



SAN MIGUEL COMMUNITY SERVICES DISTRICT BOARD OF DIRECTOR & GROUNDWATER SUSTAINABILITY AGENCY

Rod Smiley, President Raynette Gregory, Vice-President
Berkley Baker, Director Anthony Kalvans, Director Owen Davis, Director

**REGULAR BOARD OF DIRECTORS & GROUNDWATER SUSTAINABILITY AGENCY
MINUTES**

**6:00 P.M. Opened Session
SMCSD Boardroom 05-23-2024**

1. Call to Order:

At 6:01 P.M.

2. Roll Call: *Rod Smiley, Raynette Gregory, Anthony Kalvans, Owen Davis, Berkley Baker*

3. Approval of Regular Meeting Agenda:

Motion By: Anthony Kalvans

Second By: Berkley Baker

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			

4. Pledge of Allegiance:

Lead by Director Kalvans

5. Public Comment and Communications for items not on the agenda:

Greg Grewal, Creston Resident spoke about the Steinbeck redaction in financial documents and records requested.

Murray Powell, Templeton Resident spoke about Steinbeck redaction in financial documents.

6. Special Presentations/Public Hearings/Other:

- 1. Public Hearing: Consider adoption of RESOLUTION 2024-18 adopting the San Miguel Community Service District Fiscal Year 2024-25 SMCSD Operation and Maintenance and Capital Improvement Project Budgets.**

Hold Public Hearing regarding the DRAFT FINAL Fiscal Year 2024-25 Annual Budget; after Public Hearing approve RESOLUTION 2024-18 adopting SMCSO Operation and Maintenance, and Capital Improvement Project Budgets for FY 2024-25.

Director Smiley opened the Public Hearing relating to the District's proposed Resolution 2024-18 adopting the San Miguel CSD fiscal year 2024-25 Operations and Maintenance, and Capital Improvement Projects Budget. The item was presented by Financial Officer Michelle Hido, there are no changes to the proposed Budget from the first reading on April 25th. Mrs. Hido explained the budget process and the different reports in the proposed Budget presented. Mrs. Hido explained that the Final Budget was being presented for Board approval, and asked for any questions.

Director Smiley opened Public Comment

Public Comment: None

Director Smiley closed the Public Hearing

Board Comment: Director Baker asked about the "Street Lighting Study" on Page 13, and the Thirty-Thousand dollars allocated in the Lighting/Landscaping fund. General Manager Kelly Dodds explained that last year when the District started the rates study for the other utilities the Board also authorized a rate study for Lighting and Solid Waste. This study would be looking at what is being assessed on property taxes to see if it is appropriate across the different Tax Rate Areas (TRA) within San Miguel. This project has not started. Discussion ensued on what areas pay Street Lighting on their property taxes.

Director Gregory voiced that the Steinbeck cost have been redacted but does not remember that being the case over the years and explained that it is hard to approve something that has a redaction. District General Counsel Pritchard explained that the Board Members can have a unredacted copy, and that the redaction is due to ongoing litigation.

Director Davis voiced that he thinks the cost and information should be available for the public.

Discussion ensued about having a closed session item being discussed tonight.

Director Kalvans thanked the Financial Officer for the transparent Budget. Director Kalvans voiced that he would like to see the Capital Projects for Street Lighting and Landscaping, and would like to work on that in the future.

Motion By: Rod Smiley

Second By: Berkley Baker

Motion: To Approve Resolution 2024-18

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			

7. Non- District Reports:

1. San Luis Obispo County Organizations

Verbal/Report

Commander Manuele from the San Luis Obispo County Sheriff North station introduced

Sergeant Lynn and gave a report on the calls for service for April 2024. April 2024 North Station down -15% San Miguel up +4%.

Board Comment: Director Gregory asked about the service area, that the "calls for service" report is based on. Commander Manuele explained that San Miguel is a large area and not just the District boundaries.

Public Comment: None

2. Community Service Organizations

Verbal

Director Kalvans voiced that the San Miguel Lion's had their annual "Hamburger Feed" for Lillian Larsen Elementary School's Open House.

