscal Services Division	Retiree monthly health premium for April 2019.	-362.07
Liability Check	03/25/2019	Elec Pymt	United States Treasury (US Treasury)	Payroll tax payment for paychecks dated 03/01/19.	-61.20

Total 1015 - Pacific Prem - General Checking

-94,625.06

4. CONSENT AGENDA

- C. Consideration of approval of Disbursements Journal**



CONSENT AGENDA STAFF REPORT

4.C. Adoption of Resolution 19-408. A resolution authorizing destruction of certain district records pursuant to the records retention schedule.

Summary:

At February 13, 2019 regular Board meeting, the Board approved Resolution 19-407 which adopted a records retention schedule. California Government Code Section 60201 allows special districts to adopt, by resolution, a record retention schedule that classifies all the district's records by category and establishes a standard protocol for retention and destruction of records. A copy of that resolution and the record retention schedule are included in this staff report.

Although Resolution 19-407 authorizes staff to destroy records pursuant to the record retention schedule *without further Board approval*, staff prefers to have a public record when any documents are destroyed. The public record (via this resolution) provides for greater transparency and an easy way for staff in the future to track when certain documents were destroyed.

Since Board authorization for the destruction of these records is merely to provide a tracking mechanism, staff believes doing this on the Consent Agenda is appropriate.

Recommendation:

Staff recommends that the Board adopt Resolution 19-408 through the Consent Agenda. Since a Resolution is included on the Consent Agenda, the vote should be taken as a **Roll Call Vote.**

Enc: Resolution 19-408 and Records Retention Schedule pg. 1 & 11

RESOLUTION NO. 19-408

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN SIMEON COMMUNITY SERVICES DISTRICT AUTHORIZING DESTRUCTION OF CERTAIN DISTRICT RECORDS PURSUANT TO THE RECORDS RETENTION SCHEDULE

WHEREAS, Section 60201 of the California Government Code provides that district records which have served their purpose, which are not expressly required by law to be filed and persevered, and which will not adversely affect any interest of the district or public may be destroyed; and

WHEREAS, The San Simeon Community Services District ("District") Board of Directors ("Board of Directors") adopted a records retention schedule pursuant to Section 60200 *et. seq.* of California Government Code by Resolution No. 19-407 on February 13, 2019; and

WHEREAS, the District therefore authorizes the destruction of the records included in Exhibit "A" attached hereto and incorporated herein by this reference in accordance with Resolution No. 19-407 and the District's records retention schedule.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT DOES RESOLVE AS FOLLOWS:

1. The Board of Directors finds that the destruction or disposition of the records included in Exhibit "A" have exceeded the retention periods as set forth in the District's records retention schedule and will not adversely affect any interest of the District or the public.

2. The records of the District, as set forth in Exhibit "A" are hereby authorized to be destroyed as provided by Section 60201 *et seq.* of the California Government Code and in accordance with the provision of said records retention schedule and with District policies and procedures.

3. This resolution shall become effective immediately upon its passage and adoption; however, District staff shall wait for a period of thirty (30) days following adoption of the resolution before disposing of any District records subject hereto.

PASSED AND ADOPTED by the Board of Directors of the San Simeon Community Services District on March 13, 2019 by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chairperson Board of Directors of the
San Simeon Community Services District

ATTEST:

Board Secretary of the
San Simeon Community Services

APPROVED AS TO FORM:

District Counsel

Attached Exhibit "A"

RESO NC 1-408
EXHIBIT "A"

Description of Records	Date of Record	Recommended Retention Period	Type of Record
A.L. & S	2009	After audit + 7 Years	Invoice
All Season	2011	After audit + 7 Years	Invoice
AMI Pipe	2006-2011	After audit + 7 Years	Invoice
Associated Backflow	2007-2010	After audit + 7 Years	Invoice
Associated Pacific Constructors, Inc	2006-2010	After audit + 7 Years	Invoice
Blue-White Industries	2011	After audit + 7 Years	Invoice
Cambria Rock	2007	After audit + 7 Years	Invoice
Cambria Towing	2009	After audit + 7 Years	Invoice
CenCal Mechanical Services	2007	After audit + 7 Years	Invoice
Copeland Consulting	2011	After audit + 7 Years	Invoice
Eric's Equipment	2011	After audit + 7 Years	Invoice
Glen Burdette Accounting - Invoices for Services	2005-2011	After audit + 7 Years	Invoice
Great Western Alarm	2011	After audit + 7 Years	Invoice
Liberty Composting Inc.	2011	After audit + 7 Years	Invoice
MBA	2006	After audit + 7 Years	Invoice
McCarthy Steel	2007	After audit + 7 Years	Invoice
Michael O'Neill Webmaster	2008-2011	After audit + 7 Years	Invoice
Pacific States Electrical & Instrumentation Co, INC	2007-2009	After audit + 7 Years	Invoice
Pitney Bowes Invoices	2011	After audit + 7 Years	Invoice
Potable Drivers	2011	After audit + 7 Years	Invoice
Quinn	2011	After audit + 7 Years	Invoice
RVS Software	2004-2011	After audit + 7 Years	Invoice
The Bodyman	2011	After audit + 7 Years	Invoice
January - December 2008 Complete Packet	2008	1 Year	Board Packet
January - December 2009 Complete Packet	2009	1 Year	Board Packet
January - December 2010 Complete Packet	2010	1 Year	Board Packet
January - December 2011 Complete Packet	2011	1 Year	Board Packet
January - December 2012 Complete Packet	2012	1 Year	Board Packet
January - December 2013 Complete Packet	2013	1 Year	Board Packet
January - December 2014 Complete Packet	2014	1 Year	Board Packet

RESO NC -408
EXHIBIT "A"

Description of Records	Date of Record	Recommended Retention Period	Type of Record
January - December 2015 Complete Packet	2015	1 Year	Board Packet
January - December 2016 Complete Packet	2016	1 Year	Board Packet
January - December 2017 Complete Packet	2017	1 Year	Board Packet
January-December 2004	2004	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes
January-December 2005	2005	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes
January-December 2006	2006	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes
January-December 2007	2007	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes
January-December 2008	2008	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes, Copies of SLO County Distribution Payment Checks
January-December 2009	2009	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes, Copies of SLO County Distribution Payment Checks
January-December 2010	2010	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes, Copies of SLO County Distribution Payment Checks
January-December 2011	2011	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes, Copies of SLO County Distribution Payment Checks
January-December 2012	2012	After Audit + 4 Years	RVS Reports, EOM Reports, Deposit Tapes, Copies of SLO County Distribution Payment Checks

RESO NC -408
EXHIBIT "A"

Description of Records	Date of Record	Recommended Retention Period	Type of Record
Bank Statements for SSCSD Accounts	2008	After Audit + 5 years	General Checking, Money Market Accounts
Bank Statements for SSCSD Accounts	2009	After Audit + 5 years	General Checking, Money Market Accounts
Bank Statements for SSCSD Accounts	2010	After Audit + 5 years	General Checking, Money Market Accounts
Bank Statements for SSCSD Accounts	2011	After Audit + 5 years	General Checking, Money Market Accounts
Bank Statements for SSCSD Accounts	2012	After Audit + 5 years	General Checking, Money Market Accounts

Records Retention Schedule
 San Simeon Community Services District
 Destruction of any record must be authorized by the legislative body (Gov. Code §§60200-60204)

Department	Type of Record	Description or Example of Record	Retention Period	Legal Authority
Board Administration	Affidavits of Publication / Posting	Records documenting compliance with laws requiring public notice of governmental activities. May include: public or legal notices, certificates, affidavits or publication, and similar documents.	Calendar Year End+4 Years	GC 60201 CCP 343
Board Administration	Agenda reports (staff reports)	Paper copies of agenda packets should be maintained for 1 year as complete packets. Originals should be imaged immediately for permanent retention. The filmed record may serve as a permanent record.	Permanent	GC 60201
Board Administration	Agenda / Agenda Packets	Agendas and packets should be imaged immediately. A paper copy should be maintained for one year only	Permanent	GC 60201
Board Administration	Agreements / Contracts – Grants, Intra-Agency Agreements, Property Agreements, Leases, Water Supply, etc.	A written agreement between a grantee and a third party to acquire routine goods and services. A grant is a financial assistance mechanism providing money, property, or both to an eligible entity to carry out an approved project or activity	Permanent	CCP 337 GC 60201
Board Administration	Articles of Incorporation	A written instrument that creates and defines the rights and privileges of a corporation. May include, but is not limited to original charter, petitions for incorporation, constitution, by-laws, amendments	Permanent	GC 60201(d)(1)

Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)	VC	Vehicle Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)		
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)		
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code		

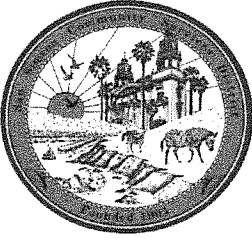
Department	Type of Record	Description or Example of Record	Retention Period	Legal Authority
Finance	Accounts Payable	Invoices, reports, investments, purchase orders. May contain independent contractor's compensation, expense reimbursement, or District credit card records	After Audit+7 Years	GC 60201(d)(12) CCP 337
Finance	Accounts Receivable	Checks received, reports, investments, receipt books	After Audit+4 Years	GC 60201, CCP 337
Finance	Annual Financial Report	Independent auditor analysis	Permanent	GC 60201
Finance	Assessments	Supplemental Assessments	Permanent	GC 60201
Finance	Audit Reports	Financial services; internal and/or external reports; independent auditor analysis	Permanent	GC 60201
Finance	Audit Hearing or Review	Documentation created and or received in connection with an audit hearing or review	After Audit+2 Years	GC 60201
Finance	Bank Account Reconciliations	Bank statements, receipts, certificates of deposit, Backup, etc.	After Audit+5 Years	GC 60201, 26 CFR 16001-1
Finance	Billing Adjustments		After Audit+4 Years	GC 60201
Finance	Billing records / Payment Stubs	Utility bill stubs – submitted with payment	(none)	GC 60201
Finance	Bonds / COPs (Debt)	Certificates / Notices / Transcripts / Registers / Statements / Reconciliations, Paid or cancelled bonds / Monthly Statements	Close/Completion+ 10 Years	CCP 336(a)(1) & (2), CCP 337.5; GC 43900, 60201

Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)	VC	Vehicle Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)		
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)		
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code		

5. A. PUBLIC HEARING

Adoption of Resolution 19-408. A resolution authorizing destruction of certain district records pursuant to the records retention schedule.



PUBLIC HEARING STAFF REPORT

Item 5.A. Public Hearing on Adoption of an Ordinance Amending the District's Water and Wastewater Capacity Fee Charges.

Tuckfield & Associates will be presenting a draft version of the Capacity Fee Study. Mr. Tuckfield is available for questions from the Board members. A draft version of the Ordinance will be on the agenda for both the April and May Board meetings.

Enc: Capacity Fee Study

Tuckfield & Associates

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Phone (949) 760-9454 Fax (949) 760-2725
Email ctuckfield@tuckfieldassociates.com

MEMORANDUM

San Simeon Community Services District

February 15, 2019

Subject: Capacity Charge Study

To: Mr. Charles Grace, General Manager, San Simeon Community Services District

From: G. Clayton Tuckfield, PE MBA, Tuckfield & Associates

INTRODUCTION

The San Simeon Community Services District (District) engaged Tuckfield & Associates to develop capacity charges for its water and wastewater systems. This technical memorandum presents the findings and results of the Capacity Charge Study (Study) that develops water and wastewater capacity charges to equitably recover the costs of existing and future system infrastructure that benefits new development. Establishing capacity charges requires compliance with the California legal framework and the capacity charges in this Study have been determined following this framework as well as American Water Works Association (AWWA) methodologies.

Background

The District commissioned a Potable Water, Wastewater, Recycled Water, and Road Network Improvement Plan (Master Plan) that evaluated the infrastructure needs of the water and wastewater systems. Specific projects were identified to buildout of both systems and those have been included into a Capital Improvement Program (CIP). These improvements consist of repair and replacement expenditures related to the existing system facilities as well as expanding the capacity of the systems. The improvements are required to maintain safe and reliable facilities that meet the needs of existing customers as well as new customer demand. From this CIP information and related information provided by the District, the capacity charges are updated in this Study.

Purpose and Scope

The purpose of this Study is to calculate new District capacity charges such that they address the following.

- Account for recent additions to the District's fixed assets and proposed CIP for both systems.

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- Determine a method for calculating capacity charges that fairly allocates cost to new development for the capacity provided.
- Establish capacity charges that are reasonable, conform to applicable laws, are easy to understand, and simple to implement.

This Study includes the review and analysis of water and wastewater fixed assets, capital improvement plans, existing and future water and wastewater system demands, and existing or planned financing. This Study provides the documentation necessary to implement proposed water and wastewater capacity charges that satisfies the requirements of the California Government Code and District financial administrative requirements.

COMPLIANCE WITH STATE LAW

Capacity charges are governed California Government Code (Code) section 66013. This section of the Code defines a "capacity charge" as "a charge for public facilities in existence at the time a charge is imposed or charges for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged." The Code separately distinguishes "capacity charges" from "connection fees" which are defined as fees for the physical facilities necessary to make a water or sewer connection.

The capacity charges developed in this memorandum follow Section 66013, such that the capacity charges not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed. Section 66013 does not detail any specific methodology for calculating capacity charges.

To implement the capacity charges, section 66016 of the Code identifies the procedural requirements for adopting or increasing water and wastewater capacity charges. The Code requires a 14-day notice of public hearing on the capacity charges. Notices only need to be mailed for anyone who has filed a specific request to be notified. Ten (10) days before the hearing, the report establishing the fees must be made available to the public.

METHODOLOGY

There are several methodologies that may be used in the development of capacity charges that can be applied to various urban growth situations. Brief descriptions of each methodology are provided below.

System Buy-In - Charges are designed to derive from new customers an amount per connection equal to the "equity" in the system attributable to existing customers. This method employs either original costs or replacement costs in measuring equity.

Incremental Cost - Charges are designed to derive from new customers the incremental, or added, cost of system expansion associated with new customer growth. This method is based on the principle that new connections to the system should pay for those costs, which they cause to be incurred, resulting from the most recent or next increment of system capacity needed to serve new customers.

Combination of Buy-In and Incremental Cost - In some situations, utilities use a combination of system buy-in and incremental cost methods. This method recognizes capacity in the system that is available now and planned for future development and allocates capital improvement program projects between replacement and growth-related value.

The methodology used for the District is a combination of buy-in and incremental cost methodology. This methodology considers the contribution of both the existing facilities and growth-related facilities to accommodate new development. This methodology is used where the service area has existing facilities that will benefit new users of the system and where an expansion is anticipated or projected.

SYSTEM CAPACITY

System capacities of the water and wastewater facilities are used in the development of the capacity charges. Average daily consumption of water users and average daily wastewater flow, Biochemical Oxygen (BOD), Suspended Solids (SS), and number of customers of existing users was provided from several sources including the District and the Master Plan. Table 1 below summarizes the capacities used for this Study.

	Water gpd	Sewer			Customers
		Flow gpd	BOD lbs/day	SS lbs/day	
Existing and Planned System Capacities					
1 Existing Customer Use Capacity [1]	76,500	80,000	218	189	225
2 Existing System Capacity [2]	80,800	200,000	546	472	238
3 Planned System Capacity [3]	122,400	200,000	546	472	360
Growth-Related System Capacities					
4 Planned Growth-Related Expansion Capacity	41,600	-	-	-	122
5 Excess Capacity	4,300	120,000	327	283	13
6 Total Excess and Planned Capacity	45,900	120,000	327	283	135

- [1] Average Day Demand from master plan in gpd.
- [2] Estimate based on master plan 2015 demand.
- [3] Capacity at the end of the CIP period from master plan.

FACILITY VALUE

Buy-in Component

The current facility value (for capacity charge purposes) for both the water and wastewater systems is based on Replacement Cost Less Depreciation (RCLD), derived from information and records provided by the District. Replacement cost refers to valuing the existing facilities at the cost to replace those facilities with facilities of similar usefulness, not necessarily with the exact equipment that currently exists.

The replacement cost of the water and wastewater existing facilities was determined by increasing each asset's original cost from its acquisition date to December 2018. This was accomplished by multiplying the asset original cost by the ratio of the Engineering News Record (ENR) Construction Cost Index (CCI) for December 2018 to the ENR CCI of its installation date. The replacement cost of the existing assets was then depreciated recognizing the percent that the asset has been depreciated in proportion to its original cost. Table 2 shows the District net investment in water and wastewater system facilities stated in terms of Replacement Cost Less Depreciation (RCLD). Detailed calculations of water and wastewater facility values are provided in Tables A-3 and B-2 respectively in the appendix to this memorandum.

Adjustments to the facility values are required to develop the buy-in component of the capacity charges. These adjustments include accounting for capital reserve contributions from existing customers and includes the replacement (system-wide) component of CIP projects, both of which are shown in Table 2. Capital reserve balances are added to facility value because the existing customers have paid into these reserves and future customers should buy-in for a proportionate share of the financial reserves as shown on line 4. Replacement (system-wide) CIP, shown on line 2, is included because these facilities will benefit both existing and new users of the system and the capacity charges are intended to be in effect for at least the next five years.

Incremental Cost Component

The District has developed a CIP plan that identifies facilities to be constructed to build out of the system. The CIP has system value that is related to both existing development and future growth. CIP costs that are related to replacement of current facilities have been included in the buy-in component of the capacity charges, whereas growth-related CIP is included with the incremental cost of facility value in the calculation. The water and wastewater CIP are provided in Tables A-1 and B-1 respectively in the appendix to this memorandum and shows the allocation of each CIP project to existing systemwide facilities (replacement) and growth-related facilities. Wastewater CIP is further allocated to wastewater cost component of flow, BOD, SS and Customer however, all of the CIP is assumed to be flow related.

PROPOSED CAPACITY CHARGE CALCULATIONS

Table 2 presents the calculations used to develop the water and wastewater capacity charges. The calculations use the facility values of the existing system facilities and future CIP facilities along with the system capacities from Table 1 to calculate a unit capacity charge in terms of dollars per gallon per day (\$/gpd) for water and dollars per unit for each wastewater parameter of flow, BOD, SS and Customer (\$/gpd, \$/lb, etc).

Table 2 Capacity Charge per Unit					
	Water	Wastewater			
		Volume	BOD	SS	Customer
Existing and Planned CIP Value					
1 Existing System Facility Assets Value	\$669,297	\$587,718	\$570,433	\$570,433	\$10,300
2 CIP Replacement (System-wide) Improvements	5,943,550	1,874,774	-	-	-
3 PV of Remaining Debt Service Related to Existing Facilities	(340,568)	-	-	-	-
4 Capital Reserves Balance	106,970	20,710	20,090	20,090	360
5 Total Existing and Planned System-wide Value	\$6,379,249	\$2,483,202	\$590,523	\$590,523	\$10,660
6 Planned System Capacity [1]	122,400	200,000	546	472	360
7 Existing and Planned Value per unit	\$52.118 gpd	\$12.416 gpd	\$1,081.961 lb BOD	\$1,250.181 lb SS	\$29.612 Customers
Growth-Related Value					
8 CIP Growth-Related Improvements	\$3,642,821	\$1,149,055	\$0	\$0	\$0
9 Total Growth-Related Value	\$3,642,821	\$1,149,055	\$0	\$0	\$0
10 Total Excess and Expansion Capacity [2]	45,900	120,000	327	283	6,642
11 Growth-Related Value per unit	\$79.364 gpd	\$9.575 gpd	\$0.000 lb BOD	\$0.000 lb SS	\$0.000 Customers
12 Capacity Charge per unit [3]	\$131.482 gpd	\$21.991 gpd	\$1,081.961 lb BOD	\$1,250.181 lb SS	\$29.612 Customers

[1] Capacity at the end of the CIP period.
 [2] Sum of Planned Growth-Related Expansion Capacity and Excess Capacity.
 [3] Sum of Existing/System-wide and Growth-Related Value per unit.

Facility values are reduced to account for financing of existing and future facilities as shown in Table 2. The present value of outstanding debt service payments is deducted from existing facility value to reflect the equity in the existing system, because debt service payments will be made from future water and wastewater rates. Table 3 provides the net capacity charge for one EDU, after financial adjustments, by multiplying each unit capacity charge component from Table 2 by the demand of one single-family residential customer.

Table 4 presents the schedule of proposed water and wastewater capacity charges for the District. Water system capacity charges for residential customers are based on an Equivalent Dwelling Unit (EDU) ratio assigned for residential development whereas non-residential customers are based on the water meter size. The water meter size and EDU ratios for the various types of development are

methods that conform to industry practice and applicable laws, is easy to understand, and is simple to implement and administrate by the District.

For the wastewater system, capacity charges for residential and non-residential customers are designed such that they are charged based on the flow, BOD, and SS of the new development applied to the individual components from line 1 of Table 3. By doing so, those customers that require a larger use of facilities designed to treat BOD and SS greater than standard strength, or one EDU, may be charged accordingly. Capacity charges for several current non-residential development types of the District are provided in Table 4.

