

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, March 11, 2020
2:00 pm

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

1. REGULAR SESSION: @ 2:02 PM

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|---|---|
| <p>A. Chairperson McGuire – Present
Vice-Chairperson Kellas – Present
Director Russell – Present
Director Carson – Present
Director Maurer – Present</p> | <p>General Manager, Charlie Grace
District Counsel, Natalie Frye Laacke</p> |
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2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:

Public Comment – Henry Krzciuk suggested a backup agreement between the Cambria CSD and the San Simeon CSD should there be a need for emergency backup in the case of a COVID-19 quarantine. He asked the Board to vote to put this item on the agenda because it was an emergency.

The Board members declined to add this item to the agenda. Director Carson, Vice-Chairperson Kellas, and Charlie Grace commented that the District was already prepared and that the necessary steps were already in place for the District.

Mike Hanchett commented that he agreed with the Board members' decision.

3. SPECIAL PRESENTATIONS AND REPORTS:

A. STAFF REPORTS:

- i. Sheriff's Report** – Commander Nelson provided the report for February.
- ii. Superintendent's Report** – Jerry Copeland provided a summary of February activities. He also introduced Steve Orellana, a new Grace Environmental Services employee, who will work in water and wastewater operations.
- iii. General Manager's Report** – Charlie Grace provided a summary of February activities.
- iv. District Financial Summary** – Cortney Murguia provided a summary of the District financials.
- v. District Counsel's Report** – Natalie Frye Laacke provided the monthly summary for February activities.

B. BOARD OF DIRECTORS AND COMMITTEE REPORTS: None

C. SPECIAL PRESENTATION: None

D. PUBLIC COMMENTS ON SPECIAL PRESENTATIONS AND REPORTS:

Public Comment – Henry Krzciuk commented that if the District was going to obtain solid waste authority from LAFCO then the District should refund the rate payers the \$27,000.00 in revenue this action will generate. He also questioned the request for proposal (RFP) for the CEQA related to lifting the moratorium and asked about the cost of the services.

Staff and the Board members did not reply to his questions.

Henry Krzciuk commented that the website was not complete and there were still several issues with the site. He asked the Board to refuse to pay the \$400 monthly service fee to the web company.

Staff replied with an explanation of what the \$400 service fee entailed and explained that the delay in placing all missing items onto the website was a result of staff not having the time to provide Simply Clear Marketing with the necessary information.

4. CONSENT AGENDA ITEMS:

Public Comment -

A. Review and approval of Minutes for the Special Meeting on February 12, 2020.

There were no minutes to review.

B. Review and approval of Disbursements Journal.

A motion was made to approve the Disbursements journal.

Motion by: Director Russell

2nd: Vice-Chairperson Kellas

All in: 5 /0

5. BUSINESS ITEMS:

Public Comment – None

A. Authorization for the General Manager to obtain Lost Coast Painting to perform tasks related to interior painting of the reverse osmosis building not to exceed the amount of \$6,500.00.

Chairperson McGuire introduced the item. She also mentioned that she was still in favor of having Beltran Painting paint the interior of the building.

A motion was made to authorize the General Manager to obtain Lost Coast Painting to paint the reverse osmosis not to exceed the amount of \$6500.00.

Motion by: Vice-Chairperson Kellas

2nd: Director Russell

All in: 4 /1

Opposed: Chairperson McGuire

B. Discussion regarding moving the start time of the regular Board meeting time from 2 pm to a later start time.

Chairperson McGuire introduced the item.

Henry Krzciuk stated that he was in agreement with the change in meeting time.

A motion was made to change the meeting start time from 2:00pm to 3:00 pm.

Motion by: Vice-Chairperson Kellas

2nd: Chairperson McGuire

All in: 5 /0

C. Authorization for the General Manager to obtain RNM Engineering Inc. to provide electrical engineering to design and provide specification for a distribution pump generator outlet and transfer switch not to exceed the amount of \$3,300.00.

Chairperson McGuire introduced the item.

Director Russell and Charlie Grace discussed the project and specifics related to engineering components of the project. Director Russell suggested that the District may wish to look into having an engineer on staff for the District.

A motion was made to authorize the General Manager to obtain RNM Engineering Inc. to provide the electrical engineering work not to exceed the amount of \$4,000.00.

Motion by: Vice-Chairperson Kellas

2nd: Chairperson McGuire

All in: 5 /0

D. Direction to staff regarding real property offer for A.P.N. 013.091.027.

Chairperson McGuire introduced the item.

There was discussion between Vice-Chairperson Kellas, Director Russell, and Charlie Grace related to ownership of the easements and other questions related to the property.

Director Carson stated that he had a business relationship with the property owner and asked counsel if he should recuse himself.

Natalie Frye Laacke responded that since Director Carson would have no monetary gain from the potential sale of the property that a conflict did not exist. She also explained that transparency about any potential conflicts was a good practice for the Board members to engage in.

Henry Krzciuk provided a handout to the Board members. He stated that the water storage tanks should be placed on this property and reviewed the information on his handout.

Director Russell and Charlie Grace discussed how the District would be able to maintain water pressure if the tanks were located on this parcel and what the costs would be to install a pressure booster.

A motion was made to direct staff to get an appraisal for the property and obtain additional information related to who the owner of the 27ft easement located within the property is.

Motion by: Vice-Chairperson Kellas

2nd: Director Maurer

All in: 4 /1

Director Carson recused himself from the vote.

E. Direction regarding infrastructure ad-hoc committee and WWTP relocation options.

Vice-Chairperson Kellas introduced the item. She explained that the initial proposal on the table was based on Direction that Supervisor Gibson had provided. Cambria would send brine from their emergency water supply project to San Simeon to be disposed of via the outfall line. In return San Simeon would send their wastewater to Cambria to be disposed of. Vice-Chairperson Kellas explained that the SSCSD ad-hoc committee had several concerns related to this concept based on financial concerns and the fact that the SSCSD wastewater plant was in top notch condition and had no operational issues. She further stated that Cambria was currently involved in several lawsuits and that their plant needed 21 million dollars in repairs. Additionally, Cambria had issues with the permitting related to their emergency water supply project. There are also concerns related to the environmental impacts of this potential agreement. Based on these issues the ad-hoc committee was recommending that San Simeon pursue their own regional plant in San Simeon.

Director Carson, Vice-Chairperson Kellas, and Chairperson McGuire discussed the requirements that were part of the special conditions and what the Coastal Commission had directed the SSCSD to do.

Mike Hanchett spoke to the Board and stated that he concurred with Board members determination that the District should pursue a regional plant within the community of San Simeon.

Chairperson McGuire made a motion that the ad-hoc committee return to Cambria and discuss the issues that Vice-Chairperson Kellas had discussed.

Motion by: Chairperson McGuire

2nd: Vice-Chairperson Kellas

All in: 5/0

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

Director Russell asked that on the next agenda an item be added related to the District having an engineer on staff.

Adjourn meeting to prepare for Closed Session @ 3:16 PM

7. CLOSED SESSION – 3:26 PM

RECONVENE TO OPEN SESSION – 3:45 PM

No reportable action was taken regarding this matter.

8. ADJOURNMENT @ 3:46 pm