Scott Young President of the San Miguel Firefighters Association explained that Sagebrush Days had lighter than normal attendance. The San Miguel Firefighter are putting on a Blood Drive on May 28th, and Flags will be up for Memorial Day.

Director Kalvans asked Ed Engler if he had anything from the San Miguel Advisory Council. Mr. Engler was attending as a San Miguel resident.

Board Comment: Director Baker asked for clarification on Blood Drive donations. Fire Chief Young explained the process.

Public Comment: None

3. Camp Roberts—Army National Guard

Verbal

None

Public Comment: None

Board Comment: None

8. Staff & Committee Reports - Receive & File:

1. General Manager

Receive report

General Manager Kelly Dodds voiced that if anyone has any questions, comments, or complaints about District Operations he is available at the District Office or to call 805-467-3388 or email kelly.dodds@sanmiguelcsd.org.

Camp Roberts is scheduled to have a prescribed burn last week in May, and the District is hosting an air monitor for the Air Pollution Control District (APCD) during the prescribed burn to monitor air quality.

Fort Hunter Liggett in mid-May to end of June will be having their annual large scale Combat Training Exercise, and will have potential traffic delays and elevated aircraft traffic and noise levels due to ongoing training activities.

Low Income Household Water Assistance Program (LIHWAP) administered through CAPSLO has found some extra funds, and the District was able to receive an additional \$198.00 in funding to apply the each of the 23 customers, that had already applied and received funds through the program.

IWMA had their annual Solid Waste Summit Mrs. Parent attended on behalf of the District and there is a lot of information regarding regulations coming to California in the next few years. The big news from the Summit is that the IWMA fee of 5.4%, was lowered to 4.4% temporarily through the end of this fiscal year and is now proposing a reduction to 3.0% temporarily through the end of next fiscal year or until a formal rate study is completed and a more stable rate structure is adopted.

The San Miguel CSD Board of Directors have three (3) seats up for election, please contact

the San Luis Obispo County Clerk Recorder to make an appointment; more information is available at the District website. www.sanmiguelcsd.org

Board Comment: None

Public Comment: None

2. District Counsel

Receive verbal report

District General Counsel Pritchard, updated the Board of Director that she had meet with attorneys representing other agencies that are part of the Paso Basin Cooperative Committee (PBCC) to discuss how a future Joint Powers Authority (JPA) might be structured as was requested by the PBCC. The San Miguel Groundwater Sustainability Agency (SMGSA) should be receiving some additional information on that from counsel in the future. This is just beginning and the legalities on how it would work are being discussed.

Board Comment: None

Public Comment: None

3. District Utilities

Receive and file

General Manager Kelly Dodds submitted report as written and asked for any questions

Board Comment: Director Gregory asked about the past due water and sewer accounts, and the Payment Arrangement Agreements (PAA). General Manager Kelly Dodds explained that if you get a 60-day shut office notice for non-payment, that starts a 48 hour window before shut off. Payment Arrangements are offered to customers that are past due and in threat of having their water shut off. This stops the shut off, but if they do not follow the PAA, then the shut off process starts over.

Director Gregory asked about SB-54 and SB-343. It was explained that SB-54 "Plastic Pollution Prevention & Packaging Producer Responsibility Act's" goal is to have 65% plastic recycling by 2032 or items can not be sold in California. SB-343 "Truth in Labeling" law prohibition against mislabeling of products by Fall 2025.

Director Kalvans gave examples of why certain thing can not be recycled in San Luis Obispo County.

Public Comment: None

4. Fire Chief Report

Receive and File

Item Presented by Fire Chief Scott Young, explaining that Camp Roberts was putting on multiple Fire Operations Classes and that one fire was not a class but started at Range 18 during a training exercise. May 30th starts the annual impact burn. Smoke should be light, and Fire Chief Young expressed that a low call volume is a good thing.