	Water	Wastewater			Customer	Total
		Volume	BOD	SS		
Capacity Charge						
1 Capacity Charge per unit	\$131.48	\$21.99	\$1,081.96	\$1,250.18	\$29.61	
2 Single-family Residential Demand	36 gpd	18 gpd	0.0491 lb BOD	0.0425 lb SS	1 Customers	
3 Capacity Charge	\$4,733.28	\$395.82	\$53.11	\$53.11	\$29.61	\$531.65

	Capacity Ratio / EDU Ratio	Proposed Water	Proposed Wastewater	Wastewater Information Used [2]			
				Flow (gpd)	BOD (mg/l)	SS (mg/l)	Customers
1 Single-family Residential [1]	1.00	\$4,733	\$531	18	327	283	1
2 Multifamily Residential [1]	1.00	\$4,733	\$531	18	327	283	1
3 Mobile Home [1]	1.00	\$4,733	\$531	18	327	283	1
4 RV Space [1]	1.00	\$4,733	\$531	18	327	283	1
5 Motels (per unit)	0.70	\$3,313	\$342	12	310	120	1
6 Motels (Manager Apartment)	1.00	\$4,733	\$531	18	327	283	1
7 Restaurants (per square foot)			\$35.00	0.167	1,000	600	1
8 Service Stations (with 2 restrooms)			\$37,299	1,000	1,000	600	1
9 Retail Shops (each)			\$5,011	200	150	150	1
10 Public Restrooms (each)			\$4,910	175	327	283	1
11 Commercial Laundries (each machine)			\$4,927	200	150	110	1
Non-Residential							
Water Meter Size	Capacity Ratio						
12 5/8"	1.00	\$4,733					
13 3/4"	1.00	\$4,733					
14 1"	1.67	\$7,904					
15 1 1/2"	3.33	\$15,760					
16 2"	5.33	\$25,226					
17 3"	10.67	\$50,501					
18 4"	16.67	\$78,899					
19 6"	40.00	\$189,320					
20 8"	66.67	\$315,549					
Unspecified [3]				Flow (\$/gpd)	BOD (\$/lb)	SS (\$/lb)	Customer (\$/Cust)
21 Charge for Each Component				\$21.99	\$1,081.96	\$1,250.18	\$29.61

[1] Per dwelling unit.

[2] Strength information from State Water Resources Control Board.

[3] Capacity Charge calculated based on Non-residential customer flow and strength.

Table 5 provides a comparison of the current per dwelling unit water and wastewater capacity charges with the proposed capacity charges. The total of the proposed water and wastewater capacity charges increase for all development types presented in the table.

	Current	Proposed	Difference	Current	Proposed	Difference	Total	Total
	Water Capacity Charge	Water Capacity Charge		Wastewater Capacity Charge	Wastewater Capacity Charge		Current Charges	Proposed Charges
	EDU Ratio							
1 Single-family Residential [1]	\$1,140	\$4,733	\$3,593	\$1,140	\$531	(\$609)	\$2,280	\$5,264
2 Multifamily Residential [1]	\$1,140	\$4,733	\$3,593	\$1,140	\$531	(\$609)	\$2,280	\$5,264
3 Mobile Home [1]	\$1,140	\$4,733	\$3,593	\$1,140	\$531	(\$609)	\$2,280	\$5,264
4 RV Space [1]	\$1,140	\$4,733	\$3,593	\$1,140	\$531	(\$609)	\$2,280	\$5,264
5 Motels (per unit)	\$780	\$3,313	\$2,533	\$780	\$342	(\$438)	\$1,560	\$3,655
6 Motels (Manager Apartment)	\$1,140	\$4,733	\$3,593	\$1,140	\$531	(\$609)	\$2,280	\$5,264

[1] Per dwelling unit.

FUTURE CAPACITY CHARGES

The proposed water and wastewater capacity charges may be increased annually with the change in the ENR CCI to capture future construction cost inflation. The capacity charge adjustment should be made on the change in the index from the date of adoption of the proposed charges. The capacity charges should be updated at least every five years or when there are substantial changes to the CIP or projected demand.

I appreciate the opportunity to serve the District on this matter. If there are any questions regarding the analyses, please contact me at 949-760-9454.

Very Truly Yours,

TUCKFIELD & ASSOCIATES



G. Clayton Tuckfield
 Principal Consultant
 Tuckfield & Associates

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Table A-1
Water Capital Improvement Program

Description	Total	Percent		System-wide	Growth-Related
		System-wide	Growth Related		
Current Capital Improvement Projects (CIP) [1]					
Phase 1					
Mobilization	120,689	62%	38%	74,827	45,862
400,000 gallon Above Ground Steel Tank	725,000	62%	38%	449,500	275,500
10-inch Diameter Potable PVC Pipe	488,000	62%	38%	302,560	185,440
12-inch Diameter Potable PVC Pipe	184,500	62%	38%	114,390	70,110
14-inch Diameter Potable PVC Pipe	480,000	62%	38%	297,600	182,400
10-inch Diameter Ductile Iron Pipe	43,800	62%	38%	27,156	16,644
Gate Valves	92,500	62%	38%	57,350	35,150
Commercial Hydrants	36,000	62%	38%	22,320	13,680
Residential Hydrants	60,000	62%	38%	37,200	22,800
Temporary Water Service	12,000	62%	38%	7,440	4,560
Pressure Testing Disinfection	9,000	62%	38%	5,580	3,420
Overhead/Contingency/Design/Construction	1,225,296	62%	38%	759,684	465,612
Phase 2					
Mobilization	52,100	62%	38%	32,302	19,798
400,000 gallon Above Ground Steel Tank	725,000	62%	38%	449,500	275,500
10-inch Diameter Potable PVC Pipe	64,000	62%	38%	39,680	24,320
10-inch Diameter Ductile Iron Pipe	48,000	62%	38%	29,760	18,240
Gate Valves	10,000	62%	38%	6,200	3,800
Commercial Hydrants	18,000	62%	38%	11,160	6,840
Temporary Water Service	12,000	62%	38%	7,440	4,560
Pressure Testing Disinfection	9,000	62%	38%	5,580	3,420
Overhead/Contingency/Design/Construction	544,000	62%	38%	337,280	206,720
Phase 3					
Mobilization	72,986	62%	38%	45,251	27,735
400,000 gallon Above Ground Steel Tank	725,000	62%	38%	449,500	275,500
10-inch Diameter Potable PVC Pipe	436,000	62%	38%	270,320	165,680
Commercial Hydrants	27,000	62%	38%	16,740	10,260
Residential Hydrants	24,000	62%	38%	14,880	9,120
Gate Valves	32,500	62%	38%	20,150	12,350
Temporary Water Service	12,000	62%	38%	7,440	4,560
Pressure Testing Disinfection	9,000	62%	38%	5,580	3,420
Overhead/Contingency/Design/Construction	766,493	62%	38%	475,226	291,267
Phase 4					
Mobilization	86,537	62%	38%	53,653	32,884
400,000 gallon Above Ground Steel Tank	725,000	62%	38%	449,500	275,500
6-inch Diameter Potable PVC Pipe	99,000	62%	38%	61,380	37,620
8-inch Diameter Potable PVC Pipe	350,000	62%	38%	217,000	133,000
10-inch Diameter Potable PVC Pipe	64,000	62%	38%	39,680	24,320
8-inch Diameter Ductile Iron Pipe	99,000	62%	38%	61,380	37,620
Gate Valves	65,000	62%	38%	40,300	24,700
Commercial Hydrants	27,000	62%	38%	16,740	10,260
Residential Hydrants	60,000	62%	38%	37,200	22,800
Temporary Water Service	12,000	62%	38%	7,440	4,560
Pressure Testing Disinfection	9,000	62%	38%	5,580	3,420
Overhead/Contingency/Design/Construction	925,970	62%	38%	574,102	351,869
Total Water CIP	\$9,586,372			\$5,943,550	\$3,642,821

Appendix A-2
Outstanding Debt Obligations

USDA Community Program Processing Loan								
Year	Fiscal Year	Beginning Balance	Payment	Principal	2.075% Interest	Total Debt Service	Ending Balance	PV Remaining Debt Service
1	2018-19	\$466,991.00	\$20,690.00	\$7,902.00	\$12,788.00	\$20,690.00	\$459,089.00	\$19,704.76
2	2019-20	459,089.00	20,690.00	8,121.00	12,569.00	20,690.00	450,968.00	\$18,766.44
3	2020-21	450,968.00	20,690.00	8,347.00	12,343.00	20,690.00	442,621.00	\$17,872.80
4	2021-22	442,621.00	20,690.00	8,577.00	12,113.00	20,690.00	434,044.00	\$17,021.71
5	2022-23	434,044.00	20,690.00	8,815.00	11,875.00	20,690.00	425,229.00	\$16,211.16
6	2023-24	425,229.00	20,690.00	9,059.00	11,631.00	20,690.00	416,170.00	\$15,439.20
7	2024-25	416,170.00	20,690.00	9,310.00	11,380.00	20,690.00	406,860.00	\$14,704.00
8	2025-26	406,860.00	20,690.00	9,568.00	11,122.00	20,690.00	397,292.00	\$14,003.81
9	2026-27	397,292.00	20,690.00	9,833.00	10,857.00	20,690.00	387,459.00	\$13,336.96
10	2027-28	387,459.00	20,690.00	10,105.00	10,585.00	20,690.00	377,354.00	\$12,701.87
11	2028-29	377,354.00	20,690.00	10,385.00	10,305.00	20,690.00	366,969.00	\$12,097.01
12	2029-30	366,969.00	20,690.00	10,673.00	10,017.00	20,690.00	356,296.00	\$11,520.97
13	2030-31	356,296.00	20,690.00	10,967.00	9,723.00	20,690.00	345,329.00	\$10,972.35
14	2031-32	345,329.00	20,690.00	11,271.00	9,419.00	20,690.00	334,058.00	\$10,449.86
15	2032-33	334,058.00	20,690.00	11,583.00	9,107.00	20,690.00	322,475.00	\$9,952.24
16	2033-34	322,475.00	20,690.00	11,904.00	8,786.00	20,690.00	310,571.00	\$9,478.33
17	2034-35	310,571.00	20,690.00	12,234.00	8,456.00	20,690.00	298,337.00	\$9,026.98
18	2035-36	298,337.00	20,690.00	12,572.00	8,118.00	20,690.00	285,765.00	\$8,597.12
19	2036-37	285,765.00	20,690.00	12,920.00	7,770.00	20,690.00	272,845.00	\$8,187.74
20	2037-38	272,845.00	20,690.00	13,277.00	7,413.00	20,690.00	259,568.00	\$7,797.84
21	2038-39	259,568.00	20,690.00	13,645.00	7,045.00	20,690.00	245,923.00	\$7,426.52
22	2039-40	245,923.00	20,690.00	14,023.00	6,667.00	20,690.00	231,900.00	\$7,072.87
23	2040-41	231,900.00	20,690.00	14,411.00	6,279.00	20,690.00	217,489.00	\$6,736.07
24	2041-42	217,489.00	20,690.00	14,811.00	5,879.00	20,690.00	202,678.00	\$6,415.31
25	2042-43	202,678.00	20,690.00	15,220.00	5,470.00	20,690.00	187,458.00	\$6,109.81
26	2043-44	187,458.00	20,690.00	15,641.00	5,049.00	20,690.00	171,817.00	\$5,818.87
27	2044-45	171,817.00	20,690.00	16,075.00	4,615.00	20,690.00	155,742.00	\$5,541.78
28	2045-46	155,742.00	20,690.00	16,520.00	4,170.00	20,690.00	139,222.00	\$5,277.89
29	2046-47	139,222.00	20,690.00	16,978.00	3,712.00	20,690.00	122,244.00	\$5,026.56
30	2047-48	122,244.00	20,690.00	17,447.00	3,243.00	20,690.00	104,797.00	\$4,787.20
31	2048-49	104,797.00	20,690.00	17,930.00	2,760.00	20,690.00	86,867.00	\$4,559.24
32	2049-50	86,867.00	20,690.00	18,427.00	2,263.00	20,690.00	68,440.00	\$4,342.13
33	2050-51	68,440.00	20,690.00	18,937.00	1,753.00	20,690.00	49,503.00	\$4,135.36
34	2051-52	49,503.00	20,690.00	19,461.00	1,229.00	20,690.00	30,042.00	\$3,938.44
35	2052-53	30,042.00	20,690.00	20,000.00	690.00	20,690.00	10,042.00	\$3,750.90
36	2053-54	10,042.00	20,690.00	10,042.00	303.00	10,345.00	0.00	\$1,786.14
			\$744,840.00	\$466,991.00	\$267,504.00	\$734,495.00		\$340,568.22

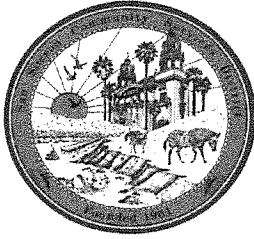
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Table B-1
Sewer Capital Improvement Program

Description	Total	Percent System-wide		Percent Growth-Related		System-wide Improvements			Growth-Related Improvements				
		System-wide	Percent Growth-Related	System-wide	Percent Growth-Related	Volume	BOD	SS	Customer	Volume	BOD	SS	Customer
Current Capital Improvement Projects (CIP) [1]													
Phase 1													
Mobilization	5,211	62%	38%	3,231	1,980	3,231			1,980				
8-inch Diameter Sewer PVC Pipe	66,500	62%	38%	41,230	25,270	41,230			25,270				
Temporary Wastewater Bypassing	9,000	62%	38%	5,580	3,420	5,580			3,420				
New Manhole Structure	16,500	62%	38%	10,230	6,270	10,230			6,270				
Overhead/Contingency/Design/Construction	52,904	62%	38%	32,800	20,104	32,800			20,104				
Phase 3													
Mobilization	3,114	62%	38%	1,931	1,183	1,931			1,183				
6-inch Diameter Sewer PVC Pipe (lag repair)	45,000	62%	38%	27,900	17,100	27,900			17,100				
Temporary Wastewater Bypassing	9,000	62%	38%	5,580	3,420	5,580			3,420				
Overhead/Contingency/Design/Construction	32,707	62%	38%	20,278	12,429	20,278			12,429				
Phase 4													
Mobilization	1,863	62%	38%	1,155	708	1,155			708				
8-inch Diameter Sewer PVC Pipe	3,500	62%	38%	2,170	1,330	2,170			1,330				
10-inch Diameter Sewer PVC Pipe	20,000	62%	38%	12,400	7,600	12,400			7,600				
Temporary Wastewater Bypassing	9,000	62%	38%	5,580	3,420	5,580			3,420				
Overhead/Contingency/Design/Construction	19,930	62%	38%	12,356	7,573	12,356			7,573				
Phase 5													
Mobilization	95,300	62%	38%	59,086	36,214	59,086			36,214				
8-inch Diameter Sewer CPP Lining	358,000	62%	38%	221,960	136,040	221,960			136,040				
Conversion of Existing 6-inch Diameter AC Pipe to Recycled Water	32,000	62%	38%	19,840	12,160	19,840			12,160				
Conversion of Existing 8-inch Diameter AC Pipe to Recycled Water	30,500	62%	38%	18,910	11,590	18,910			11,590				
6-inch Recycled Water PVC Pipe	366,000	62%	38%	226,920	139,080	226,920			139,080				
8-inch Recycled Water PVC Pipe	63,000	62%	38%	39,060	23,940	39,060			23,940				
Pressure Testing	10,000	62%	38%	6,200	3,800	6,200			3,800				
Recycled Water Pump Station	200,000	62%	38%	124,000	76,000	124,000			76,000				
Conversion of Existing 150,000 gallon Reservoir to Irrigation Service	25,000	62%	38%	15,500	9,500	15,500			9,500				
Title 22 Report	35,000	62%	38%	21,700	13,300	21,700			13,300				
Pico Avenue Road Grind and Overlay with Spot Repairs	48,000	62%	38%	29,760	18,240	29,760			18,240				
Pen Way Road Grind and Overlay and Spot Repairs	32,800	62%	38%	20,336	12,464	20,336			12,464				
Jasper Avenue Dugout Repairs and Slurry	22,500	62%	38%	13,950	8,550	13,950			8,550				
Avonue Avenue Road Grind and Overlay with Spot Repairs	284,600	62%	38%	164,052	100,548	164,052			100,548				
Otter Way Road Grind and Overlay with Spot Repairs	36,200	62%	38%	22,444	13,756	22,444			13,756				
Balboa Avenue Road Grind and Overlay with Spot Repairs	59,900	62%	38%	37,138	22,762	37,138			22,762				
Balboa Avenue Slurry	4,000	62%	38%	2,480	1,520	2,480			1,520				
Vista Del Mar Avenue Road Grind and Overlay and Spot Repairs	36,500	62%	38%	22,630	13,870	22,630			13,870				
Vista Del Mar Slurry	4,700	62%	38%	2,914	1,786	2,914			1,786				
Sidewalk Additions	40,300	62%	38%	24,986	15,314	24,986			15,314				
Overhead/Contingency/Design/Construction	965,300	62%	38%	598,486	366,814	598,486			366,814				
Total Wastewater CIP	\$3,023,828			\$1,874,774	\$1,149,055	\$1,874,774			\$1,149,055				

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6.A. BUSINESS ITEMS



BUSINESS ACTION ITEM STAFF REPORT

6.A. Authorization for the General Manager to retain Marine Diving Solutions, Inc. to perform an annual inspection and pipe strap repair of the wastewater treatment facility ocean outfall not to exceed the amount of \$ 40,000.00.

The wastewater treatment plant (WWTP) ocean outfall is inspected annually. The attached quote accounts for the routine inspection and repair of pipe straps identified during last year's structural integrity inspection.

Enc: Estimate from MDS



7275 South Revere Parkway
Centennial, Colorado 80112
Office Phone: 800-637-1322
Office Fax: 303-309-0097

Charles Grace
Grace Environmental
111 Pico Avenue
San Simeon, CA 93452

Phone: 805-927-4918
Cell: 805-431-6253
Fax:
Email: cgrace@graceenviro.com

Scope of Work:

Visual inspection of an 8" outfall pipe and repairs to pipe clamps, located at San Simeon, CA.

Marine Diving Solutions will provide a commercial dive team to assess the outfall pipeline located at San Simeon, CA to conduct a visual inspection and pipe clamp replacement repairs. Due to the past 2 inspections findings of the pipeline being buried, the dive team will need to perform an initial inspection on the first day to determine whether jetting will be necessary to expose the pipeline. If jetting is necessary, the dive team will proceed to remove the sand and expose the pipe at 20' increments to allow for inspection and to make the repairs of the clamps. The inspections will be done visually and all repairs will be recorded as well. Videos will be saved to a DVD or flash drive and will be delivered on site. A written report will be furnished 4 weeks later with still photos noting the condition of the pipe and any deficiencies noted. (Still photos and video may be affected by turbidity and water clarity.)

Project is anticipated to take 6 days

Cost for Mobilization/De-mob of commercial dive team and equipment \$5,500.00

Commercial Dive Team Day Rate \$5,200.00

Utility will be given a DVD video of the inspection and a narrative report with still photos will be provided 4 weeks after inspection.

The proposal price listed above is good for 90 days unsigned and valid for 1 year upon acceptance.

Payment Terms: 1% Ten Days, Net 30 Days. 2.5% interest per month on all accounts past 30 days.

Marine Diving Solutions will provide all personnel and equipment necessary to perform described scope of work.

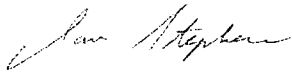
All work will be in compliance with AWWA, NACE, OSHA, ACI, AWS, and SSPC regulations.

MDS has a \$2,000,000 liability and \$4,000,000 aggregate insurance policy and is fully bondable.

All dates are tentative till bid is signed and utility is put on schedule, dates may change with given advance notice to utility.

Proposal does not include Sales or Use Taxes, Registration fees, or City/Municipality licenses unless noted in proposal above. If MDS is liable for any additional fees requested or required by utility and not noted in proposal, the charges will be added to the invoice when billed.

If MDS has to stop working due to unforeseen reasons (utility not on site to direct dive team, utility request team to wait, or etc.) a fee of \$650 an hour will be charged.



Owner

02/07/19
Dated

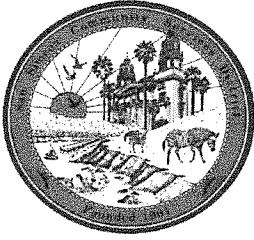
To accept, please sign and date proposal. Please mail, fax, or email this signed contract to the office.

Printed Name and Title

Date

Signature

6.B. BUSINESS ITEMS

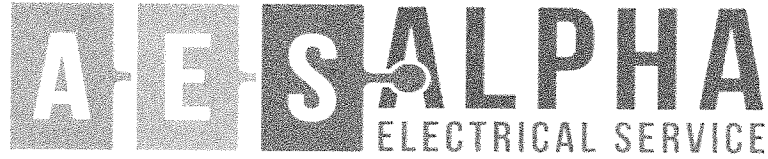


BUSINESS ACTION ITEM STAFF REPORT

6.B. Authorization for the General Manager to retain Alpha Electric Service to repair the Muffin Monster not to exceed the amount of \$5,000.00.

Attached is an estimated repair invoice from Alpha Electric. Staff is recommending approval of this item.

Enc: Estimate for Repair Alpha Electric



LIC.764884

QUOTE*

Date: 1/30/2019

Customer: Grace Environmental Services

Subject: Replacement of Muffin Monster control panel.

Scope: AES will install a new control panel for the Muffin Monster influent grinder. This quote includes the control panel, conduit work, sealing of electrical conduits for moisture control, installation of a desiccant filter for moisture control, and testing of the new control panel.