Public Comment: None

9. Consent Calendar:

Board Comment: None

Public Comment: None

Motion By: Rod Smiley

Second By: Raynette Gregory

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			

- 1. 4-25-2024 Draft San Miguel CSD Board of Directors & Groundwater Sustainability Agency meeting minutes**
Receive and file

- 2. Consideration of RESOLUTION 2024-19 requesting consolidation of the San Miguel Community Services District’s Biennial Election with County’s November 5th, 2024, Consolidated General Election.**

Approve RESOLUTION 2024-19 requesting consolidation of the San Miguel Community Services District’s Biennial Election with the County’s November 5th, 2024, Consolidated General Election.

- 3. District Statement of Investment Policy for Fiscal Year 2024-25 (Annual Approval)**
Approve RESOLUTION 2024-20 adopting the annual Statement of Investment Policy to ensure compliance with State Government Code 53646

- 4. Drug and Alcohol Policy routine review and update to comply with current law and regulation - RESOLUTION 2024-22**
Approve RESOLUTION 2024-22 adopting revisions to the District Drug and Alcohol Policy.

10. Board Action Items:

- 1. Monthly Financial Reports for April 2024 (Recommend receive and file by Board consensus)**

Please *Review, Receive and File* the April 2024 SMCSO Financial Reports.

Item was presented by Financial Officer Michelle Hido, March Financials are on pages 107 to 154 with reports submitted as written. and asked for any questions.

Board Comment: Director Baker asked about Page 120, and what \$25,000 for turn-outs was? Fire Chief Scott Young explained that those are Firefighter turn-outs that were purchased through a Cal-Fire matching fund grant.

Director Baker asked what "Turn-Outs"actually are? Fire Chief Young explained that turn-outs are expensive Fire resistant gear that Firefighter's wear for structure fires, and emergency calls for their safety.

Public Comment: Murrey Powell, Templeton resident spoke about the April 2024 financials and expressed that the financials are redacted and therefore inaccurate.

Consensus of the Board is to receive and file April 2024 financials.

- 2. CONTINUATION OF DISCUSSION AND POTENTIAL ACTION REGARDING THE ADOPTION OF WATER RATES FROM SEPTEMBER 28TH 2023 BOARD**

MEETING

Pursuant to Article XIII (D) of the California Constitution that San Miguel Community Services District is continuing the discussion regarding the protest ballots submitted and will consider taking action to update the rate structure and increase its rates for water services. (Resolution 2024-01)

After Board and Public comment it is recommended that the Board approve RESOLUTION 2024-01 implementing the proposed rate schedule as outlined in Scenario 1 as proposed in the Proposition 218 process.

Item was presented by General Manager Kelly Dodds explaining that the District held a informal workshop on May 2nd, 2024 on the proposed Scenario 1 rates and Director Baker's rate proposal. The recommendation is to move forward with the proposed Scenario 1 rates with the following changes; start year one on July 16, 2024 and July 16th of each year after for four years not five.

Board Comment: Director Baker voiced that he is still opposed to the proposed Scenario 1 rates, and as explained previously does not feel the base price is high enough and is opposed to how the middle users will be seeing the larges increase. Director Baker voiced that he would like to either keep the current rates, and look at increasing by CPI, so that way everyone is getting the same percentage increase.

Director Gregory explained that they have taken a lot of time to consider and the Board needs to make a decision.

Director Kalvans asked about Director Baker's proposal and asked if he was still in favor of it.

Director Baker voiced that he liked it better than Scenario 1 and explained that it was an alternative.

Director Davis tried to make a motion to accept Director Bakers proposal. General Manager Kelly Dodds explained that public comment was still needed, and that the Board could give direction to start a Prop 218 process for Director Baker's proposal; but that Director Baker's rate proposal can not be adopted until it goes through the Prop 218 process.

District General Counsel Pritchard explained that at this point there is no actual nexus between Director Baker's rates and the actual services, and would likely not be defensible if challenged. If the Board wants to move forward with starting a new Prop 218 on those rates then we would need to agendize that for another meeting, because this action item was continued from previous meetings.

Public Comment: Ashley Sangster San Miguel resident spoke about the Proposed Scenario 1 rates having no nexus, due to them being applied indiscriminately with some customers getting a decrease well other are getting a significant increase. Director Baker's Proposal is more fair, and likes the ideas about using CPI because it matches inflation.