Material and Labor Price: Our fixed price for the above referenced work is **\$4,833.32**

"Price does not include any permit fees"

Kevin Piper / CEO
Alpha Electrical Service
PO Box 1978
Atascadero, CA 93423
cell 805-235-4728
kevin@alphaelectrical.com
www.alphaelectrical.com

* Quote is valid for 30 days unless a written exception is made by AES. All invoices are due and payable upon receipt. All balances 30 days past due shall be subject to finance charge of 1.5% per month. Credit card payments will require a 3% processing fee.
Per California code of Regulations Title 8, Chapter 2, Sub Chapter IV all electricians are Certified Journeyman General Electricians.

This proposal is intended only for the personal and confidential use of the designated recipients named above. Any review, distribution or copying of this document by anyone other than designated recipient is strictly prohibited.

6.C. BUSINESS ITEMS



BUSINESS ACTION ITEM STAFF REPORT

6.C. Discussion regarding the Beautification Grant application submitted by the District.

During the February 13, 2019 Board meeting staff was asked to place this item on the March Board meeting agenda. In January, staff submitted an application to the county for two restorative projects. Applying for the grant did not commit the District to a commitment of funds related to the projects.

Staff is looking to answer questions that the Board may have.

Enc: Copy of grant application

**Infrastructure/Beautification Grant Program
Application – FY 2018-19**



Project Title: San Simeon Native Habitat Restoration Project

Agency Name: San Simeon Community Services District

Program Contact Person: Charlie Grace, General Manager

Address: 111 Pico Avenue, San Simeon, CA 93452

Phone Number: 805-927-4778

E-Mail Address: cgrace@graceenviro.com

Funds Requested: \$17,000

Project Summary

The **San Simeon Native Habitat Restoration Project** includes the removal of invasive and non-native plants and the planting of native vegetation at two critical sites in the community of San Simeon in order to restore native habitat, to provide habitat connectivity and remediate previously disturbed areas for the benefit of community residents, coastal visitors and for the benefit of native wildlife and plant species.

A handwritten signature in black ink, appearing to be "Charlie Grace", is written over a horizontal line.

Charlie Grace, SSCSD General Manager

1/17/2019

Date

San Simeon Native Habitat Restoration Project San Simeon Community Services District

Program/Project Information

Organization and Mission

San Simeon, an official Disadvantaged Community, includes approximately 100 acres along the North Coast of San Luis Obispo County and serves 450 residents, providing affordable lodging for tourists visiting from all over California, the United States and the world.

The San Simeon Community Services District (SSCSD) is a Special Services District with responsibility for water, waste water treatment, road maintenance, lighting, and is in the process of obtaining approval for weed abatement services.

Description of Project

California native plants and the habitat they create help provide an important connection to nearby remaining wildlands while providing opportunities for educating residents and visitors about native plants and wildlife while simultaneously beautifying the community.

Landscape connectivity is a critical concept in ecology. Many species of plants and animals rely on connected patches of habitat to move around their territories, find mates, hunt, forage, and reproduce. In addition, people also find them desirable improvements to urban and suburban landscapes for recreation and access to nature.

The purpose of this project is to address the ecological and recreational benefits of habitat connectivity by creating natural habitat areas on two San Simeon District properties. Both sites proposed for habitat restoration are currently disturbed or otherwise lacking functional native habitat. This includes an approximately 40 foot by 45 foot (0.4 acre) portion of an existing easement along the north side of Pico Avenue, beginning near the current SSCSD office and extending west to the Avonne Avenue intersection. The habitat restoration project also includes the area immediately around the existing community Wastewater Treatment Plant (WWTP), along Arroyo del Padre Juan Creek. Please refer to the attached photos for additional information on project location.

The following tasks are intended to provide the necessary steps for implementing the proposed habitat restoration and community beautification project.

Task 1. Project Kick Off

This task includes project site preparation for both locations proposed for native habitat restoration and community beautification. This includes the inspection of each site on behalf of the project restoration ecologist (Oliveira Environmental Consulting LLC in association with Kevin Merk Associates LLC) in order to determine the specific species and number of plants to be established in order to restore functional native habitat. This includes working with a nursery to provide the necessary native plant stock, coordination with the SSCSD labor crew and

maintenance staff for removal of non-native/invasive plants, and general supervision of the labor crew. Cost Estimate: \$3,000.

Task 2. Purchase Native Plants for Habitat Restoration

This task includes the purchasing of the required native plant stock for habitat restoration at both sites. Cost Estimate: \$2,500.

Task 3. Site Preparation

This task includes the labor necessary for the preparation of each location proposed for planting within both restoration sites. This includes removing weeds and other non-native or invasive plant species, trash/debris removal and general maintenance activities to ensure that each planting location is prepared for planting. In order to save costs, it is anticipated that labor would be provided by the SSCSD, with supervision by the project restoration ecologist. Cost Estimate: \$2,000

Task 4. Plant Installation

This task includes the labor necessary for plant installation at each site. This includes general planting of all native plants purchased under Task 2 by the project restoration ecologist, including initial watering. Cost Estimate: \$4,500.

Task 5. Irrigation System Installation and Watering

This task includes installation of any necessary irrigation and hand watering to ensure the viability of plantings until such time that the plants have matured sufficiently to survive on their own. It is anticipated that native plants needing minimal to no watering would be utilized where appropriate to minimize the need for irrigation (e.g., willow cuttings along Arroyo del Padre Juan Creek may not require irrigation). For planting that requires regular watering until mature, it is anticipated that drip irrigation would be installed for temporary watering. Hand watering utilizing SSCSD labor will be used where appropriate in order to save on costs as well. Cost Estimate: \$3,000.

Task 6. Project Interpretation and Native Habitat Education

This task includes the creation and installation of signage and/or small kiosk at each site for the purpose of educating community residents and visitors about the details of the newly created habitat and the important role of native habitat in overall ecological health and the nature of landscape connectivity in providing a balanced habitat for native wildlife. Cost Estimate: \$2,000.

It is important to note that, as specified under the County's application information, this project does not include any ongoing maintenance or monitoring efforts associated with the proposed habitat restoration. Maintenance and monitoring will be provided under a separate project budget not associated with the County of San Luis Obispo Infrastructure/Beautification Grant.

Project Benefits

The community's existing vacant lots and undeveloped areas are inundated with invasive plants and weeds, significantly impacting the ability for native plants to become established and provide habitat and wildland connectivity for native wildlife. The SSCSD has two parcels proposed for habitat restoration that are currently disturbed or otherwise lacking functional native habitat. The benefits of native habitat restoration and wildland connectivity are discussed above under the Project Description.

Both parcels are walking distance from existing residential neighbors and visitor serving hotels, shops and restaurants. These two sites are currently disturbed such that they no longer provide functional habitat for native/special status plant and wildlife and detract from the environment that residents and visitors have come to expect from the community of San Simeon.

With respect to the Pico Avenue site, the proposed project represents the first habitat restoration and beautification effort on the east side of the community. In addition to beautifying this area of the community, the proposed project will provide a much needed safety improvement for pedestrians, cyclists, residents and visitors alike along a primary road used for coastal and visitor serving access.

The WWTP site represents a continuation of existing efforts to reclaim and restore the project site. This includes landscape improvements already reviewed by the California Coastal Commission and would provide for the critical restoration and subsequent beautification of the historically impacted Arroyo del Padre Juan Creek and the popular coastal access trail along the northern bank of the Creek.

In addition to the ecological benefits discussed above, the proposed project would provide an opportunity to educate residents and visitors on the variety of native plant and wildlife species found in the region and the importance of landscape connectivity.

Capitalizing on Existing Community Habitat Restoration and Beautification Efforts

It is important to note that a Landscape Plan (Kevin Merk Associates LLC, May 23, 2016) and associated planting palette for habitat restoration at the WWTP has already been created as part of an approved existing Coastal Development Permit application for historic WWTP improvements. This represents the SSCSD ongoing investment into this project and it is anticipated that this Landscape Plan will be utilized for implementing the proposed project at both sites.

In addition, in 2018 residents of San Simeon requested the SSCSD remove 18 unsightly large tree stumps located within the proposed Pico Avenue habitat restoration site. The SSCSD fulfilled this request and had the tree stumps removed as part of the community investment into local beautification. The native habitat restoration proposed under this grant application represents the continued efforts for community beautification already begun by the SSCSD.

Project Site Photos



1 *Non-native vegetation encroaching into WWTP*



2 *Non-native myoporum encroaching onto WWTP*

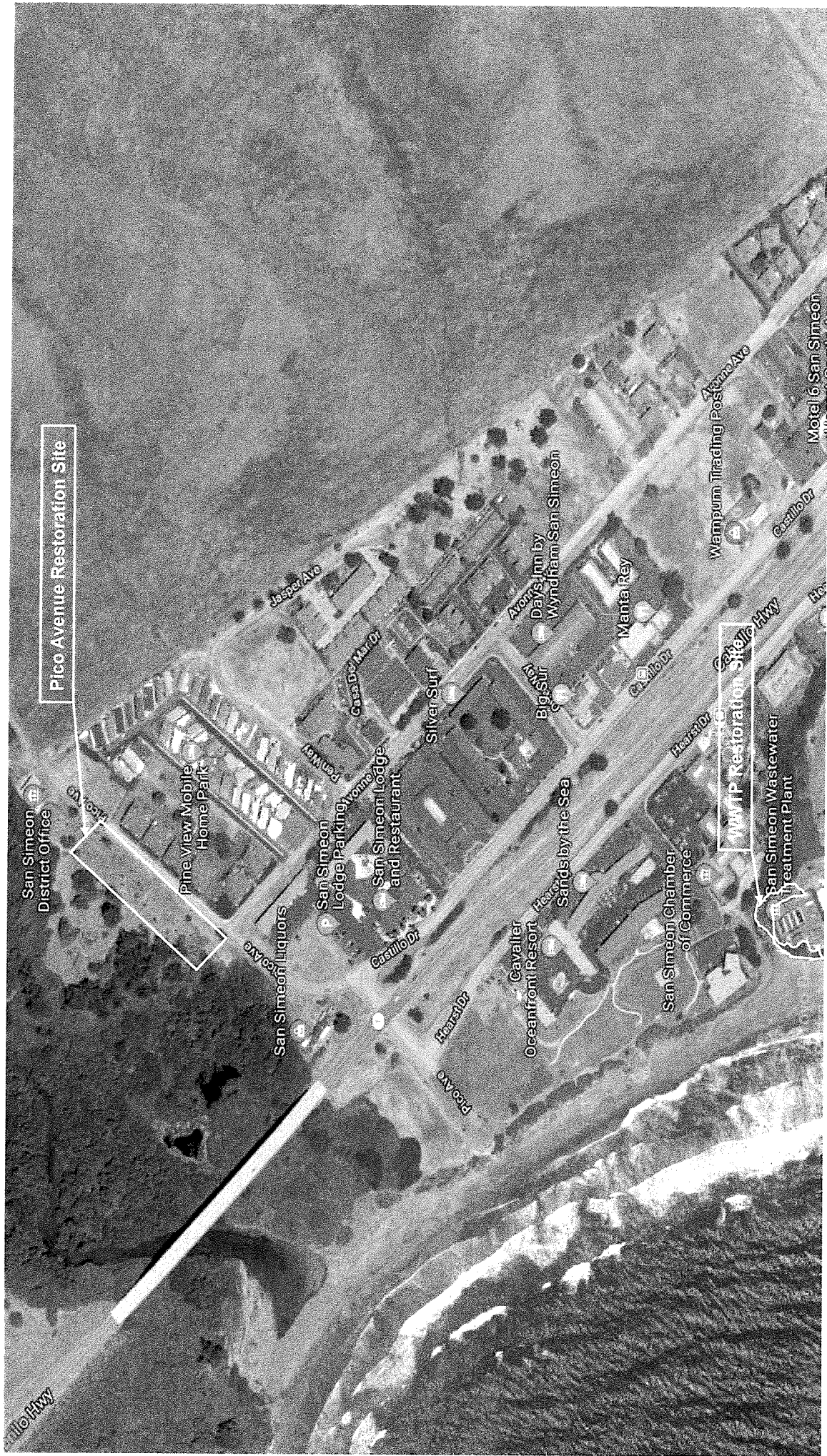
Project Site Photos Continued



3 Pico Ave. restoration site showing removed tree stumps.



4 Pico Ave. site showing non-native vegetation and proposed habitat restoration area.





SSCSD Waste Water Treatment Plant

RipRap

Arroyo Del Padre Juan Creek Centerline

Zone

Zone 1 : Coastal Bluff Scrub Restoration (0.15 acre)

Zone 2 : Riparian Restoration (0.07 acre)

Zone 3 : Enhancement (0.05 acre)

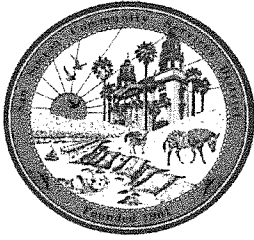


N
W E 1 in = 100 ft
S

Unpermitted Rip Rap Violation Project
San Simeon Community Services District

Figure 5
Conceptual Landscape Plan

6.D. BUSINESS ITEMS



BUSINESS ACTION ITEM STAFF REPORT

6.D. Discussion regarding the creation of an Ad-Hoc Committee to review the 2000's series from the policy and procedures manual.

During the February Board meeting, Staff and District Counsel asked the Board to keep the existing Series 2000 policy and procedures in place while staff and Counsel review these policies and begin creating ordinances, procedures or other policies for these items. Series 2000 are policies and procedures relating to water and water services and connections.

The Board may wish to form a new ad hoc committee to assist with this matter, or the current ad hoc committee can continue.

Enc: 2000 Series Policy and Procedures

SAN SIMEON COMMUNITY SERVICES DISTRICT POLICY HANDBOOK

POLICY TITLE: Water Service Rules and Regulations
POLICY NUMBER: 2000

Statement of Policy: The District will furnish water service in accordance with the regulations contained herein and in accordance with other applicable County Ordinances and State and Federal Regulations to any property within the service limits of the District and to such areas outside the District limits as the Board may delegate.

In all cases, water shall be supplied only through water meters installed as set forth herein and, in each case, the property owner shall be responsible for all water passing through the meter.

General: Unless otherwise approved by the Board, all service of water by the District shall be made in accordance with the following rules and regulations any or all of which may be amended or added to or repealed in whole or in part by the District Board at any regular or special meeting thereof.

System Control: All reservoirs, pipelines, pumping stations, wells, treatment facilities, valves, connections, meters and other appurtenances and property of the District shall be under the management and control of the Board with daily operational control delegated to the authorized district person, and no other persons except employees shall have any right to operate said system and/or property in any manner.

Protection of Health: The District reserves the right to treat any and all water served through its system with such chemicals and processes, at such time, and in such amounts as it deems proper to safeguard public health as directed by the San Luis Obispo County Health Department. District further reserves the right to safeguard public drinking water supplies by preventing back flow into District water system.

Application for Service: Applications for service to use an existing service connection shall be made only in the customer's name. It is presumed of such applications, whether they be made by the owner of the premises to be occupied or some agent of the owner such as a renter or lessee, that if the premises served are to be occupied the owner has given his consent for service. Customer assumes responsibility for the services provided without regard to tenancy of premises. Said responsibility is ongoing until the customer notifies the District that services are to be discontinued.

In order to inform landlords of their responsibility to pay for services should their tenant fail to do so, a form stating this shall be given to each new tenant to have his/her landlord sign and return to the SSCSD office within 60 days, in accordance with Government Code Sections 61621.2 and 61621.3.

Use of Water Without Application: Any customer taking possession of premises where the water

supply has been shut off must make proper application to the District to have the water supply turned on. In the event the water is delivered through the installation without the customer first having made such an application, he will be held liable for all charges for the water service rendered, the amount thereof to be determined, at the discretion of the District, either by the meter reading or on the basis of the estimated consumption for the length of time, and/or estimated length of time service was received by the customer without proper application.

Discontinuance of Water Services: If at any time water service has been discontinued, a re-connection charge of \$50.00 will be paid to the District prior to the time the District will continue service.

Pressure Conditions: The District assumes no responsibility for loss or damage because of lack of water pressure and merely agrees to furnish such quantities and pressures as are available in its general distribution system. All connections, pumps, tanks, chlorinators or other appurtenances installed at any point in the line between the meter and the customer's water outlets shall be the sole responsibility of the property owner, both as to the original installation and as to the maintenance and upkeep. Such installation must be approved by the District. Approval shall be based on standard water works practice as promulgated by the American Waterworks Association and/or District Standards.

Meter Locations: The District shall approve all meter locations. Water service will be installed in size and type as determined by the District and at the location desired by the applicant where such requests are reasonable and compatible with the function of the distribution system.

Permit Application for Service Connection: A permit application for service connection must be made by each newly constructed structure on a form furnished by the District. The permit shall specify the size of the service connection, the property to be served and the purpose for which the water is to be used. The information supplied by the applicant in such a permit shall be considered as authoritative and final. If any error in such application shall cause the installation of a service connection that is improper, either in size or location, the cost of all changes required shall be borne by the applicant.

The term "service connection" as used herein, shall be understood to designate the water line and appurtenances installed between and connecting the main and the meter and including a valve on the customer's side of the meter. All service connections will be on permanent District facilities and installed to the property line.

When the proper permit for water service has been filed, a service connection is installed, the meter set, and the water turned on, the charge for water service shall begin.

Service Connections: Except as otherwise herein provided, each house or building under separate ownership must be provided with its own service connection or connections. Two or more houses or buildings under one ownership and on the same lot or parcel of land may be supplied through one service connection under the conditions herein set forth or a separate service connection may be installed for each building.

2. If the complaint is not resolved at this level, the complainant may submit the signed complaint in writing to the General Manager, utilizing the District complaint form.
3. All written complaints about the performance of or actions by District personnel other than the General Manager shall be initially filed with the General Manager. If the written complaint concerns the General Manager, it shall be initially filed with the President of the Board.
4. A written complaint must include the name of each employee involved, if any, and a brief but specific summary of the complaint and the facts surrounding it. It must also include a specific description of a prior attempt to discuss the complaint with the employee involved and the failure to resolve the matter, as well as a statement of what the complainant feels will resolve the issue.
5. The General Manager or his/her designee is responsible for investigating complaints and will attempt to resolve the complaint to the satisfaction of the person(s) involved, including the employee(s), within 30 days. If the complaint is resolved, the General Manager will so advise all concerned parties.
6. Complainants should consider and accept the Manager's decision as final. However, if the complaint remains unresolved, the written complaint shall be referred to the Board within 14 additional days, together with a report, analysis of the situation, and recommendation by the General Manager.
7. No party to a complaint may address the Board about the complaint, either in closed or open session, unless the Board has received the General Manager's (or the Board president's) written report concerning the complaint. The report shall contain, but not be limited to:
 - a. The name of each employee involved;
 - b. A brief but specific summary of the complaint and the facts surrounding it, sufficient to inform the Board and employee(s) as to the precise nature of the complaint and to allow the employee(s) to prepare a defense;
 - c. A copy of the signed original complaint;
 - d. A summary of the action taken by the General Manager (or Board President) with his/her specific finding that disposition of the case at the General Manager's level has not been possible, and the reasons why.
8. All the parties to a complaint may be asked to attend a Board meeting or part of such meeting for the purpose of presenting all available evidence and allowing every opportunity for explaining and clarifying the issue. The Board meeting to review the complaint shall be within 30 days of receipt by the Board.

The decision of the Board following the hearing shall be final.

The District reserves the right to limit the number of houses or buildings, or the area of the land under one ownership to be supplied by one service connection.

When property provided with a service connection is subdivided, the existing service connection shall be considered as belonging to the lot or parcel of land which it directly enters.

A service connection shall not be used to supply adjoining property of a different owner or to supply property of the same owner on opposite sides of a street or alley, dedicated or offered for dedication.

Multiple Unit Connections: For service to planned unit developments, such as apartments or trailer courts or services to parcels that contain more than one dwelling unit, providing that parcel cannot be split in the future, and subject to the discretion of District staff, one service may be provided. If at any time the parcel is for any reason split the provisions of 4-10, above, apply.

Service Connection Size and Location: The District reserves the right to determine the size of the service connection and its location in relation to boundaries of the premises to be served. Any meter larger than one and one-half inches in size shall be:

- a. A compound meter only; and,
- b. Attached only to equal or larger size service leads.

The customer's pipe to the meter should not be laid until the service connection is installed. In the event the customer's on-site water lines are installed and the location at the meter does not correspond with that of the service connection, then the customer must bear any additional costs incurred to relocate customer's pipe or make whatever changes are necessary.

Service Connection Curb Cock and Valve: Every service connection installed shall be equipped with a curb cock on the outlet side and lockable angle stop on the inlet side of the meter; the inlet angle stop is for the exclusive use of the District in controlling the use of water through the service connection and/or meter. If either of the above described curb cocks or angle stops should be damaged or worn-out through use by the customer to an extent requiring the replacement or repair, the District shall charge the customer for such replacement and/or repair.

Unsafe Apparatus: The District may refuse to furnish water and may discontinue service to any premises where unsafe apparatus is installed or where any apparatus is installed to circumvent the provisions of this Ordinance. Discontinuance will occur immediately upon discovery of any such installation.

Maintenance of Service Connections, Meters and Housings: All service connections, water meters, and housings installed by the District shall be maintained at District expense, except as otherwise herein provided. Back flow prevention devices, the requirements of which are detailed below, will be maintained at customer expense.

Terms and Conditions for Providing Service and Payment of Bills: Statements for metered water service will be rendered according to registration of the meter. Statements will be mailed monthly and are due and payable upon presentation. For each property receiving service all responsibility and liability for charges incurred is assumed by customer of said property until said customer notifies the District to discontinue such service. District cannot be responsible for errors unless such notification is in writing.

Water Supply Shut-Off for Repairs or Modifications to the System: The District reserves the right, at any and all times, to shut off the water for the repairing, extending, or altering, etc., of water mains, the repairing and placing of the hydrants, the repairing and renewing of water service connections, or the changing and testing of water meters or detector check valves, etc.

When the water supply is to be shut-off for any of the above reasons, the District will make a reasonable effort to deliver notice of the shut-off to the customer or to some responsible interested person of the premises but it does not assume any liability for the failure of the customer to receive or to understand such notice. The District will not be responsible for the maintenance of pressure, nor for the continuity of water supply, and customers dependent upon a continuous water supply should provide adequate storage for emergencies.

Customers having water heaters or any other devices requiring a continuous water supply, should take all necessary steps to prevent damage to or the causing of injury by such devices as a result of the shutting-off of the water supply.

Damage Through Leaking Pipes or Fixtures on the premises Served: The District assumes no responsibility for the maintenance and operation of customer's water system beyond the service connection. The customer assumes all liability and responsibility of every kind to the end that District shall be kept whole and harmless at all times in any claim resulting from matters involving quantities, quality, time or occasion of delivery, or any other phase of the maintenance, operation and service of customer's water system.

Tampering with District Property: Except to shutoff water to prevent damage as detailed above, no person, other than an authorized District employee, shall at any time or in any manner, operate, or cause to be operated, any valve in or connected to a water main, service connection or fire hydrant, or tamper or otherwise interfere with any water meter, meter valve, back flow prevention device, detector check valve, or other part of the water system.

In the event a person, firm or corporation for any reason digs out or uncovers a curb cock or wheel valve controlling a water supply, or lifts or removes a meter cover or its center piece, or causes or suffers any such act to be done, such person, firm or corporation will be held liable for any injury or damage occasioned thereby or resulting therefrom.

Admittance of District's Employees to Customers' Premises: After giving reasonable notice excepting in situations involving risk to life or property, authorized inspectors, agents and employees of the District shall have the right of entry and access, at all reasonable times, in, to and upon customers' buildings (other than residential buildings), grounds or premises, for the purpose of:

Improvement of Water System by Others: Any customer or owner desiring to make improvements or changes necessitating the cutting, refitting, raising or lowering of service connections, water mains, fire hydrants, standpipes, meters, valves or other parts of the water system, shall notify the District. If such changes are approved by the District, the work shall be under the direct supervision of District personnel with the owner or owner's agent paying actual costs thereof including district inspection fees.

Damage to Meters, Service Connections and Obstructions Around Meters: The District reserves the right to furnish, set and maintain all meters and service connections. Said meters and service connections shall be maintained and repaired by the District. Replacement shall be made by the District when such equipment is rendered unserviceable through reasonable use. However, the cost of replacements and repairs or adjustments of any equipment of the District (including water meters) when rendered necessary by any act of negligence or carelessness of the customer, shall be made by the District at the expense of the property owner.

In addition, it shall be the duty of each property owner to keep the space about the water meter or shut-off box, or fire hydrant, or valves free from any obstruction that may in any way interfere with access to the same by employees of the District, and in the event that any customer fails after twenty-four hours notice to remove any obstruction thereto, the District may remove the same and charge the customer for the cost of removal of such obstruction.

Change of Meter Location: When the location of a meter is changed at the property owner's request, the total cost of making such change will be paid by the owner.

Disputed Bills: Whenever the correctness of any bill for water service is questioned, the District will cause an investigation to be made, including, if requested, a meter test in accordance with this ordinance.

Bills reflecting clerical or meter errors shall be adjusted, taking into consideration the volume of business, seasonal demand, and any other factors that may assist in determining an equitable charge.

Meter Found Not Registering: When a meter is found to be out of order, the charge for water will be based, at the option of the District, either on previous consumption for the same period in the preceding year or prior month whichever is greater during which the meter is known to have registered correctly, or on the consumption as registered by a replacement meter.

When a meter is covered or otherwise is inaccessible, so that it cannot be read, an estimated bill or series of estimated bills, will be rendered, and the accumulated errors, if any, in such estimates will be adjusted when the meter is first thereafter read. If such an estimate is required the recipient of the bill shall be notified at the time of billing.

Consideration will also be given to volume of business, seasonal demand and any other factors that may assist in determining an equitable charge.

- a. Testing, changing or reading water meters installed, maintained and operated by the District.
- b. Inspecting any and all such buildings, grounds and premises (including any and all plumbing, water piping, fixtures, and connections therein or thereon) to determine:
 1. The manner and quantity of such use; or,
 2. The existence of any condition causing, or likely to cause, the wastage of water or affecting, or likely to affect the furnishing or receipt of water service.
- c. Determining the existence, operation, maintenance and/or use in, on, or about said buildings, grounds or premises of any plumbing, water piping, water fixtures or connections which may now or hereafter cause, create or permit back flow, back siphonage or any other condition affecting, or likely to affect, the purity and/or potability of the water supply furnished by the District; and,
- d. Facilitating the enforcement, from time to time, by District, of any and all of its applicable rules and regulations.

Each District inspector, agent and employee shall be furnished with, and upon the request of any customer shall display, appropriate evidence of identification.

Cross Connections: Cross connections of any type which may permit a back flow of water from a supply other than that of the District into the District's mains are prohibited. Any connection constituting a potential back flow hazard is permissible only to the extent approved by the District and shall be protected by an approved back flow device. Since the hazard of potential pollution is created by operations on the property, the expense of installation and maintenance of said devices shall be paid by the customer. Such a connection shall at all times be subject to inspection for possibility of back flow.

Promulgation and Enforcement of Water Service Requirements:

- a. The District shall promulgate, prescribe and enforce such water service requirements as may be necessary or convenient for the protection, control of the water service connections sold, supplied, delivered, distributed, and/or maintained pursuant to this Article.
- b. Each and every condition and requirement with respect to the use, connection, disconnection, re-connection, and/or discontinuance of water, water service and/or water service connections provided for and set forth herein shall apply with equal force and effect to any failure or refusal of any person or corporation, public or private, to comply with any such water service requirements.

- c. There shall be no deviation from the requirements of this Ordinance except upon express authorization by the Board of Directors or designated representative.

Meter Test:

- a. Customer request for meter test:
 1. A customer, giving not less than one week's notice, may request the District to test the meter serving his premises.
 2. The District shall require the customer to deposit an amount to cover the reasonable cost of test. Such deposit shall be \$50.00 for meters of size one-inch or smaller and \$500.00 for meters larger than one-inch.
 3. This deposit will be returned if the meter is found to register more than two percent fast. The customer will be notified, not less than five (5) days in advance, of the time and place of the test.
 4. A customer shall have the right to require the District to conduct the test in his presence, or in the presence of his representative.
 5. A written report giving the results of the test will be given to the customer within ten days after completion of the test.
- b. When, upon test, a meter is found to be registering more than two percent fast, under conditions of normal operations, the District will refund to the customer the full amount of the test deposit and the overcharge, based on corrected meter readings for the period, not exceeding six months, that the meter was in use.
- c. If a meter fails to register during any period while in use or is known to register inaccurately, the customer shall be charged in accordance with the provisions previously herein set forth.

Temporary Supply From Fire Hydrants: Water may, upon application, be procured from fire hydrants for the purposes other than extinguishing of fires in the manner prescribed herein.

When the water is to be so procured from a fire hydrant, the applicant shall obtain written approval from the board at which time he shall specify the location of the fire hydrant to be used. The applicant must, at the same time, pay to the District a security deposit which will be refunded, less cost of the water used.

Upon receiving permission to so procure water from a fire hydrant, the applicant, under the supervision of district personnel, shall only operate said hydrant with wrenches or tools specifically

designed for hydrant operation. The use of crescent wrenches or other tools not manufactured for hydrant operation is prohibited.

Main Extensions: Where water main extensions are required for subdivisions, it will be the responsibility of the owner or sub-divider to pay the cost for complete installation of all water facilities required within the subdivision and for extension of water transmission mains to the area to be served. Such transmission mains shall be subject to all District rules and regulations or other applicable ordinances and statutes and to any and all modification and supplements thereto. Upon acceptance by District, the District shall assume full ownership, maintenance, and control of such mains.

Restriction of Water Use: The District shall have the right to restrict the use of water in the area served or in any portion thereof for sprinkling, wetting, irrigation, restricting such amounts as may be deemed advisable.

In the event of any violation of any such restriction, the water service to such violator shall, at the discretion of the Board, be shut off. Such water service shall not be restored until such time as it is deemed appropriate by the Board.

SAN SIMEON COMMUNITY SERVICES DISTRICT POLICY HANDBOOK

POLICY TITLE: Sewer Service Rules and Regulations
POLICY NUMBER: 2010

Uniform Plumbing Code: The Uniform Plumbing Code, published by the International Association of Plumbing and Mechanical Officials is hereby adopted by reference. Copies of said Code shall be on file in the offices of the District. The provisions of the Code shall govern for all sewage and/or sanitary construction work, under the jurisdiction of the District unless modified by provisions of this Ordinance. In all cases, the most recent edition of the Code shall be used when the Board has adopted said edition and provided office copies of said Code. The 1988 edition shall govern until a later edition is adopted by the Board.

Violation Unlawful: It shall be unlawful for any person to connect to, construct, install or provide, maintain and/or use any other means of sewage disposal from any building within District except by connection to a public sewer in the manner as provided by this Ordinance.

Connection Required:

- A. The owner of all houses, buildings, or properties used for human occupancy, employment, recreation, or other purposes, newly constructed or under construction, situated within the District and abutting on any street, alley or right of way in which there is located a public sewer of the District, is hereby required at his expense to connect such facilities directly with the proper public sewer in accordance with the provisions of this Ordinance.

Disposal of Wastes: It shall be unlawful for any person to place, deposit, or permit to be deposited in an unsanitary manner upon public or private property within the District, or in any area under the jurisdiction of District, any human excrement or other objectionable waste.

Treatment of Wastes Required: It shall be unlawful to discharge to any stream or water course, any sewage or other polluted waters, except where suitable treatment has been provided in accordance with all prevailing laws, statutes, ordinances, and rules and regulations.

Drainage into Sanitary Sewers Prohibited: No leaders from roofs and no surface drains for rainwater shall be connected to any sanitary sewer. No surface or subsurface drainage, rainwater, storm water or seepage shall be permitted to enter any sanitary sewer by any device or method whatsoever.

Types of Wastes Prohibited: No person shall discharge or cause to be discharged any substance other than approved by the wastewater quality control board.

Interceptors Required: Grease, oil, and sand interceptors shall be provided when, in the opinion of the Manager or authorized district person, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sand, or other harmful ingredients; except that such interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type and capacity approved by the Board, and shall be located as to be readily and easily accessible for cleaning and inspection.

Maintenance of Interceptors: Where preliminary treatment or flow equalizing facilities are provided for any water or wastes, they shall be maintained continuously in satisfactory and effective operation by the owner at his expense.

Design and Construction Requirements: Design and construction of building sewers and lateral sewers shall be in accordance with the requirements of the District and in accordance with the Design Standards and Specifications of the county of San Luis Obispo and the Uniform Plumbing Code.

Separate Sewers for Separate Lots: Building sewers and lateral sewers shall only serve one lot or parcel under a single ownership. Every building must be separately connected with a public sewer if such public sewer exists in the street upon which the property abuts or in an easement which will serve said property. However, one or more buildings, located on property belonging to the same owner may be served with the same sewer during the period of said ownership. Upon the subsequent subdivision and sale of a portion of said lot, the portion not directly connected with such public sewer shall be separately so connected with such public sewer, and it shall be unlawful for the owner thereof to continue to use or maintain such indirect connection.

Use of Existing Building Sewers and Sewer Laterals: Old building sewers may be used in connection with new buildings only when they are found, upon examination and test by the inspector, to meet all requirements of the District.

Maintenance of Building Sewers: Building sewers and appurtenances shall be maintained by the owner of the property served. No maintenance or repair of building sewers which involve uncovering or removing the sewer pipe shall be started without notifying the District.

All Work to be Inspected: All sewer construction work and building sewers shall be inspected by an Inspector acting for the District to ensure compliance with all requirements of the District. No sewer shall be connected to the District's public sewer until the work covered by the permit has been completed, inspected and approved by the District Inspector.

Commencement of Service Charge: The service charge shall accrue beginning on the first day following the connection to the sewer system.

SAN SIMEON COMMUNITY SERVICES DISTRICT POLICY HANDBOOK

POLICY TITLE: Water and Sewer Connection
POLICY NUMBER: 2020

Service Termination Procedures: The customer shall receive written notice of the intent to shut off water or terminate sewer service and a written explanation of the reason for said termination. Should the reason be a delinquent account, the following steps must first have been taken:

- a. When the monthly statement is sent and the unpaid balance represents two months, a "Notice of Intent" to file a lien (and amounts owed) is sent to the owner and a copy to any renter.
- b. Nineteen (19) days after statements are mailed, a "Notice of Termination" is sent stating termination of service is fifteen (15) days unless payment (or arrangements) is received.
- c. Forty-eight (48) hours before the cut-off date, an attempt is made to contact the resident or owner.
- d. Office must be open when service is terminated.

District Billing Process: Water meters shall be read and billings for sewer and water service shall be mailed monthly. Where both sewer and water service are being provided at a given service address, both sewer and water service charges shall appear on one bill.

All billings shall be mailed in the customer's name and address.

No Single Services: One service will not be provided without the other with the exception of irrigation services.

Plan Review and Inspection Services Reimbursement: For all planned unit developments, subdivisions and any construction that requires the extension of public services, monies shall be deposited for the District staff to use for purposes of plan review and construction inspection. The monies deposited at the District for these purposes shall be \$500.00.

All costs accrued by District Engineer and District staff in the review and inspection of the proposed facilities shall be applied against the deposit. Any costs accrued in excess of the deposit shall be billed, and any monies remaining will be returned after Board approval of the proposed facilities.

Relief on Application: When any person by reason of special circumstances, is of the opinion that any provision of the Ordinance is unjust or inequitable as applied to his premises or request, he may make written application to the Board, stating the special circumstances, citing the provision complained of, and requesting modification or relief from that provision as applied to him. The Board shall rule upon the application within 45 days of acceptance of the written request.

Discontinuance of Service for Violation of Rules and Regulations: A customer shall be entitled to a reasonable notice of the intent of said District to discontinue his service for his noncompliance with, or his violation or infraction of any rule or regulation and to a reasonable opportunity to comply therewith or to cease the violation or infraction thereof.

Provided however, that no such violation or infraction of, any such rule and regulation need be given for those instances in which the noncompliance, violation or infraction by the customer has created, is creating, or is likely to create, on the customer's premises and/or in the water supply system of District, conditions dangerous and detrimental to property (including crops), public health, safety and welfare.

Property owners are responsible for actions of customers who occupy their property and cause the District to disconnect the water through the customer's noncompliance with the rules and regulations detailed herein and shall be held liable for all costs incurred. Said charges shall be estimated and paid prior to the resumption of service. This payment is subject to additional billing or refund to reflect the actual completed cost.

A. Complaints Concerning District Service and Disputed Bills:

In handling complaints from residents and property owners of the District, said complaints shall be referred directly to the General Manager.

Board members individually will refer compliments, suggestions and criticisms about operational matters directly to the General Manager for appropriate consideration and action.

Complaints about the performance of District staff shall follow the Board policy on Complaints Concerning Employees.

The following procedures shall govern the resolution of complaints about service or bills. Every effort should be made to resolve a complaint at the earliest possible stage.

1. Should a customer have a complaint or dispute with regard to service or the accuracy of a bill or other charges, the customer has the right to meet with the General Manager to discuss the dispute and present any evidence the customer has to support his or her position. In the case of disputes over bills, the customer shall be required to submit his/her complaint, request for a meeting or request for initiation of an investigation in writing not later than five days of his/her receipt of the disputed bill or not later than thirteen (13) days of mailing of the notice of termination.
2. To arrange such a meeting the customer shall contact the District office, either in writing or by telephone, during normal business hours as may be set by the Board.
3. The customer may be accompanied by a representative to meet with the General Manager and may present any evidence to support their position.

4. If the customer is unable to resolve his or her dispute with the General Manager, the customer may submit the complaint in writing within 14 days, with a full and detailed explanation, to the Board for resolution.
5. The General Manager shall prepare for the Board a written report concerning the complaint, summarizing the facts, action to date, his/her specific finding that disposition of the case has not been possible and the reasons why.
6. A hearing will be scheduled for the next regularly scheduled Board meeting and all parties informed.
7. At the Board meeting, the customer may present the complaint and any evidence in support of his or her position and ask for a decision by the Board.
8. The Board shall act promptly to resolve the dispute, but may delay a resolution of the dispute to a subsequent regular meeting in order to investigate the dispute or receive special reports related to the dispute. Any further delays shall be freely and willingly agreed to by the customer.
9. The decision of the Board of Directors shall be final. Should the Board not render a decision within sixty (60) days of receipt of the appeal to the Board, this failure to act shall be deemed a denial of the requested action, unless the District has informed the complainant in writing of its intention to extend the resolution period.

Out of District Service: For those properties that are outside the District boundaries but are receiving District water or sewer services, not on an emergency basis, there will be a \$25.00 administration charge per billing period, unless under contract.

Rates and Fees: Rates, fees and charges assigned and collected and the terms, provisions and conditions to be effective respecting such rates for any service performed or provided by the District shall be fixed and established by the Board by separate ordinance.

The Board reserves the right to change the schedule of fees, rates and other charges at any time, or from time to time.

Penalties: Any violation of this ordinance shall be cause for the Board to apply such penalties as may be provided for by law or to take any other action which the Board deems appropriate, including the discontinuance of services.

Right to Appeal: Except as otherwise provided herein any person disagreeing with any action or decision made by the District staff may appeal in writing to the Board by filing with the District Manager the written notice of such appeal no later than 30 days after the action or decision in question. The written notice of appeal shall set forth the specific grounds and justification for appeal.

The District Manager shall make every effort to set a hearing of the appeal for the next regularly scheduled Board meeting and shall cause a notice of such hearing to be given to the appellant no less than five days prior to the hearing date unless notice is waived by the appellant. The Board may continue the hearing from time to time. The findings of the Board shall be final and appellant shall be notified of the findings in writing within 30 days. Nothing contained herein shall be construed as granting the appeal should the procedures detailed in this section not be strictly followed.
(Not in Amended 6-14-2000 version)

Permits Required: No public sewer or water main, sewer lateral or water service, or other facility or action requiring a permit from District shall be installed, or begun until a permit is first obtained from District and all fees paid in accordance with the provisions of this ordinance.

Easements of Right of Ways: In the event that an easement is allowed by the District for the extension of any public service or the making of connections, the applicant shall procure and have accepted by the District a proper easement or grant right of way sufficient in size to allow the laying and maintenance of the public service. The cost of obtaining said easement or right of way shall be borne by the applicant.

Service Charges to Unoccupied Property: After a property has been connected to a District service or services, charges shall continue to accrue whether the property is occupied or not, unless, the customer requests the district to terminate service.

Operating Funds: All monies received from service charges, plan check and inspection fees and all miscellaneous revenue associated with operation and maintenance of the District shall be deposited into the District's operating fund.

Capital Improvement Funds: At the Board's discretion, each operating fund may also be identified with corresponding capital improvement fund. These funds shall receive all monies from connection fees, interest on capital funds, and any revenue from the operating fund associated with a given service.

The monies received shall be used only for capital improvements such as, but not limited to, enlarging the water supply or sewage treatment systems, installing larger pumps or life stations, service main improvements, to pay for engineering, administration, and all salaries and costs associated with this type of work.

Nothing in this section shall prevent the Board from authorizing expenditure of capital improvement funds to repair damage caused by a catastrophic event where the health of the community is endangered and when other funds are not available.

Past Due and Delinquent Accounts: On the 26th of each month, bills for service for the previous month become past due, and are subject to a 10% late fee charge. On the 26th of the month following the date the bills become past due that account becomes delinquent. Delinquent accounts are subject to additional late fees. These charges shall be applied to service charges only and not to previous late fees. Collection procedures as recorded in Part Three, Article 5, will be followed.

Delinquent Charges Become a Lien: Charges of any kind more than 60 days delinquent plus penalties and interest thereon when recorded as provided in Section 61621.2 et seq of the State of California Government Code shall constitute a lien upon the real property except that no such lien shall be created against any publicly owned property. Such lien shall continue until the charge, penalties, and interest thereon are fully paid, or until the property is sold therefore, or until otherwise extinguished by operation of law.

In the event that a lien is filed, or any action of law is commenced for the collection of such delinquent charge, the District shall compute the amount of the charge plus penalties, disconnection fees, administrative costs, and interest on the sum thereof at the rate of one-half of one percent per month from the date of delinquency, and shall report the total of such computation to the County Auditor for inclusion on the tax rolls. A copy of such report shall be recorded with the County Recorder.

Addition of Unpaid Fees and Charges to the Tax Roll: On or before July 15th of each calendar year, the Secretary of the District shall prepare a list of persons owing connection fees, service charges, penalties and other charges. The Secretary, immediately upon preparing such a list shall follow procedures for notice and hearing set forth in Section 61621.2 et seq of the State of California Government Code and upon the completion of same a delinquent list shall be transmitted before August 10th of such year to the County Auditor for addition to the assessment roll as provided for in said Section 61621.2 et seq of the State of California Government Codes.