Jaclyn Clements, San Miguel resident spoke that in her opinion Director Baker's Proposal need to be investigated. Mrs. Clements expressed that everyone is feeling inflation, and that the Board needs to look at the average citizen of San Miguel.

Board Comment: Director Kalvans voiced that if the Board does consider redoing the Prop 218 for Directors Baker's Proposal, that he has a few other things he would like to look at. Director Kalvans would like to look at Capital Projects that have been discussed, fund the maintenance for water and sewer, water quality, and funding for long-term projects.

Director Gregory asked about the cost of a new Prop 218? General Manager Kelly Dodds explained that he would have to get the full cost. but the of a the Notice Requirement is around \$2,000.

Director Kalvans voiced that there are a lot of unknowns, he does not want to loose the

current Prop 218 and asked if it is passed could it be paused to go through the new Prop 218. Discussion ensued on Prop 218 requirements.

Director Smiley voiced that in his opinion the Board has talked through a lot of different scenarios, and had a workshop, and no one can say that it has not been considered.

Director Davis Motioned to stop the Proposed Scenario 1, and start a new Prop 218 with Director Baker's Proposal. Discussion ensued for clarification.

District General Counsel Pritchard explained after clarification of Director Davis's Motion that the way the Motion is can not be done. The motion needs to be restricted to the action item. It was explained that it has to be either moving forward with the Proposed Scenario 1 or rejecting the Proposed Scenario 1. Director Davis was asked if he would like to restate his motion.

Director Davis restated his motion to reject the Proposed Scenario 1 rate increase. Director Davis voiced that Director Kalvans should watch out with his vote, due to it being an election year.

Result: Failed/Tied

Responding to Director Davis Comment; Director Kalvans voiced that he has been continually harassed and that Director Davis has posted "Die Kalvans" on social media.

Director Smiley asked that public not speak, and to calm the discussion.

Director Kalvans voiced his frustrations about being repeatedly harassed by a fellow Director.

Director Smiley Motioned to adopt Proposed Scenario 1 rate increase.

Result: Failed/Tied

District General Counsel Pritchard voiced that the Board needs to provide direction to staff, and gave the Board options that would be appropriate.

General Manger explained that this item needs to be rejected, approved, or continued. Discussion on CPI ensued.

Director Baker asked what the cost would be to have the consultant to move forward with his proposal.

General Manager and District Counsel explained that the consultant would have to be asked, but a minimum of two-thousand dollars for noticing and printing the new Prop 218. Discussion on alternatives and cost ensued.

Director Baker voiced that he would like to get a price from consultant for his Proposal and to look at what CIP would be. Director Davis voicing that whatever Director Baker wants is what he wants.

General Manager Kelly Dodds stated for clarification; Director Baker and Director Davis are asking for the current rates with CPI increase, and for Director Baker's rates to come back to discuss the cost for moving forward with a Prop 218 for each.

District General Counsel Pritchard asked if the Board would like to bring back the current Proposed Scenario 1?

Director Kalvans motioned to continue to July 27th, 2024. Passed

Discussion ensued for clarification on what was coming back at the July 27th Board Meeting.

Motion By: Owen Davis

Second By: Berkley Baker

Motion: To Reject Proposed Scenario 1 rate increase

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			

Owen Davis	X			
Raynette Gregory		X		
Rod Smiley		X		
Anthony Kalvans			X	

Motion By: Rod Smiley

Second By: Raynette Gregory

Motion: To Approve Proposed Scenario 1

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Berkley Baker		X		
Owen Davis		X		
Anthony Kalvans			X	

Motion By: Anthony Kalvans

Second By: Owen Davis

Motion: To Continue to July 27th, 2024

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker		X		

3. Adopt revisions to District water and wastewater Billing policy - RESOLUTION 2024-02 (Recommend review and approve by 3/5 vote)

Review and approve RESOLUTION 2024-02 adopting revisions to the District water and wastewater billing policy.

Item presented by General Manager Kelly Dodds with recommendation to table to July 27th, 2024 after public comment by consensus.