Supersession: All ordinances and parts of ordinances insofar as they are in conflict with the provisions of this Ordinance are hereby repealed.

Standards and Specifications: District shall conform by the Standards and Specifications of the County of San Luis Obispo.

Protection from Damage: No authorized person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance or equipment which is a part of the District's facilities. Any person violating this provision shall be subject to the penalties provided by law.

Service Re-Connection Procedure: Upon termination of service for non-payment of account, customer may contact the District at the number specified on the termination notice and have service re-connected. District personnel shall re-connect service only upon receipt of full payment of all outstanding charges for that service and the District re-connection fee.

Addition to the District Policy Handbook to address under-billing by the District to customers of the San Simeon Community Services District.

Policy Title: Billing Errors
Policy Number: 2020.10

In the event of a billing error by the District, which results in a Customer being over-billed or under-billed by the District for services such as water, sewer, and meter (service charge), those charges will be identified by District staff, verified by the General Manager, and submitted to the Board of Directors for review. Depending on the total of the amount due to the District or Customer, the Board of Directors will direct the General Manager accordingly.

If it is determined by the Board that a Customer was over-billed, the Customer would be entitled to immediate refund if the amount has been paid; otherwise the amount over-billed would be reflected on the customer's next statement.

If it is determined by the Board that a Customer was under-billed, the District will make every attempt to collect the unpaid balance in a timely fashion. This may include direction to the General Manager to negotiate a monthly payment arrangement or payment in full. Because the error occurred on behalf of the District, interest shall not be charged on amounts due. District Staff will account for payments made and report to the Board of Directors the status of these accounts at the monthly Board meeting.

**SAN SIMEON COMMUNITY SERVICES DISTRICT
POLICY HANDBOOK**

POLICY TITLE: Roads Maintenance
POLICY NUMBER: 2030

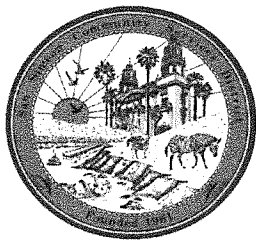
**SAN SIMEON COMMUNITY SERVICES DISTRICT
POLICY HANDBOOK**

POLICY TITLE: Street Lighting
POLICY NUMBER: 2040

**SAN SIMEON COMMUNITY SERVICES DISTRICT
POLICY HANDBOOK**

POLICY TITLE: Fire
POLICY NUMBER: 2050

6.E. BUSINESS ITEMS



BUSINESS ACTION ITEM STAFF REPORT

6.E. Discussion and Review Draft Policy & Procedures Manual.

At the February 13, 2019 Board meeting District Counsel presented a draft version of the 2019 Policy and Procedure manual. There were several changes and updates that the Board recommended be implemented. These changes can be found in a “track changes” format in the included manual. Staff recommends the Board of Directors review the new and updated Policy Manual and provide feedback and direction to staff on any changes. After review, if the Board feels that no additional changes are needed, the manual can either be adopted at the March Board meeting or placed on the April Board meeting agenda.

Enc: Draft Policy and Procedures Manual

SAN SIMEON COMMUNITY SERVICES DISTRICT

POLICIES AND PROCEDURES GOVERNING OF THE SAN SIMEON COMMUNITY SERVICES ~~DISTRICT~~ DISTRICT AND BOARD OF DIRECTORS

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SAN SIMEON COMMUNITY SERVICES DISTRICT

POLICIES AND PROCEDURES OF THE BOARD OF DIRECTORS OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT

SECTION 1.00 General Policies

Introduction. The Board of Directors is the governing and legislative body of the District. All action of the District shall be taken by the Board and not by individual Directors. The Board of Directors, shall be the policymakers of the District, establishing policy after receiving necessary information from staff and other persons as deemed necessary. No individual Board Member shall represent a policy as the District's policy unless said policy has been determined by the Board, nor shall any board member act unilaterally in regard to representing the board or its policies in any public forum.

1.01 Purpose of Board Policies. It is the intent of the Board of Directors of the San Simeon Community Services District to maintain a Manual of Policies. Contained therein shall be a comprehensive listing of the Board's current policies, being the rules and regulations enacted by the Board from time to time. The Manual of Policies will serve as a resource for Directors, staff and members of the public in determining the manner in which matters of District business are to be conducted.

1.02 Conflicts with the Law. If any policy or portion of a policy contained within the Manual of Policies is in conflict with rules, regulations or legislation having authority over San Simeon Community Services District, said rules, regulations or legislation shall prevail.

1.03 Adoption/ Amendment of Policies. A Director or General Manager may initiate the consideration of a new policy or to amend a policy. A written draft of the proposed new policy or amendment should be submitted to the General Manager to be included for consideration on the agenda of the appropriate regular meeting of the Board of Directors. Adoption of a new policy or an amendment shall be accomplished at a regular meeting of the Board of Directors and shall require a 3/5 affirmative vote of the entire Board of Directors.

1.03.01 Process of Adopting or Amending Policy. Before considering to adopt or amend any policy, Directors shall have the opportunity to review the proposed adoption or amendment at the regular Board of Directors meeting prior to the meeting at which consideration for adoption or amendment is to be given. Copies of the proposed policy adoption or amendment shall be included in the agenda information packet for any meeting of consideration. The agenda information packets with said copies shall be made available to each Director for review at least three (3) days prior to any meeting of consideration.

SECTION 2.00 Board of Directors

2.01 Authority of the Board. The Board of Directors is the governing body of the District. The Board shall act only at its regular meeting, regular adjourned meetings, special meetings or emergency meetings.

2.02 Officers. At the regular meeting in December, the Directors shall elect one of their members Chairperson of the Board and another of the members Vice Chairperson of the Board. Term of office for each shall be one (1) year.

2.03 Attendance at Meetings. Members of the Board of Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.

2.04 Vacancy. A vacancy shall occur if any member ceases to discharge the duty of his/her office for the period of three (3) consecutive months except as authorized by the Board of Directors.

2.05 Renumeration. Members of the Board of Directors shall receive a monthly "~~Director's Stipend Fee~~," the amount of which shall be annually established by the Board as set forth in the adopted budget. However, a member of the Board who does not attend the regular monthly meeting of the Board is not entitled to the monthly "~~Director's Stipend Fee~~".

2.06 Reimbursement. Members of the Board of Directors shall be reimbursed for all legitimate expenses incurred in attending any meetings or in making any trips on official business of the Board when so authorized in accordance with policies. Reimbursement for the cost of the use of a Director's vehicle shall be on the basis of total miles driven and at the rate specified in the Internal Revenue Service Guidelines in effect at the time of the vehicle.

2.07 Membership in Associations. The Board of Directors shall ordinarily hold membership in and attend meetings of such national, state, and local associations as may exist which have applicability to the functions of the District, and shall look upon such memberships as an opportunity for in-service training. The Board of Directors shall maintain membership in the California Special Districts Association and shall insure that annual dues are paid when due. The Chairperson shall be selected to represent the District in accordance with said chapter's constitution/bylaws, and the Vice Chairperson shall serve as an alternate for the representation.

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)

~~The Chairperson~~To obtain such information as may be necessary and appropriate to assist the Board in its deliberations, the Chairperson shall work ~~with~~through the General Manager, District Counsel, or other ~~staff member~~officer of the District. ~~to obtain such information as may be necessary and appropriate to assist the Board in its deliberations.~~ 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.

3.04 Authority of Individual Board Members. All powers of the District shall be exercised and performed by the Board as a body. Individual Board Members, except as provided in these policies or otherwise authorized by the Board, shall have no independent power to act for the District, or the Board, or to direct staff of the District.

SECTION 4.00 Staff and Consultants

4.01 Staff. The Board shall, as necessary, appoint a General Manager and a District Secretary. The General Manager may also act as District Secretary, but no Director shall be appointed as General Manager or District Secretary. The General Manager, District Secretary's or a third party may also be appointed as the Finance Officer.

4.02 Consultants and Compensation. The Board may also appoint and employ, fix the compensation of, and prescribe the duties and authorities of other officers, employees, attorneys, engineers, and other professional consultants as necessary or convenient for the business of the District, subject to the Procurement Policy. (Please refer to Section 19.00)

4.03 General Manager. The General Manager shall be the Executive Officer of the San Simeon Community Services District and for the Board of Directors. The General Manager may be employed by the District through written agreement or retained as a consultant through written agreement. If any such written agreement between the General Manager and the District is in conflict with any District policy, said agreement shall prevail.

SECTION 5.00 Duties of Staff

5.01 Duties of General Manager. The General Manager shall be responsible for all of the following:

- the implementation of the policies established by the Board of Directors for the operation of the District,
- the supervision of the District's facilities and services,
- the supervision of the District's finances.

5.02 Duties of District Secretary. The District Secretary shall prepare and mail or send by electronic media to each person entitled thereto copies of agendas, minutes of the preceding meeting, and notice of meetings. The District Secretary shall prepare minutes for adoption by the Board of Directors setting forth all actions taken by the Board and shall preserve minutes and other records of actions of the governing Board. ~~Upon Board Action, a recording secretary may be appointed to record and transcribe the minutes of meetings.~~

SECTION 6.00 Meetings: Time, Place and Manner

6.01 Time. The time for regular meetings of the Board of Directors shall be the second Wednesday of each calendar month at 6:00 p.m. The date, time, and place of regular Board meetings shall be reconsidered annually at the annual organization meeting of the Board.

6.02 Place. The place of meetings of the Board of Directors shall be in a Cavalier Banquet Room located at 250 San Simeon Avenue, San Simeon, California, unless otherwise designated by the Board of Directors.

6.03 Recording. The proceedings of all regular meetings shall be recorded by videographer. The proceedings of all special meetings shall be recorded by audio. Recordings shall be retained in accordance with the record retention policy pursuant to Resolution 19-407. Video and audio taping of regular or special meetings shall conform to Government Code Sections 54953.5 & 54953.6.

6.04 Special and Emergency Meetings. The time, place, and manner of calling all other meetings of the Board of Directors shall be undertaken as prescribed in the Government Code Section 54950 *et seq.*

6.05 Adjourned Meetings. A majority vote by the Board of Directors may terminate any meeting at any place in the agenda to any time and place specified in the order of adjournment, except that if no Directors are present at any regular or adjourned regular meeting, the General Manager may declare the meeting adjourned to a stated time and place.

6.06 Compliance with the Brown Act. All meetings of the Board of Directors and Committees shall be open and public and all persons shall be permitted to attend any public meeting of the Board of Directors except as provided by law; provided, however, that closed sessions may be held when permitted by law.

6.07 Secret Ballots. Secret ballots are not allowed.

SECTION 7.00 Agendas.

7.01 Setting of Agenda. The General Manager, in consultation with the Board Chairperson, shall set the agenda. The General Manager and Board Chairperson shall consider any matter requested by a Director for inclusion on the agenda, ~~however the General Manager and the Board Chairperson may use their discretion as to which items are listed.~~ The agenda shall also contain any matter requested by a majority of the board. Committee recommendations on topics to be updated added to the agenda shall be given to the Board Chairperson or their designee. A member of the public may also request that a matter directly related to District business be placed on the agenda. Such a request must be made to the General Manager or the Board Chairperson at least fifteen (15) day prior to the date of the meeting. With regard to all requests to add items to the agenda, the General Manager and

the Board Chairperson may use their discretion as to which items are included. The agenda shall also contain any matter requested by a majority of the Board.

7.02 Consent Calendar. Agendas of Board meetings shall incorporate a consent calendar listing items of a routine nature not normally requiring discussion. The following is a listing of consent calendar items, which may be amended from time to time by the direction of the Board of Directors or by the General Manager and the District Secretary, as they deem appropriate: (1) approval of minutes, ~~(2) Reports,~~ ~~(23)~~ approval of bills paid, and ~~(34)~~ informational items. Approval of the consent calendar shall take place by a motion and a second of the Board and passed by a roll call vote indicating a majority vote.

The District adopts the following general guidelines in reviewing and approving consent agenda items:

1. the Chairperson shall announce the item and read each consent agenda item into the record;
2. the Chairperson shall ask if there are any public comments on any item within the consent agenda;
3. once all public comments are done, the Chairperson shall ask the Board members if they would like to pull an item off the consent agenda for full discussion. If an item is "pulled off" the consent agenda, it shall be added as a Business Item for full Board discussion;
4. the Chairperson shall next ask if the Board members have any minor comments (typographical/spelling errors) or minor questions about any of the consent agenda items. If so, the Board member shall then make the minor comment or ask staff a question;
5. once all minor comments/questions have been dealt with, the Chairperson shall ask if there is a motion to approve the consent agenda (if motion is not already made independently by another Board member); the motion, if it passes, shall approve all items within the consent agenda.

7.03 Distribution. The District Secretary shall prepare an agenda for each regular meeting and shall post and mail or send by electronic media the agenda to persons entitled thereto at least 72 hours prior to the meeting. The District Secretary shall prepare an agenda for each special meeting and post this agenda 24 hours prior to the meeting.

7.04 Additional Distribution. Agendas shall be mailed or sent by electronic media to any person who has on file a written request to receive agendas after the District has received payment of the appropriate fees to cover either faxing or mailing of said agendas.

7.05 Agenda Change. Upon a determination by a two-thirds vote of the members of the Board present at the meeting, or, if fewer than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted, the Board may add an item to the agenda in accordance with Government Code Section 54954.2(b). Example: If there are five (5) Board members present, four (4) affirmative votes would be needed to add an agenda item. If there are three (3) Board members present, three (3) affirmative votes would be needed to add an agenda item.

7.06 Public Comments on Agenda Items. Any member of the public may address the Board on any item on the agenda at the time that item is being considered by the Board. Each

speaker will be limited to three (3) minutes per agenda item as monitored by the District Secretary. Additional time may be extended by the Chairperson. Speakers shall not be allowed to “split” their time, nor shall they be permitted to “reserve” all or any portion of their allotted time. If any person fails or refuses to abide by these rules, the Chairperson, after warning the speaker, may declare that the speaker is disrupting, disturbing, or impeding the orderly conduct of the meeting and order the speaker to leave the meeting room. If another Board member disagrees that a speaker is disrupting the proceeding that Board member may object to having the speaker leave the meeting room. At such time, the full Board shall vote on whether the speaker should be required to leave, or not.

7.07 Public Comments on Items Not on the Agenda. Any member of the public may address the Board on any item of interest to the public that is within the subject matter jurisdiction of the District that is not on the agenda, subject to the time limits and restrictions for public comments on agenda items. No action shall be taken on any item not appearing on the agenda unless authorized in accordance with the procedures set forth in Government Code Section 54954.2. The Board shall not engage in debate, dialogue, or take action on any matter brought to its attention under public comment, except to refer the matter to staff or to determine that the matter should be included on a future agenda for consideration and action.

7.08 Manner of Addressing the Board by an Individual. A member of the public addressing the Board may give his or her name in an audible tone of voice for the record. All remarks shall be addressed to the Board as a body, not to any individual Director. No person, other than a Director, General Manager or District Counsel, and the person having the floor, shall be permitted to enter into any general discussion without the permission of the Chairperson.

7.09 Manner of Addressing the Board by a Group of Persons. Whenever members of the public wish to address the Board on the same subject matter, it shall be proper for the Chairperson to request that a spokesperson be chosen by the group to address the Board and, in case additional matters are to be presented at the time by any member of that group, to limit the number of persons so addressing the Board, so as to avoid repetition before the Board. The Chairperson may set a time limit for each side of an issue. Government Code 54957.9 permits the legislative body to clear the room if the meeting is willfully interrupted so as to render further conduct of the meeting unfeasible.

SECTION 8.00 Minutes

8.01 Minutes. The District Secretary shall keep minutes of regular and special meetings of the Board. Copies of said minutes shall be made for distribution to each member of the Board with the agenda for the next regular Board meeting.

8.02 Record of Motions, Resolutions and Ordinances. Motions, resolutions or ordinances shall be recorded as having passed or failed, and individual votes will be recorded unless the action was unanimous. All resolutions and ordinances adopted by the Board shall be numbered consecutively starting new at the beginning of each fiscal year.

8.03 Procedure for Minutes. The minutes of Board meetings shall be maintained as hereinafter outlined.

8.03.01 Procedure:

- date, place, and type of each meeting

- directors present and absent by name
- call to order
- arrival of tardy Directors by name
- pre-adjournment departure of Directors by name or if absence takes place when any agenda items are acted upon
- adjournment of the meeting

8.03.02 Board Actions:

- approval or amended approval of the minutes of preceding meetings
- complete information as to each subject, including the roll call record of the vote on a motion if not unanimous
- all Board resolutions and ordinances in complete context, numbered serially for each fiscal year
- a record by number of all warrants approved for payment;
- adoption of the annual budget
- financial reports, including water and wastewater sales, balances of District checking accounts, and a monthly balance sheet

8.04 Storage. The official minutes of the regular and special meetings of the Board shall be saved on the District computer in accordance with the Records Retention Policy. (See Resolution 19-407.) This computer shall be backed up onto a hard drive that is stored in a safe deposit box that is located at an offsite location. Approved mMinutes of the Board of Directors' meetings shall be public records open to inspection by the public. The Secretary shall make copies available to any person who has made a request in compliance with the California Public Records Request Act.

SECTION 9.00 Rules of Order for Meetings

9.01 General. Action items shall be brought before and considered by the board by motion in accordance with this policy. These rules of order are intended to be informal and applied flexibly. The board prefers a flexible form of meeting and, therefore, does not strictly follow Robert's Rules of Order.

9.02 Obtaining the Floor. Any member of the Board desiring to speak should address the Chairperson and, upon recognition by the Chairperson, may address the subject under discussion.

9.03 Motions. Any member of the Board, including the Chairperson, may make or second a motion. A motion shall be brought and considered when a member of the Board makes a motion and another Director seconds the motion. The motion is then open to discussion and debate. After the matter has been fully discussed and debated, the Chairperson will call for the vote.

9.04 Motion to Amend. A main motion may be amended before it is voted on, either by the consent of the members of the Board who moved and seconded, or by a new motion and second.

9.05 Motion to Postpone. A main motion may be postponed to a certain time by a motion to postpone which is then seconded and approved by a majority of the Board.

9.06 Motion to Refer to Committee. A main motion may be referred to a Board committee for further study and recommendation by a motion to refer to committee which is then seconded and approved by a majority vote of the Board.

9.07 Motion to Close Debate and Vote Immediately. As provided above, any member of the Board may move to close debate and immediately vote on a main motion.

9.08 Motion to Adjourn. A meeting may be adjourned by motion made, seconded, and approved by a majority vote of the Board before voting on a main motion.

9.09 Decorum. The Chairperson shall take whatever actions are necessary and appropriate to preserve order and decorum during Board meetings, including public hearings. The Chairperson may eject any person or persons making personal, impertinent, or slanderous remarks; refusing to abide by a request from the Chairperson; or otherwise interrupting the meeting or hearing.

If any meeting is willfully interrupted by a person or a group so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the members of the legislative body conducting the meeting may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the legislative body from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

SECTION 10.00 Actions and Decisions

10.01 Method of Action. The Board of Directors shall act only by ordinance, resolution, or motion in accordance with these policies.

10.02 Majority/Quorum. The majority of the Board shall constitute a quorum for the transaction of business.

10.03

**Maj
ority Vote Required.** No ordinance, resolution, or motion shall be passed or shall become effective without the affirmative vote of at least a majority of the members of the Board. Three (3) Directors represent a quorum for the conduct of business. Actions taken at a meeting where only a quorum is present, therefore, require three (3) unanimous votes ~~unanimous~~-to be effective (unless a 4/5 vote is required by policy or other law). A member abstaining in a vote is considered as absent for that vote.

Example 1: If three (3) of five (5) Directors are present at a meeting, a quorum exists and business can be conducted. However, if one (1) Director abstains on a particular action and the other two (2) -cast "aye" votes, no action is taken because a "majority of the Board" did not vote in favor of the action.

Example 2: If an action is proposed requiring a two-thirds vote and two (2) Directors abstain, the proposed action cannot be approved because four (4) of the five (5)s Directors would have to vote in favor of the action.

Example 3: If a vacancy exists on the Board and a vote is taken to appoint an individual to fill said vacancy, three (3) Directors must vote in favor of the appointment for it to be approved. If two (2) of the four (4) Directors present abstain, the appointment is not approved.

10.04 Recordation of Vote Exceptions. For action taken by motion without the unanimous vote of all Directors present voting, the names of the Ayes and Noes shall be entered in the minutes. For passage of all ordinances and resolutions, the names of the Ayes, Noes, Abstain, and Absent shall be entered into the minutes of the Board.

10.05 Direction to Staff. During a public meeting, The Board may give directions, however, which are not formal action. Such directions do not require formal procedural process. For example, after an ordinance is adopted at public meeting, the Board may direct staff to publish an ordinance summary in a newspaper of general circulation. The Board may also direct staff to research a particular topic and place it on the agenda at the next regular Board meeting. Such directions include the Board's directives and instructions to the General Manager. The Chairperson shall determine by consensus a Board directive and shall state it for clarification. Should any two (2) Directors challenge the statement of the Chairperson a voice vote may be requested. A formal motion may be made to place a disputed directive on a future agenda for Board considerations or to take some other action (such as refer the matter to the General Manager for review and recommendation, etc.). Informal action by the Board is still Board action and shall only occur during public meetings regarding matters which appear on the agenda for the Board meeting during which said informal action is taken.

SECTION 11.00 Deviations

11.00 Deviations. No deviation from or failure to follow the procedures set forth in this Code shall invalidate any action or decision of the Board of Directors unless such deviation or failure has substantially prejudiced the rights of an interested person.

SECTION 12.00 Records

12.01 Records. Public records of the San Simeon Community Services District shall be open to inspection as provided in the California Public Records Act.

SECTION 13.00 Committees

13.01 Standing Committees. The District has the following standing committees:

- Budget/Finances – This committee shall be concerned with the financial management of the District, including the preparation of an annual budget and major expenditures.
- Water/Facility – This committee shall be concerned with the formulation of plans for arranging, realizing and/or achieving the District's goals in regard to alternative water sources and facility maintenance and upgrades.

13.02 General Rules Governing Committees. The Chairperson of the Board of Directors shall appoint one (1) or two (2) Board members and three (3) to five (5) members of the public to serve on the Standing Committees subject to Board approval. The Chairperson of

the Board of Directors shall publicly announce the members of the standing committees for the ensuing year at the next regular Board meeting following the appointment of the Chairperson of the Board of Directors. Committees shall be governed by the following policies and rules.

- At its first meeting, each Standing Committee shall select a Chairperson, which shall be one of the two Board members on the committee;
- No more than two Directors of the Board shall serve on any one Committee. Other Directors may attend Committee meetings as *observers* in accordance with the Brown Act. As “observers” the Board members may not ask questions or make statements while attending the meeting, nor may they sit in the special chairs on the dais while attending the meeting. As “observers” the Board members have no authority to participate in any way in Committee discussions.
- Committees should focus on matters that typically require extensive research and review, ~~but should not operate in such a way that they make management decisions better left to paid staff.~~
- A Committee may take no action. Recommendations for formal action of the Board of Directors are made in the Committee reports.
- Any Committee that is appointed by action of the Board of Directors and/or has members of the public serving on the Committee shall then come under the posting requirements of the Brown Act and shall be open to the public.
- The meetings of Standing Committees shall be held when called by the Chairperson of the Standing Committee or other Director member.
- Duties and Functions: At the time the Chairperson of the Board of Directors forms the Standing Committee, he/she shall give instructions as to the duties for each Committee. Additional duties and functions may be delegated by the Chairperson, as need arises, subject to Board approval.
- The Committee shall give a report at the regular meeting of the Board of Directors and if a need to take action should arise, the Committee shall bring a recommendation to the Board of Directors at any duly noticed meeting. The Committee Chairperson shall notify the General Manager of items to be placed on the agenda where action is needed, if possible, one week prior to the meeting.

13.03 Ad Hoc Committees. Ad hoc Committees may be created by the Board of Directors to undertake special assignments on behalf of the Board. An ad hoc Committee shall exist for a specified term or until its special assignments are completed, whichever comes first, but its existence may be extended for an added term or added assignments by action of the Board. Unless otherwise specified, members of an ad hoc Committee shall be appointed by the Chairperson of the Board, subject to Board approval, and shall serve at the Board’s pleasure.

13.04. Special Committees. In addition to the other committees discussed above, Special Committees may be created by the Board of Directors to undertake special assignments on behalf of the Board. A Special Committee shall continue in existence indefinitely. Unless otherwise specified, members of a Special Committee shall be appointed by the Chairperson, subject to Board approval, and shall serve at the Board’s pleasure. All Special Committee meetings shall be open to the public, have an agenda, and otherwise be subject to the Brown Act.

SECTION 14.00 Board Conduct

14.01 Conflict of Interest. No Director shall make, participate in, or in any way attempt to use his or her official position to influence a decision on any issue when prohibited from doing so by the Political Reform Act of 1974 (Government Code Section 81000, *et seq.*), ~~or~~ any other law, or the District's Conflict of Interest Code. (Please refer to Section 20.00.) A Director shall, when an agenda item is called, declare that he or she has a conflict of interest, state what the conflict of interest is, and shall remove him or herself from the Board room during the discussion. The Director's removal shall be noted on the record by the District Secretary, who shall also note the Director's return when the item is completed.

14.02 Ethics. ~~Directors shall at all times comply with the District's Ethics Policy for Board of Directors.~~ Directors shall comply with the requirements of Government Code Section 53235 by receiving at least two hours of training in general ethics principles and ethics laws relevant to District service every two years and shall file with the District Secretary a copy of the certificate verifying the completion of such training. Directors shall work with the General Manager or said designee to ensure adherence with all requirements of Government Code Section 53235.

14.03 Decorum of Board of Directors during Board Meetings. The Directors shall adhere to the following guidelines for conduct during all meetings.

- The immediate and future needs of the District's constituents should be the priority of the Board of Directors.
- Once the Board of Directors takes action, Directors should not create barriers to the implementation of said action.
- The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.

14.04 Other Procedures for Directors. Directors should practice the following procedures.

1. In seeking clarification on informational items, Directors may approach professional staff members to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.
2. In handling items related to safety, concerns for safety or hazards should be reported to the General Manager, said designee, or to the District office. Emergency situations should be dealt with immediately by seeking appropriate assistance.
3. In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, said concerns should be referred directly to the General Manager.
4. When approached by District personnel concerning specific District policy, Directors should direct inquiries to the appropriate staff supervisor. The chain of command should be followed.
5. Directors should develop a working relationship with the General Manager wherein current issues, concerns, and District projects can be discussed comfortably and openly.
6. Unless a conflict of interest exists, Directors should not abstain from the Board's decision-making responsibilities.

SECTION 15.00 Training, Education and Conferences.

15.00 Educational Conferences. Members of the Board of Directors are encouraged to attend educational conferences and professional meetings when the purpose of such activity is to improve District operation. Hence, there is no limit as to the number of Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District. If multiple Directors are to attend an educational conference, it is recommended that prior to attending the conference, the Directors review Government Code Section 54952.2 (Ralph M. Brown Act) or confer with District Counsel.

15.01 Reimbursement for Educational Conferences. It is the policy of the District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging, and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state, and national conferences associated with the interests of the District.

15.01.01 The Board member is responsible for making arrangements for conference and registration expenses, and for per diem. Per diem, when appropriate, shall include reimbursement of expenses for meals, lodging, and travel. All expenses for which reimbursement is requested by Directors or that are billed to the District by Directors, shall be submitted to the General Manager, together with validated receipts.

15.02 Approval by Chairperson. Attendance by Directors at seminars, workshops, courses, professional organization meetings, and conferences shall be approved by the Chairperson of the Board of Directors prior to incurring any reimbursable costs.

15.03 Expenses for Educational Conferences. Expenses to the District for Board of Directors' training, education, and conferences should be kept to a minimum by utilizing recommendations for transportation and housing accommodations put forth by the General Manager and by:

- utilizing hotel(s) recommended by the event sponsor in order to obtain discounted rates,
- Directors traveling together whenever feasible and economically beneficial,
- requesting reservations sufficiently in advance, when possible, to obtain discounted airfares and hotel rates.

15.04 No Educational Activities After Resignation. Directors shall not attend a conference or training event for which there is an expense to the District if it occurs after they have announced their pending resignation or if it occurs after an election in which it has been determined that they will not retain their seat on the Board. A Director shall not attend a conference or training event when it is apparent that there is no significant benefit to the District.

15.05 Report to Board After Educational Conferences. Upon returning from seminars, workshops, conferences, etc., where expenses are reimbursed by the District, Directors will either prepare a written report for distribution to the Board or make a verbal report during the next regular meeting of the Board. Said report shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.

16.00 Ordinance Adoption Policy

16.01 Adoption and Waiting Period. Ordinances should be adopted on a roll call vote. Unlike cities and counties, a community services district does not have a first and second reading prior to an adoption. Rather, the appropriate motion to adopt an ordinance would be to move adoption of Ordinance No. ___ entitled "_____" Ordinarily, it is advisable to have a 30-day waiting period before the effective date of the ordinance, although, unlike city and county adopted ordinances, this is not a mandatory requirement.

16.02 Publication Requirements. Unlike cities and counties, there is no overall requirement for publication of all ordinances. However, it is a good practice to publish adopted ordinances in a newspaper of general circulation in the area (such as The Cambrian, Sun-Bulletin, or Telegram Tribune) within 15 days after passage. Some types of ordinances may have specific requirements for publication of the ordinance before their effective date. This sometimes includes Federal or State grant projects. Likewise, there is not a general requirement for all ordinances to be adopted after public hearing. However, some specific actions require public hearings, such as certain grant projects or increases in fees. District Counsel should either prepare all District resolutions and ordinances or carefully review drafts of such documents prior to their placement on the Board's agenda to ensure that any notice, hearing, or format requirements are met.

16.03 Reading and Alterations. All ordinances shall be read in full either at the time of introduction or passage, except when, after reading the title, further reading is waived by regular motion adopted by unanimous vote of the Board by the directors' present. Corrections of typographical or clerical errors are not alterations within the meaning of this section.

16.04 Enacting Clause of Ordinance. The form of enacting clause of all ordinances passed by the Board shall be: "Be it ordained by the Board of Directors of the San Simeon Community Services District as follows".

16.05 Execution of Ordinances. All ordinances shall be signed by the Chairperson and attested by the District Secretary.

SECTION 17.00 Complaints/ Claims Procedures

17.01 General Public Complaints. The Board of Directors desires that complaints from the public be resolved at the lowest possible administrative level and that the method for resolution of complaints be logical and systematic. A public complaint is an allegation by a member of the public of a violation or misinterpretation of a District policy, state, or federal statute by which the individual has been adversely affected.

17.02 Method of Handling General Public Complaints Against the District. The method of resolving complaints shall be as follows:

1. The individual with a complaint shall first discuss the matter with the General Manager with the objective of resolving the matter informally.
2. If the complaint refers to the General Manager, it will be referred to the Board Chairperson with the objective of resolving the matter informally.
3. If the individual filing the complaint is not satisfied with the disposition of the matter by the General Manager or Board Chairperson, a written complaint may be

filed with the Board of Directors within ten (10) days of receiving the General Manager's or Chairperson's decision.

4. The Board may consider the matter at the next regular meeting, or call a special meeting. The Board will expeditiously resolve the matter. In making the final decision, the Board may conduct conferences, hear testimony, as well as utilize the transcripts of written documentation. A written decision from the Board may be requested by the individual filing the complaint.

This policy in no way prohibits nor is intended to deter a member of the community or staff member from appearing before the Board to present verbally a testimony, complaint, or statement in regard to actions of the Board, District programs and services, or impending considerations of the Board.

17.03 Complaints Concerning Staff or Contractors of the District. The Board states its support of staff and its expectation that each shall perform in the spirit of excellent service to the community. The Board wishes to defend staff against malicious complaints while upholding standards of performance for each staff member and correcting problems. Board members individually will refer compliments, suggestions, and criticisms about staff directly to the General Manager for appropriate consideration and action.

17.04 Method of Handling Complaints Against District Staff/Contractors. The method of resolving complaints shall be as follows.

1. Complaints should first be made directly by the complainant to the staff member against whom the complaint is lodged. Community members are encouraged to attempt to orally resolve concerns with the staff member personally as soon as possible, within 30 days of the occurrence.
2. If the issue cannot be resolved between the community member and the staff member informally, the complaint should be referred to the General Manager.
3. The General Manager shall investigate the complaint and shall take appropriate measures to address the complaint once the investigation is complete. The individual making the complaint shall be informed of the results of the investigation and with any actions/measures that were taken.
4. If the General Manager deems it necessary, the matter may be referred to the Board. All charges or complaints against a staff member brought to a Board meeting shall comply with the requirements of Cal. Gov't Code § 54950 et seq.
5. No anonymous complaints concerning staff members will be processed by the District or Board. Such complaints shall be given to the General Manager, who shall note the content. Board and staff shall inform complainants that anonymous complaints will not be handled, receive attention, or be acted upon.
6. Each person involved in a complaint shall act quickly so that the complaint may be solved promptly. Training on the appropriate resolution of complaints within the guidelines of this policy shall be held annually.

17.05 Claims Against the District. The purpose of this policy is to provide direction to District staff for processing and resolving claims against the District. Inherent in this policy is the recognition that every claim will be unique and that guidelines cannot be written to accommodate every case. Therefore, staff must use discretion and good sense in handling each claim.

17.05.01. Property (Land and Improvements) Damage Claims. In the course of District operations, damage to land and improvements thereon occasionally occur due to the proximity of the District's facilities to private property. When District staff are aware that property has been damaged in the course of their work, restorative measures are to be taken to return the property as close to its original condition as possible.

1. When a property owner informs a District staff member ~~(by telephone or in person)~~ of damage to their property ~~(by telephone or in person)~~, the staff member receiving the claim will document in writing the time and date, and a description of the stated circumstances and allegations. Staff members should respond to questions, be cordial and respectful, but refrain from commenting on liability questions.
2. As soon as possible after information about the damage has been received, it shall be given to the General Manager. The General Manager, or said designee, shall investigate the property owner's allegations.
3. If the owner of damaged property informs a member of the Board of Directors, the information will be given to the General Manager. Directors should not independently investigate claims, but may go with staff to observe.
4. Claims in excess of the District's insurance deductible shall be forwarded to the insurance company (Special District Risk Management Authority, SDRMA), and the claimant shall be advised of this action.
5. Claims for personal injury/wrongful death shall not be investigated by District staff or Directors but shall be immediately forwarded to the District's insurance company.

17.05.02. Property (Vehicles and Unsecured Property) Damage Claims. All claims of damage to vehicles or other unsecured property shall be submitted to the General Manager. He/she shall review the damage claim and the requested restitution. If he/she determines that the damage is the District's responsibility, he/she may authorize repairs or reimbursement of expenses to an amount not to exceed \$500. Claims in excess of \$500 shall be forwarded to the insurance company.

17.05.03. Claims Form. All damage claims must be submitted in writing on a District claim form. This will ensure that a claim is valid and protect important rights of the District. District staff shall provide no assistance to the claimant in filling out the claim form. Claimant must fill out the claim form in its entirety and submit it via mail, FAX, or personal delivery to the District office. Upon receipt, office staff shall date-stamp the document.

If an individual does not wish to file a claim on the District form, he/she may present the claim by letter if it conforms to Section 910 and Section 910.2, California Government Code. Section 910 specifies that a claim needs to show all of the following:

1. the name and post office address of the claimant;
2. the post office address to which the person presenting the claim desires notices to be sent;
3. the date, place, and other circumstances of the occurrence or transaction which gave rise to the claim asserted;
4. a general description of the indebtedness, obligation, injury, damage, or loss incurred so far as it may be known as the time of presentation of the claim;
5. the name or names of the staff member(s) causing the injury, damage, or loss, if known;

6. the amount claimed as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of presentation of the claim, together with the basis of computation of the amount claimed.
7. Section 910.2 of the California Government Code specifies the following: “the claim shall be signed by the claimant or by some person on his behalf. Claims against local public entities for supplies, materials, equipment or services need not be signed by the claimant or on his behalf if presented on a billhead or invoice regularly used in the conduct of the business of the claimant.”
8. If the filed letter/claim does not meet the requirements of the California Government Code 910 and 910.2, then a letter shall be sent to the claimant informing them of this fact.

SECTION 18.00 Staff and Operations

18.01 Substance Abuse

18.01.01. Purpose of Policy. This policy sets forth the District’s position regarding substance abuse and provides guidance to staff in addressing substance abuse problems. The District recognizes its responsibility to maintain a safe, healthful, and productive environment and staff’s responsibility to perform services for the public effectively and efficiently. The District will act to eliminate any substance abuse which increases the risk for accidents, absenteeism, substandard performance, poor morale, or damage to the District’s property or reputation. Substance abuse includes the use or possession of illegal drugs, alcohol, controlled substances, or misuse of prescription or over-the-counter drugs which could impair staff members’ ability to perform their services safely, effectively, and efficiently.

18.01.02 Definitions.

For purposes of this Guideline:

- (1) “Illegal drugs or other controlled substances” means any drug or substance that (a) is not legally obtainable, or (b) is legally obtainable but has not been legally obtained, or (c) has been legally obtained but is being sold or distributed unlawfully.
- (2) “Legal drug” means any drug, including any prescription drug or over-the-counter drug, that has been legally obtained and that is not unlawfully sold or distributed.
- (3) “Abuse of any legal drug” means the use of any legal drug (a) for any purpose other than the purpose for which it was prescribed or manufactured; or (b) in a quantity, frequency, or manner that is contrary to the instructions or recommendations of the prescribing physician or manufacturer.
- (4) “Possession” means that a staff member has the substance on his or her person or otherwise under his or her control.

18.01.03 Prohibited Conduct.

A. Scope

The prohibitions of this section apply whenever the interests of the District may be adversely affected, including any time a staff member is:

- (1) on District premises;
- (2) conducting or performing District business, regardless of location;
- (3) operating or responsible for the operation, custody, or care of District equipment or other property; or
- (4) responsible for the safety of others in connection with, or while performing, District-related business.

B. Alcohol

The following acts are prohibited by this policy:

- (1) the unauthorized use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of alcohol; or
- (2) being under the influence of alcohol from unauthorized consumption.

C. Illegal Drugs

The following acts are prohibited by this policy:

- (1) the use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of any illegal drug or other controlled substance; or
- (2) being under the influence of any illegal drug or other controlled substance.

D. Legal Drugs

The following acts are prohibited by this policy:

- (1) the abuse of any legal drug;
- (2) the purchase, sale, manufacture, distribution, transportation, dispensation, or possession of any legal prescription drug in a manner inconsistent with law; or
- (3) performing services for the District while impaired by the use of a legal drug whenever such impairment might:
 - (a) endanger the safety of the staff member or some other person,
 - (b) pose a risk of significant damage to Company property or equipment, or
 - (c) substantially interfere with the work performance or the efficient operation of the District's business or equipment.

18.01.04 Violations of this Policy. A violation of this policy will be immediately referred to the General Manager for review. Disciplinary action, up to and including termination, for a violation of these policies, is a potential consequence for a violation of this policy but will be at the discretion of the General Manager.

18.02 Anti-Discrimination and Anti-Harassment Policy

18.02.01 No Discrimination or Harassment. The District does not unlawfully discriminate on the basis of race, color, religion, religious creed (including religious dress and religious grooming), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity (including transgender identity and transitioning), gender expression and sex stereotyping, national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition or information (including genetic information), family care or medical leave status, military caregiver status, military status, veteran status, marital status, domestic partner status, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, engaging in protected communications regarding wages, requesting a reasonable accommodation on the basis of disability or bona fide religious belief

or practice, or any other basis protected by local, state, or federal laws. Consistent with the law, the District also makes reasonable accommodations for disabled applicants and staff; for pregnant staff who request an accommodation (on the advice of their health care providers), for pregnancy, childbirth, or related medical conditions; for staff who are victims of domestic violence, sexual assault, or stalking; and for applicants and staff based on their religious beliefs and practices. The District prohibits discrimination and harassment of staff by Board members, managers, co-workers, or third parties with whom staff members come into contact. Similarly, the District will not tolerate harassment or discrimination by its staff of non-staff members, Board members, or other third parties with whom the District's staff has a business, service, or professional relationship.

18.02.02. Harassment Defined. Harassment includes verbal, physical, and visual conduct that creates an intimidating, offensive, or hostile working environment or that interferes with work performance. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of providing services to the District; (2) submission or rejection of the conduct is used as the basis for a District decision; or (3) the harassment interferes with work performance or creates an intimidating, hostile, or offensive work environment.

Harassing conduct can take many forms and may include, but is not limited to, the following (when based upon a protected status as noted above): slurs, jokes, statements, gestures, assault, impeding or blocking another's movement or otherwise physically interfering with normal work; pictures, drawings, or cartoons; violating someone's "personal space"; foul or obscene language; leering, stalking, staring; unwanted or offensive letters or poems, or offensive email or voicemail messages.

Sexually harassing conduct in particular may include all of these prohibited actions, as well as other unwelcome conduct, such as requests for sexual favors, conversation containing sexual comments, and other unwelcome sexual advances. Sexually harassing conduct can be by a person of either the same or opposite sex. Sexually harassing conduct need not be motivated by sexual desire to be violative of this policy.

18.02.03. Reporting and Investigating Harassing Conduct. The District understands that victims of harassment are often embarrassed and reluctant to report acts of harassment for fear of being blamed, concern about being retaliated against, or because it is difficult to discuss sexual matters openly with others. However, no one should have to endure harassing conduct, and the District therefore encourages staff to promptly report any incidents of harassment so that corrective action may be taken. Any incidents of harassment should be reported to the General Manager. If the General Manager is the individual who is committing harassment, the incident should be reported to a member of the Board. The investigation will be handled in as confidential a manner as possible consistent with a fair, timely, and thorough investigation in a manner that provides all parties appropriate due process and reaches reasonable conclusions based on the evidence collected.

18.02.04. Corrective Action. The District will not tolerate retaliation against someone for making a good faith complaint of harassment or for cooperating in an investigation. If harassment or retaliation in violation of this policy is established, the District will take appropriate corrective action. Corrective action may include, for example: training, referral to counseling, or disciplinary action ranging from a verbal or written warning to termination of employment or other service contracts, depending on the circumstances.

18.03 Smoke Free Workplace Policy

18.03.01. Purpose. The District would like to contribute to the health and well-being of all staff and third-parties that may have a business, service, or professional relationship with the District. Therefore, the District promotes a smoke-free environment. The use of all smoking products, including vapor products and electronic cigarettes (E-cigarettes), is banned from the District premises except as designated in this policy. The successful implementation of this policy depends upon the thoughtfulness, consideration, and cooperation of smokers and non-smokers alike. All individuals on District premises share in the responsibility of adhering to this policy.

18.03.02. Prohibited Activities. Smoking is prohibited within the buildings and facilities of the District without exception. This includes common work areas, conference and meeting rooms, private offices, hallways, lunchrooms, restrooms, District vehicles, and all other enclosed facilities.

18.03.03. Designated Smoking Areas. The only designated smoking areas at the District are outdoors at least 25 feet from any building entrances and exits, including any doors and windows that open. No one may smoke along any pathway or walk way leading to or from a designated smoking area. Smokers must dispose of the remains of smoking products in the proper containers. This helps to keep a neat and clean environment for all.

18.04 Investment of Public Funds

18.04.01. Policy and Purpose. It is the policy of the District to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds. As a public entity, the District places particular importance on the preservation of capital and protection of District funds above other investment objectives. All investments require prior approval by the Board of Directors.

18.04.02. Scope. This investment policy applies to all financial assets of the District. These funds are accounted for in the District Annual Financial Report and may include:

General Fund
Enterprise Funds
Any new fund established by the District

18.04.03. Prudence. Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the District.

18.04.04. Objective. The primary objective in priority order of the District's investment activities shall be:

- Safety of Principal – Investments shall be undertaken in a manner that first seeks to preserve portfolio principal.

- Liquidity – Investments shall be made with maturity dates that are compatible with cash flow requirements and that will permit easy and rapid conversion into cash, at all times, without a substantial loss of value.
- Return on Investment – Investments shall be undertaken to produce an acceptable rate of return after first consideration for principal and liquidity.

18.04.05. Delegation of Authority. Pursuant to the Government Code, the District Board delegates the authority to invest or to reinvest funds or to sell or exchange securities so purchased to the General Manager for a one-year period. The General Manager is charged with the responsibility of carrying out the policies of the District Board and shall assume full responsibility for investment transactions until the delegation of authority is revoked or expires.

The daily cash management, investment transactions, and account reconciliations are the primary responsibilities of the General Manager. The General Manager has authority to transfer funds between any of the accounts that have been established by the District in order to accomplish the purpose and objective of this policy. The General Manager shall report any transfer of funds at the next regular Board meeting during the General Manager or Financial report. These activities are also carried out by other members of the District's staff under the direction of the General Manager. The General Manager shall establish procedures for the operation consistent with this investment policy.

The General Manager and authorized individuals acting in accordance with written procedures, the investment policy, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

18.04.06. Ethics and Conflicts of Interest. District staff involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or that could impair their ability to make impartial decisions. District staff involved in the investment process shall abide by the District's Conflict of Interest Code, the provisions of California Government Code Section 1090 et seq., and the California Political Reform Act, California Government Code Section 81000 et seq.

18.04.07. Permitted Investments. California Government Code Sections 53601, 53635 and 16429.1 govern the investments permitted for purchase by the District. Within the investments permitted by the Code, the District seeks to further restrict eligible investments to the investments listed below.

Percentage limitations, where indicated, apply at the time of the purchase. Rating requirements, where indicated, apply at the time of purchase. In the event a security held by the District is subject to a rating change that brings it below the minimum specified rating requirement, the General Manager shall notify the District Board of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further rate drops, and the

market price of the security. Investment maturities shall be based on review of cash flow forecasts. Maturities will be scheduled so as to permit the District to meet all projected obligations.

No investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five years unless the District Board of Directors has granted express authority to make that investment no less than three months prior to the investment.

18.04.08. Eligible Investments.

- State of California Local Agency Investment Fund (“LAIF”) pursuant to Gov’t Code § 16429.1. The District may invest in LAIF. A maximum of \$50 million may be invested in this category.
- California Asset Management Trust. The District may invest in the shares in the California Asset Management Trust, so long as the portfolio is rated among the top two rating categories by one of the nationally recognized rating agencies. A maximum of \$50 million may be invested in this category, net of bond proceeds.
- U.S. Treasury Obligations. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- Negotiable Certificates of Deposit. Negotiable certificates of deposit issued by a nationally or state chartered bank or a state or federal savings and loan association or by a state; licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated “AA” or better by Moody’s or Standard & Poor’s. Investments in negotiable certificates of deposit are limited to 30% of the portfolio.
- Banker’s Acceptances. Banker’s acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System. Purchases of banker’s acceptances may not exceed 180 days maturity. Eligible banker’s acceptances are restricted to issuing financial institutions with short-term paper rated in the highest category by one or more nationally recognized rating services. Investments in banker’s acceptances are further limited to 40% of the portfolio with no more than 30% of surplus invested in the banker’s acceptances of any one commercial bank.
- Federal Agency Securities. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- Municipal Obligations: Bonds, notes, warrants, or other evidences of indebtedness of the State of California or of any local agency within the State of California, including bonds.

- Money Market Funds. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940 (15 U.S.C., Sec. 80a-1, et seq.).
 - The District may invest in shares of beneficial interest issued by a company that shall have met either of the following criteria:
 - attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized rating services. (or)
 - retained an investment advisor registered or exempt from registration with the SEC with not less than five years experience in managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).
 - The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that the companies may charge. Investments in Money Market Funds are limited to 20% of the portfolio.
- Local Agency Bonds. Bonds, including Certificates of Participation, notes or evidences of indebtedness issued by any state, municipality, or local agency whether payable from any fund of such entity or from special revenues pledged for such payment.

18.04.09. Ineligible Investments. As provided in California Government Code section 53601.6, the District shall not invest any funds in inverse floaters, range notes, mortgage derived interest-only strips, or in any security that could result in zero interest accrual if held to maturity. The purchase of any security not listed above but permitted by the California Government Code is prohibited unless the District Board approves the investment specifically.

18.04.10. Safekeeping. All securities purchased may be delivered against payment and held in safekeeping pursuant to a safekeeping agreement. All financial institutions shall be instructed to mail confirmations and safekeeping receipts directly to the General Manager.

18.04.11. Performance Standards. An annual appraisal of the investment portfolio shall be conducted to evaluate the effectiveness of the District's investment program. The purpose of this review, in addition to evaluation of performance, is to provide the platform for recommendations of change and improvements to the portfolio to the Board.

18.04.12. Reporting Requirements. Each month the Finance Officer shall prepare and submit a report of investment transactions to the Board of Directors. This report will be sufficiently detailed to provide information for investment evaluation.

18.04.13. Annual Review of Investment Policy. The investment policy shall be adopted by resolution of the District Board on, at minimum, an annual basis. The investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy shall be approved by the District Board.

18.05 Disposal of Surplus Equipment/ Property.

18.05.01. Equipment.

A. Policy and Procedure. The General Manager, in conjunction with the Office Manager and the Plant Superintendent, shall be responsible for identifying obsolete/surplus materials, goods and equipment (“Surplus Equipment.”) Once Surplus Equipment is identified by the General Manager, it shall be presented to the Board of Directors at a meeting. The Board of Directors shall declare the obsolete/ surplus materials, goods and equipment as Surplus Equipment.

B. Definitions.

Disposal – Sell, discard, destroy, donate, or otherwise remove from District ownership.

Equipment – The term “equipment” as used in this procedure consists of material, goods, furniture, vehicles, computers, and other substantive objects that had value at the time of purchase or acquisition and are owned by the District.

Near Relative – Near relative is defined as a spouse or significant other, father, mother, daughter, son, sister, brother, step-relative, or in-law in the same relationships.

Obsolete Material, Goods and Equipment – Material, goods, and equipment no longer usable in the service for which they were purchased and that cannot be used safely or economically for any other purpose.

Surplus Material, Goods, and Equipment – That portion of material, goods, and equipment that is in excess of operating, maintenance, repair, or spare parts requirements, or any item not having a use within the foreseeable future.

C. Determination of When to Dispose of Items. As a general rule, when the cost of repairing an item becomes more than what an item is worth, the item should be disposed of. Items that are obsolete or surplus should be disposed of using one of the methods below.

D. Disposal Methods.

Resell – Surplus Equipment or working equipment that cannot be economically repaired or put back into service will be sold. The District shall publish notice of the sale noting location/hours/days the equipment can be seen and a deadline for submission of sealed bids. The publication shall note that the equipment is sold “as is” and that the District reserves the right to reject any or all bids. The sealed bids are opened at the next regular Board meeting and action by the Board shall be taken to accept or reject bids. Bidders shall be notified of the Board’s action.

Disposal or Recycling – If it is determined that equipment is obsolete or cannot meet any of the above categories, the General Manager will dispose of or recycle the equipment in compliance with all state and federal laws.

Donation – Giving equipment that has little or no value to the District to nonprofit organizations such as school districts. Such donations would be done to forgo the cost of disposal of the equipment.

E. Limitations of Transfers to Directors, Staff, or Near Relatives. No member of the Board of Directors, staff member, or their near relatives may buy or receive equipment from the District pursuant to this policy.

18.05.02. Real Property.

A. Policy. The General Manager shall be responsible for identifying real property that is no longer of value to the District and should be disposed of. Once real property is identified by the General Manager as surplus, it shall be presented to the Board of Directors at a meeting. The Board of Directors shall declare the real property surplus and authorize staff to obtain an appraisal of the real property.

B. Procedure. The General Manager shall obtain an appraisal and provide notice to public agencies in the manner prescribed by Government Code § 54220. In the event that no public agency desires the real property, the District shall publish a notice inviting bids. Notices inviting bids shall include a legal description of the subject property, a vicinity map showing the general location of the subject property, and a statement that transfer of the surplus real property shall be by quitclaim deed. Sealed bids shall be submitted to the General Manager and shall be opened at the next regular Board meeting. The notice shall also include that the District reserves the right to reject any or all bids. The sealed bids are opened at the next regular Board meeting and action by the Board shall be taken to accept or reject bids. Bidders shall be notified of the Board's action.

18.06 Guidelines for Accepting and Providing Gifts, Entertainment and Services.

18.06.01. Policy. This policy establishes the procedures for the receipt of gifts offered to the District, its Board members, and/or its staff. District staff is prohibited from accepting, or providing to, individuals or companies doing or seeking to do business with the District, gifts, entertainment, services, or other benefits unless the transaction meets all the following guidelines: (a) is customary, gives no appearance of impropriety, and does not have more than a nominal value; (b) does not impose any sense of obligation on either the giver or the receiver; (c) does not result in any kind of special or favored treatment; (d) cannot be viewed as extravagant, excessive, or too frequent considering all the circumstances, including the ability of the recipient to reciprocate at District expense; and (e) is given and received with no effort to conceal the full facts by either the giver or receiver. Any individual or entity that desires to make a donation to the District shall be referred to the General Manager. The General Manager shall consult with the District Counsel and the District's accounting professional prior to accepting any donations on behalf of the District.

18.07 Budget Preparation. The annual budget proposal is prepared by the General Manager in conjunction with the Chairperson of the Budget/Finance Committee. The Budget/Finance Committee shall meet with the General Manager and review the annual

budget proposal at its meeting in April of each year. The annual budget proposal shall be reviewed and amended by the Budget/Finance Committee. The annual budget proposal shall be presented to the Board of Directors for review and approval no later than its meeting in June of each year.

18.08 Expense Authorization.

18.08.01. Expenditures. All expenditures and purchases made by the District shall be authorized in the District's annual budget and by the General Manager. Any commitment of District funds, expenditures, and/or purchases in the amount of \$5,000 or greater require prior authorization/approval by the Board of Directors in conformance with the Procurement Policy. Expenditures in the amount of \$4,999 or less require authorization by the General Manager.

18.08.02. Petty Cash. This policy seeks to ensure that petty cash is managed appropriately and that staff members are not financially disadvantaged as a result of incurring minor work-related expenses. The amount of petty cash shall be as determined by the General Manager from time to time but in general should not exceed \$150.00. The General Manager shall ensure that petty cash is used to cover only those expense reimbursements for which it is not feasible, or for which it is unreasonably inconvenient, to use normal purchasing methods. Any expense that is predictable, regular, or significant should be dealt with through normal accounting procedures. All expenses incurred using petty cash funds must be substantiated by acceptable supporting documentation such as receipts and invoices. The petty cash shall be kept in a secure (locked) location and the key held securely. The General Manager may delegate petty cash duties to the Office Manager.

19.00 Procurement Policy.

19.01. Purpose. The purpose of this policy is to provide direction on how to efficiently and legally obtain suitable quality services, supplies, materials, and labor at the lowest possible cost.

19.02. Definitions. For the purposes of this Policy, the term "purchasing" refers collectively to contracting or procurement of services, supplies, materials, or labor, including Capital Improvements.

19.03. Procurement Procedures.

A. Solicitation of Formal, Advertised Bids or Requests for Proposals for Expenditures Exceeding \$50,000

When any expenditure is expected to exceed \$50,000, the District shall publish a notice inviting bids or requests for proposals a minimum of one week prior to the time of receiving bids, in a general circulation newspaper published within the District boundaries. This type of formal bidding process typically includes the issuance of written plans and/or specifications describing the goods or services to be provided and the receipt of written bids from the vendors or contractors involved. The General Manager, or a designated staff member, shall solicit a minimum of three (3) vendors or contractors to bid on the project. There may be special circumstances, however, when fewer than three (3) vendors are available to submit a proposal or fewer than three (3) vendors submit proposals. In such cases, the General

Manager shall justify the reason(s) three vendors could not be solicited, with written documentation retained in the project file.

The contract shall be awarded to the lowest responsible, responsive bidder, in accordance with the Public Contract Code. Written entries documenting that the required bidding process has been followed shall be entered in the project file, and a copy of the Board Report and contract shall be saved in the District files. Following Board approval, the General Manager and one Board member shall then execute the contract.

B. Solicitation of Three Written Bids or Requests for Proposals for Expenditures Exceeding \$10,000 but Not Exceeding \$50,000

When any expenditure is expected to exceed \$10,000, but not exceed \$50,000, the General Manager or designee shall solicit a minimum of three (3) vendors or contractors to submit written bids or proposals. Written entries documenting that three written proposals were solicited shall be noted by the General Manager in the project file. There may be special circumstances, however, when fewer than three (3) vendors are available to submit a proposal or fewer than three (3) vendors submit proposals. In such cases, the General Manager shall justify the reason(s) three vendors could not be solicited with written documentation retained in the project file.

The contract shall be awarded to the lowest responsible, responsive bidder in accordance with the Public Contract Code. Written entries documenting that the required bidding process has been followed shall be entered in the project file and a copy of the Board Report and contract shall be saved in the District files. Following Board approval, the General Manager shall then execute the contract.

1. Alternative Selection Procedure for Expenditures Exceeding \$10,000

When the District is seeking a unique solution to a problem or situation that cannot necessarily be resolved by the lowest bidder (i.e. when the methods, approaches, and procedures to be used in performing the work are of primary importance), a "Point Count/High Score" method of selecting a proposal may be utilized. Before soliciting proposals, the District must determine the method of evaluation and include the appropriate information in the request for proposal. If a "Point Count/ High Score" method will be used, a comprehensive evaluation plan must be developed and finalized. All rating and scoring factors that are to be considered must be included. criteria for considering costs must be developed, and the evaluation plan must provide for a fair and equitable evaluation of all proposals. Scoring factors must take into consideration cost and that factor cannot be less than 30% of the total points available. Proposals received under this method shall first be evaluated to determine whether they were received in time and in the manner prescribed to determine which ones meet the format requirements specified in the request for proposal. Those proposals that meet the format requirements shall then be submitted to an evaluation committee which shall be comprised of the General Manager and one Board member. The evaluation committee will evaluate and score the proposals using the methods specified in the request for proposal. The contract must be awarded to the responsible, responsive proposal given the highest score by the evaluation committee.

Note: Invitation for Bids are typically used to obtain simple, common, or routine services that may require personal or mechanical skills (i.e. little discretion is used in performing the work). Requests for Proposals are used to obtain complex services in which professional expertise is needed and may vary. Requests for Proposals that will utilize the alternative selection procedure should be used only to obtain very complex and/or unique services in which professional expertise and methods vary greatly or creative/innovative approaches are needed. (i.e. public relations, advertising, complex research projects)

C. Solicitation of Three Verbal Quotes for Expenditures Exceeding \$5,000 but Not Exceeding \$10,000

When any expenditure is expected to exceed \$5,000 but not exceed \$10,000, the General Manager or designee shall solicit a minimum of three (3) verbal quotes to provide the goods or services. Written entries documenting that three verbal quotes were solicited shall be made in the project file.

The contract shall be awarded to the lowest responsible, responsive bidder in accordance with the Public Contract Code. Written entries documenting that the required bidding process has been followed shall be entered in the project file, and a copy of the Board Report and contract shall be saved in the District files. Following Board approval, the General Manager shall then execute the contract.

D. Expenditures Not Exceeding \$5,000

The General Manager or designee shall obtain competitive cost information, whenever reasonably feasible, for any District purchase even though formal cost quotations are not required for goods or services costing \$5,000 or less. The General Manager shall approve the payment.

1920.04. Exceptions to Standard Purchasing Procedures.

A. Public Projects.

On June 11, 2014, the District passed Resolution No. 14-363 adopting the Uniform Public Construction Cost Accounting Procedures (California Public Contract Code § 22000 et seq.) in the contracting for construction of “public projects.” The District is therefore subject to the uniform construction cost account procedures set forth in Pub. Con. Code § 22000 et seq. and incorporates the procedures set forth therein to this policy manual. “Public project” means any of the following: (1) Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility; (2) painting or repainting of any publicly owned, leased, or operated facility.

B. Emergency Conditions

An emergency is defined as a breakdown in machinery and/or equipment resulting in the inability of the District to provide essential services, or a threat to public health, safety, or welfare, including, but not limited to, threatened damage to natural resources or an imminent threat of injury or damage to any person or property.

In the case of such an emergency, the formal RFP process is suspended. The General Manager or his/her designee shall secure, in the open market, at the lowest obtainable price, any services, supplies, material, or labor required to respond to the emergency. The Purchase Order should indicate "Emergency Conditions" with written documentation of the nature of the emergency and lowest obtainable price information. The General Manager shall consult with two Board members prior to taking significant action.

In the case of a natural disaster or for civil defense, nothing contained in this Policy shall limit the authority of the General Manager to make purchases and take necessary emergency steps.

C. Limited Availability/Sole Source

Occasionally, necessary supplies, material, equipment, or services are of a unique type, are of a proprietary nature, or are otherwise of such a specific design or construction, or are specifically necessary for purposes of maintaining cost-effective system consistency so as to be available from only one source. The General Manager may dispense with the requirement of competitive bids and recommend negotiating a fair price and making the purchase from a sole source if, after reasonable efforts by District staff to find alternative suppliers, there exists only a single source. Alternatively, if reasonable efforts by District staff to identify three vendors or contractors as applicable under this policy are unsuccessful, the General Manager may authorize a limited availability bidding process with fewer than three (3) vendors or contractors. The basis for the sole source recommendation shall be documented in writing on the contract or purchase order and approved, in advance, by the Board for purchases exceeding \$150,000, and the General Manager or other authorized District staff, under this policy for purchases not exceeding \$10,000.

D. Cooperative Purchasing

The District shall have the authority to join in cooperative purchasing agreements with other public agencies (e.g. the State of California or other counties, cities, or special districts) to purchase goods or services at a price established by that agency through a competitive bidding process consistent with California public bidding requirements. The Board may authorize participation in cooperative purchasing agreements.

E. Professional Consultant Services

1. Definition and Restrictions

Professional consultant services are of a technical and professional nature and, due to the nature of the services to be provided, do not readily fall within the "low bid" competitive bidding process. California Government Code Section 4525 et. seq. ~~In addition, State law~~ requires that selection of professional consultants in the categories of architects, landscape architects, engineers, surveyors, and environmental consulting be made on the basis of demonstrated competence and the professional qualifications necessary for the satisfactory performance of the required services. Professional consultants should be individually selected for a

specific project or problem with the objective of selecting the most qualified consultant at a price that is fair and reasonable. Professional service agreements shall not be split into smaller units, nor shall contract amendments be used, for the purpose of circumvention of the expenditure limits of this Policy.

As used in this Policy, "professional consultant service agreement" shall mean and include all professional services provided by the same consultant that are provided as part of or related to the same project or program for which the consultant is being retained. Consultants who are retained to provide services on an ongoing basis, such as geotechnical peer reviews of District projects, shall be retained by means of an annual service agreement unless an agreement providing for renewal or extension of services has been approved.

- a. For selection of architects, landscape architects, engineers, surveyors, and environmental consultants the following procedures shall apply unless the services needed from such consultants are of a technical nature or involve little professional judgment.

Cost is not to be included in the Request for Proposal (RFP). Only after a firm is selected, is compensation negotiated. The scope of work is the basis for negotiations for payment. If the parties cannot agree on fair compensation, negotiations may be formally terminated with the firm considered most qualified and may be commenced with the second highest-rated firm. Such procedure may be repeated until an agreement is reached with a qualified firm.

Alternatively, a fee or cost estimate can be requested at the time of the RFP by requiring it to be provided in a separate, sealed envelope. The fee estimate will only be opened after selecting the successful consulting firm.

- b. For consultants who do not fall under the qualifications-based selection method described above, or where the services needed from the vendors listed above are of a technical nature and involve little professional judgment, cost can be included in the RFQ/RFP and used in ranking the consultants for selection. Examples of such consultants include, but are not limited to: training, safety, recruitment, personnel services, economic analysis, city and regional planning, property appraisals/analysis, property acquisition, title insurance, facilitators, legal services, financial services, and data processing.

2. Selection Procedures for Professional Services in Excess of \$50,000

When the cost for professional services is expected to be in excess of \$50,000, the District shall prepare a Request for Proposal (RFP) which should request the professional's qualifications, relevant experience, described approach, staffing and support. The proposal should outline the terms, conditions and specifications of the services required by the District. District staff will review the proposals received rank the consultants based upon the following criteria and invite the most qualified firms for interviews:

- a. ability of the consultants to perform the specific tasks outlined in the RFP,
- b. qualifications of the specific individuals who will work on the project,

- c. quantity and quality of time key personnel will be involved in their respective portions of the project,
- d. reasonableness of the fee requested to do the work; comparability of fee to similar services offered by other qualified consultants (except where fee is to be negotiated later),
- e. demonstrated record of success by the consultant on work previously performed for the District or for other public agencies or enterprises,
- f. the specific method and techniques to be employed by the consultant on the project or problem,
- g. ability of the consultant to provide appropriate insurance in adequate amounts, including errors and omissions if applicable,
- h. responsiveness to the RFP.

The report to the Board shall summarize the basis for staff's consultant selection recommendation and the ranking of the consultants based upon these criteria. Following Board approval, the General Manager and one Board member shall then execute the contract.

3. Selection Procedures for Professional Services in Excess of \$10,000 but Not Exceeding \$50,000

District staff shall solicit written proposals from a minimum of three (3) qualified consultants. A formal RFP is not required. There may be special circumstances, however, when fewer than three (3) vendors are available to submit a proposal or fewer than three (3) vendors submit proposals. In such cases, the General Manager shall justify the reason(s) three (3) vendors could not be solicited, with written documentation retained in the project file.

The selection shall be based upon the criteria noted in Section 2 above. The General Manager or his/her authorized designee may approve the selection and execute the agreement. The ranking and selection recommendation, based upon these criteria and the written proposal information, shall be documented in the project file. Following Board approval, the General Manager shall then execute the contract.

4. Selection Procedures for Professional Services in Excess of \$5,000 Not Exceeding \$10,000

Formal RFP's are not required for professional services in excess of \$5,000 and not exceeding \$10,000. District staff may select a consultant from a pre-qualified consultant file, if available. District staff shall contact at least three (3) qualified consultants and request an informal written proposal or verbal proposals. There may be special circumstances, however, when fewer than three (3) vendors are available to submit a proposal or fewer than three (3) vendors submit proposals. In such cases, the General Manager shall justify the reason(s) three vendors could not be solicited, with written documentation retained in the project file.

The selection shall be based upon the criteria noted in Section 2 above. Notations documenting the proposals and reasons for selection shall be made in the project file. Following Board approval, the General Manager shall then execute the agreement.

5. Selection Procedure for Professional Services Not Exceeding \$5,000

Formal RFP's are not required for professional services \$5,000 or under. District staff may select a consultant from a prequalified consultant file, if available. The General Manager shall approve the selection.

6. Renewal of Contracts with Professional Consultants

The District may, after following required consultant selection procedures, enter into consultant agreements which contain provisions authorizing their extension or renewal. Recommendations to extend or renew an existing contract with a professional consultant should include a written evaluation of the work performed by the consultant as well as a determination that the rationale for providing for the renewal option in the existing contract remains valid and that the fees being charged are comparable to fees for similar services offered by other consultants at the time of renewal or extension. If the total amount of the contract renewal does not exceed \$25,000, the General Manager or his/her authorized designee may execute a contract amendment to formalize the renewal. If the total amount of the original agreement and any amendments exceed \$25,000, prior Board approval must be obtained.

7. Conflict of Law

These procedures are not applicable where superseded by local, state, or federal law; where the terms of grant funding provide for the use of other consultant selection procedures; or where the District is obligated to select consultants through the use of different procedures, such as the requirements of an insurance or self-insurance program.

8. Special Circumstances

These professional consultant selection procedures are not applicable when three (3) qualified professional service firms or individuals are unavailable, or if it is appropriate and in the best interest of the District under the specific circumstances of the project at issue to limit the number of consultants solicited. Examples of such specific circumstances may include the following: the need to take immediate action on a project precludes the District's ability to follow these procedures; the absence of any fiscal or competitive advantage in following these procedures; only one consultant is known to be available and capable of providing needed services within the required time; the services to be provided are so unique that only one known consultant is qualified and available to perform them; or the terms of a legal mandate or negotiated agreement require the use of a particular consultant. The basis for such action shall be documented in writing and noted in the contract and approved by the General Manager. When Board approval is required, the documented basis for such action shall be included in the report to the Board.

9. Prequalified Consultant File

District staff may maintain a current file of consultants in their appropriate professional services categories after the selection procedures have been followed in this policy and a determination made that a consultant is qualified and competent. District staff may maintain this “prequalified consultant” file for a period of two (2) years from determination of the qualification of such consultant. The District may select a prequalified consultant from this file for services.

F. Open Purchase Orders for Routine and Repetitive Supplies and Services

Open purchase orders may be entered into with vendors who are expected to supply routine services, supplies, materials, or labor to the District on a regular basis throughout the fiscal year (such as gasoline, diskings, road maintenance, vehicle maintenance, printing, office supplies, office machinery maintenance, computers, ergonomic equipment, field hardware, resource management supplies). Such open purchase orders should normally be closed at the conclusion of each fiscal year.

1. Competitive Bidding Procedures

Vendors of repetitive supplies and services shall be selected through the competitive procedures set out above, based upon the anticipated or budgeted cumulative cost of the supply or service. When competitive bidding procedures cannot feasibly be done due to the nature of the product to be purchased, a comparison of vendors' prices on representative sample items will be made and staff will provide written documentation of the price quotations used to select the vendor with the lowest cost. In the event that the vendor selected for repetitive supplies and services ceases to provide competitive costs for supplies or adequate services during the fiscal year, the District may replace that vendor with the next lowest cost vendor who participated in the cost comparison.

2. Multi-year Contracts

Multi-year contracts shall be selected through the competitive procedures set out above, based upon the anticipated or budgeted cumulative cost of the supply or service over the course of the contract. Multi-year contracts can be let only when it is documented that it is appropriate and necessary to secure the best pricing or assure continuity of service. Whenever feasible, multi-year contracts for service or supplies shall provide that the option to renew or extend the contract is at the District's sole discretion.

19.05 General Provisions.

A. Conflict of Interest

No District staff member or elected official shall be financially interested, directly or indirectly, in any purchase, contract, sale, or transaction to which the District is a party and that comes before said official or staff member for recommendation or action. Any purchase, contract, sale, or transaction in which any staff or official is financially interested shall become void at the election of the District. No staff member or elected official shall realize any personal gain from any purchase, contract, sale, or transaction involving the District. When any staff member is in doubt as to whether there exists a conflict of interest, that staff member shall consult

with the District Counsel, and, if necessary, alternative actions may be taken to facilitate the purchase.

B. Purchase of Recycled Products

District staff shall purchase recycled products whenever such products are available at equal cost to non-recycled products and when suitability and quality are equal. When recycled products are used, the supplier shall label the products to indicate that they contain recycled materials and specify the minimum percentage of recycled material in the products.

C. Violations of This Policy

Staff members are subject to disciplinary action up to and including termination for violation of this Policy.

Section 20.00 needs to be approved by the County of Board of Supervisors. This policy is tentatively on their agenda for March, 2019. The language in portions of this document could be modified after the County approves it. Section 20.00 will be revisited after County's approval.

SECTION 20.00 Conflict of Interest Policy

Section 20.01. Conflict of Interest Code.

The Political Reform Act, Government Code Section 81000 requires local agencies to adopt and promulgate Conflicts of Interest Codes. The District approved Resolution 18-XXX, attached here as Appendix 1, which adopted the conflict of interest regulations included in 2 Cal. Code of Regs. §18730 (the "Resolution.") The Resolution and the regulations of 2 Cal. Code of Regs. 18730, reproduced below, constitute the Conflict of Interest Code and policies for the District.

Conflict of Interest Regulations

A. Incorporation of this Regulation – Adoption of Conflict of Interest Code

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Exhibit referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

B. Conflict of Interest Code

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions. The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees. The persons holding positions listed in the Exhibit are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories. This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

(C) The filing officer is the same for both agencies.¹

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Exhibit specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Exhibit. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing. The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.²

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following his or her return to office, provided the person, or someone

authorized to represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that he or she is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of his or her military status.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office. Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

- (1) File a written resignation with the appointing power; and
- (2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements. Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

(D) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting. Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure. When an investment or an interest in real property³ is required to be reported,⁴ the statement shall contain the following:

1. A statement of the nature of the investment or interest;

2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;

3. The address or other precise location of the real property;

4. A statement whether the fair market value of the investment or interest in real property equals or exceeds \$2,000, exceeds \$10,000, exceeds \$100,000, or exceeds \$1,000,000.

(B) Personal Income Disclosure. When personal income is required to be reported,⁵ the statement shall contain:

1. The name and address of each source of income aggregating \$500 or more in value, or \$50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;

2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was \$1,000 or less, greater than \$1,000, greater than \$10,000, or greater than \$100,000;

3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁶ the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than \$10,000.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

(C) Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.

(D) This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$470.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$470 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

(C) Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew,

niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed \$500 at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of \$500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of \$100 or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than \$250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification. No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth \$2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth \$2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating \$500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$470 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation. No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees. In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$1,000 or more.

(10) Section 10. Disclosure of Disqualifying Interest. When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel. Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations. This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative,

criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.

1 Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.

2 See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

3 For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

4 Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

5 A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

6 Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Section 20.02. Statement of Economic Interest. Board members and staff shall file statements of economic interests with the Clerk of the County of San Luis Obispo.

Appendix 1 to Section 20.01 – Conflict of Interest Policy

Conflict of Interest Resolution Adopted by the Board
[to be inserted upon County approval and Board approval]

RESOLUTION NO. 19-XXX

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN SIMEON COMMUNITY SERVICES DISTRICT
AMENDING THE SAN SIMEON COMMUNITY SERVICES DISTRICT
CONFLICT OF INTEREST CODE**

WHEREAS, the Political Reform Act, Government code Section 81000, et seq., requires that state and local public agencies adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Fair Political Practices Commission ("FPPC") has adopted a model Conflict of Interest Code for consideration by local governments, set forth at Title 2 California Code of regulations, Section 18730, and to which future amendments may be adopted by the FPPC; and

WHEREAS, the Board of Directors of the San Simeon Community Services District ("District") adopted and incorporated by reference the terms of California Code of Regulations, Title 2, Section 18730 on October 8, 2014; and

WHEREAS, pursuant to Government Code Section 87306.5, the District is required to review its Conflict of Interest Code each even-numbered year and if a change to its code is necessary, the agency must submit an amended conflict of interest code to the reviewing body; and

WHEREAS, the Board of Directors wishes to submit an amended Conflict of Interest Code to the County Board of Supervisors, pursuant to Government Code Section 87303.

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

1. All previously adopted resolutions and policies regarding the creation of a District Conflict of Interest Code are hereby repealed.
2. The terms of California Code of Regulations, Title 2, Section 18730 and any and all amendments duly adopted by the FPPC, are hereby adopted and incorporated by reference by and for the use of this District and shall constitute the District's Conflict of Interest Code for the designated positions described on Exhibit "A" and disclosure categories set forth on Exhibit "B".

Upon motion of Director _____ seconded by Director _____ and on the following roll call vote to wit:

AYES:	NOES:
ABSTAIN:	ABSENT:

The foregoing resolution is hereby adopted this ____ day of _____, 2019.

Chairperson of the Board of Directors

ATTEST:

Charles Grace
General Manager/ Secretary SSCSD

**San Simeon Community Services District
Conflict of Interest Code**

EXHIBIT "A"

**LIST OF DESIGNATED POSITIONS SUBJECT TO THE PROVISIONS
OF THE
DISTRICT'S CONFLICT OF INTEREST CODE**

I. DESIGNATED POSITIONS

The persons occupying the positions listed below are hereby considered designated officers and positions and are deemed to make, or participate in the making of, decisions, which may have a material effect on a financial interest.

DESIGNATED POSITION	ASSIGNED DISCLOSURE CATEGORIES
District Legal Counsel	1, 2, 3
Office Manager	1, 2, 3

II. OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Disclosure is required of the following positions and shall be provided as stated in Government Code section 87200:

DESIGNATED POSITION	ASSIGNED DISCLOSURE CATEGORIES
Members of the Board of Directors	As provided in Government Code § 87200
General Manager	As provided in Government Code § 87200

**San Simeon Community Services District
Conflict of Interest Code**

EXHIBIT "B"

DISCLOSURE CATEGORIES

Category Number:

Category 1: All persons in this disclosure category shall disclose all interests in real property located in the District or within two miles of the District's boundaries. This disclosure is not applicable to the person's principal residence or real property interests with a fair market value of less than \$2,000.

Category 2: All persons in this disclosure category shall disclose all investments in business entities and business positions in business entities that have an interest in real property in the District, or that have done business with the District during the year prior to the date of the person's disclosure statement, or that are likely to do business with District during the year subsequent to the date of the person's disclosure statement. This disclosure category is not applicable to investments with a fair market value of less than \$2,000.

Category 3: All persons in this disclosure category shall disclose all sources of personal and business entity income from entities that provide services, materials, machinery equipment, or supplies of the type utilized by the District or that are located within the District, including gifts, loans and travel payments. This disclosure category is not applicable to income received from the District.

For purposes of these categories, investment or interest means any investment or interest owned by the spouse, registered partner or dependent child of a public official, by an agent on behalf of a public official, or by a business entity or trust in which the official, the official's agents, spouse, registered partner and dependent children own directly, indirectly, or beneficially a 10-percent interest or greater.

Consultants. "Consultant" means an individual who, pursuant to a contract with the District, either: (A) Makes a governmental decision whether to (1) approve a rate, rule, or regulation; (2) adopt or enforce a law; (3) issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (4) authorize the District to enter into, modify, or renew a contract provided it is the type of contract that requires District approval; (5) grant District approval to a contract that requires District approval and to which the District is a party, or to the specifications for such a contract; (6) grant District approval to a plan, design, report, study, or similar item; or (7) adopt or grant District approval of policies, standards, or guidelines for the agency, or for any subdivision thereof; or (8) Serves in a staff capacity with the District and in that capacity participates in making a governmental decision as defined in California Code of Regulations, title 2, section 18702.2 or performs the same or substantially all the same duties for the District that would otherwise be performed by an individual holding a position specified in the District's conflict of interest code. (California Code of Regulations, title 2, section 18700.3)

"Consultants" are included in the list of designated positions and must disclose interests and investments in accordance with the broadest disclosure category in the District's conflict of interest code, subject to the following limitation: The General Manager may determine in writing that a particular consultant, although a "consultant" and "designated position," nevertheless is hired or retained to perform a range of duties that is limited in scope and therefore is not required to fully comply with the disclosure requirements

described in this section. The General Manager's written determination shall include a description of the consultant's duties, and, based on that description, a statement of the extent of disclosure requirements. The written determination is a public record and shall be retained for public inspection in the same manner and location as the District's conflict of interest code.

SECTION 21.00 Social Media Policy

21.01 Purpose. ~~Social media can be a fun and rewarding way to share one's life and opinions with family, friends and co-workers around the world.~~ The District respects the right of the Board of Directors and District personnel (collectively, "Staff Members") to use social media as a medium of self-expression. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist Staff Members in making responsible decisions about their use of social media, the District has established these guidelines for appropriate use of social media. All Staff Members need to follow these requirements when posting on social media.

21.02 Guidelines.

1. **Social Media.** ~~In the rapidly expanding world of electronic communication, social media can mean many things.~~ Social media includes all means of communicating or posting information or content of any sort on the Internet, including to a Staff Member's own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with the District, as well as any other form of electronic communication.
2. **Follow District Rules.** Staff Members should carefully read these guidelines and the District's overall Board policies, including (but not limited to) the Sections on: Board Conduct, Conflict of Interest Policy, Anti-Discrimination, and Anti-Harassment Policy, and ensure their postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct may subject Staff Members to disciplinary action up to and including termination.
3. **District Business.** District emails and computers are limited to conducting District business and are not to be used for personal social media. Staff Members must never use their District e-mail account or password in conjunction with a social media site. All data contained in the District's computer network systems is owned by and is the intellectual property of the District. Staff Members should not have an expectation of privacy with respect to information or communications that they post using the District's computers or networks. The District has the right to monitor all activity on its equipment and systems.
4. **Disclosures.** Social media should remain personal in nature and be used to share personal opinions or non-District related information. Staff Members who use social media to comment on District business should:
 - i. Neither claim nor imply that the Staff Member is speaking on behalf of the District. (Please refer to 32.04)
 - ii. Use a disclaimer to indicate the views expressed are the Staff Member's own, such as: "The postings on this site are my own and don't reflect or represent the opinions of the San Simeon Community Services District."

5. Exercise Best Judgement and Discretion.
 - i. Staff Members should be fair and courteous to other Staff Members, District clients, members of the public and individuals working on behalf of the District.
 - ii. Keep in mind you are more likely to resolve work-related issues by speaking directly to the individual or by utilizing the District's procedures for raising concerns or complaints (i.e., the District's Complaints/Claims, or for concerns involving suspected harassment, discrimination or retaliation, by using the complaint reporting procedure described in the Anti-Discrimination and Anti-Harassment Policy).
 - iii. Staff Members should avoid using statements, photographs, video or audio that reasonably could be viewed as obscene or contributing to a hostile work environment on the basis of race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation or any other status protected by law or District policy.
6. Be Honest and Accurate. Strive for accuracy and full disclosure in any social media post. Include a link to your sources of information. If you make a mistake, correct the information or retract it promptly. Remember the Internet archives almost everything; even deleted postings can be searched. Never post any information or rumors that you know to be false or inaccurate about the District, co-workers, District clients or individuals working on behalf of the District.
7. Maintain Confidential Information. Staff Members must not disclose or discuss the confidential, sensitive and/or proprietary information of the District and/or its officials, officers, other Staff Members, agents, customers or volunteers. For example, do not disclose another individual's social security number, medical, or financial information.
8. Do Not Promote the District Anonymously. Staff Members should not create a link from their blog, website, or other social networking site to the District's website without identifying themselves as a Staff Member. In addition, they must use their best judgment and exercise discretion when linking to people on social media sites. Other Staff Members and members of the public may see Staff Member connections and make judgments about them or their work.
9. Additional Considerations.
 - i. Staff Members are free to express themselves as private citizens on social media to the degree that such speech does not impair or impede the performance of District duties, impair discipline and harmony among Staff Members, or negatively affect the public perception of the District.
 - ii. The same principles and guidelines found in the District's policies apply to Staff Members' activities online. Before creating online content, Staff Members should consider some of the risks and rewards that are involved. Staff Member conduct that adversely affects job performance, the performance of fellow Staff Members, or otherwise adversely affects members of the public served by the District, suppliers, people who work on behalf of the District, or the District's legitimate business interests may result in disciplinary action up to and including termination.

- iii. Staff Members should not display District logos or similar identifying items on personal webpages without prior written permission of the Board or their designee.

SECTION 22.00 Applying for Grants Policy

22.01 Purpose. Grants are contracts or agreements whereby the District receives funding from an outside agency to subsidize a District project or program, and for which the District has fiduciary oversight responsibility.

It shall be the policy of the District to identify and apply for grants that provide additional financial resources to the District to assist in carrying out its projects and programs. This Policy has been adopted by the Board of Directors to clarify responsibility and authority for applying for grants and to provide that all grants awarded to the District have been thoroughly researched, are financially feasible for the District, and do not create unforeseen financial or other burdens.

22.02 Policy. When submitting requests for grant funding, it shall be the policy of the District to solicit funds for projects or programs that are consistent with the goals of the District and to make sure that the nature of the grant is such that it can be administered in an efficient manner. Accordingly, the General Manager, or said designee has responsibility for applying for external funding for projects and programs subject to the provisions of this policy.

Prior to application submission, all grant applications must be reviewed by the General Manager who shall provide a report and recommendation regarding:

1. consistency with overall program goals of the District,
2. local match requirements and/or other budget impacts,
3. staff/personnel requirements to implement objectives of the grant, and
4. identification of responsible staff for program and fiscal monitoring.

All grant applications shall be reviewed and approved by the Board of Directors. After the grant application is submitted, the submittal shall be reported to the Board of Directors. The General Manager, or said designee, has the authority to approve, through signature, the submission of grant applications, the acceptance of grant awards, and the execution of grant contracts and grant agreements once the grant application has been approved by the Board of Directors.

Any grant that is proposed to be applied for that could have a significant financial impact on the District, including those with matching requirements, must first be submitted to the Budget/Finances Committee for review. The General Manager shall also consult with the Budget/Finances Committee regarding any concerns relating to budget impacts, ability to meet funding matches, financial reporting requirements, and related matters.

Grant applications often require the name and contact information for the "Project Administrator" or a similar title representing the senior authority for the District. In these cases the name and requested information of the General Manager, or said designee, shall be provided.