Board Comment: None

Public Comment: Tammy (no last name given) San Miguel resident, asked if after the last meeting did the Board get together and discuss or not discussed from the last meeting? General Manager Kelly Dodds explained that the Board has not discussed since the workshop, because all Board discussions have to be done publicly.

4.

Approve RESOLUTION 2024-21 authorizing the abatement of weeds within the District boundaries. (Review and approve by 3/5 vote)

Discuss and consider objections to the “Notice to Remove, Destroy, and/or Abate Vegetation, Rubbish and Debris”, overrule any objections and adopt Resolution 2024-21 authorizing Fire Chief to have weed abatement work performed from attached list (Exhibit A)

Item presented by Fire Chief Scott Young authorizing the abatement of weeds within the District boundaries for parcels listed in exhibit A; by health and safety code section 14875, and appropriate notices were sent out to property owners on April 26th, 2024.

Board Comment: Director Gregory asked about a particular property that she was worried about. Discussion ensued about regulations for abatement.

Director Davis asked who was contacted this year. Fire Chief Young explained that property owners have been noticed.

Director Smiley asked the Public not to shout out.

Director Davis asked what contractor was doing the abatement this year.

Chief Young thanked Director Davis for clarification, and explained that the Fire Department put out notices for contractors to apply to perform the abatement, and applications will be received by May 24th, the lowest bidder will be the contract. Discussion on who applies ensued.

Public Comment: None

Motion By: Rod Smiley

Second By: Owen Davis

Motion: To Approve Resolution 2024-21

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			

5. Discussion on Street Lighting and Landscaping powers within the District.

Landscaping discussion

Item was presented by District General Counsel Christina Pritchard, this item was requested by Director Davis and Director Baker to agendize having a discussion about the specific powers held by the District. This discussion is for Street Lighting and Landscaping and explained that there was some confusion on whether the District was allowed to make improvements and who owned the property that is currently being maintained by the CSD.

Board Comment: Director Baker asked for information on what authority the District has, and what can and can not be done within those powers. District Counsel explained that pursuant to Government Code and the District's approvals under LAFCo, Landscaping is something that can be done by the District. The District can acquire property for landscaping purposes, beautifying the area; but cannot acquire property for Parks or Recreation areas. The District can beautify it's landscaping area, and have agreements with the County to beautify their landscaping areas that are within the District boundaries. Discussion ensued on the ongoing issue of the County not willing to maintain landscaping due to funding.

Director Baker asked about the Eastside of Mission Street, and if the District had any rights-to-any of that property.

General Manager Kelly Dodds explained that from the Fire Station to 14th Street, there is a right of away section, and then it becomes private property. The District could do landscaping in the County right-of-way with easements from the County. Mr. Dodds explained that landscaping is not hard-scaping, like sidewalks, but the District could plant trees or other vegetation in County right-of-way.

Director Baker asked why the District could not put in sidewalks and additional parks. Fire Chief Scott Young explained that this was also discussed at the Advisory Council meeting the night before. Fire Chief Young explained that the County has no funding for Curb, Cutter, or Sidewalks improvements and it was expressed that the County will not fund those things and that it is up to the property owners. Discussion on project development and the requirement of the property owners to put in Curb, Cutter, or Sidewalks ensued.

Fire Chief Young caution the Board that if they decided to put any vegetation within that County right of way, they will have to be removed during future development of the property. Chief Young gave example of the trees south of the Fire Station.

General Manager Kelly Dodds explained that Curb, Cutter, or Sidewalks improvements are a function of the County Roads department and voiced that the San Miguel CSD does not have Road or Park and Recreation powers. Landscaping improvements need to be done in improved portions of parklets or medians. Discussion about the cost to improve the Eastside of Mission Street and San Luis County ensued.

General Manager Kelly Dodds explained that by previous resolution, the Board limited the scope of landscaping to the Westside of Mission Street between 11th and 14th Street, and the two gateway monuments. The Board can expand that scope but would need to be brought back to the Board.

Director Baker voiced that the Street Lighting and Landscaping Department has a Restricted Reserve of around Seven-Hundred Thousand and Seventy-Three dollars, and asked what that was restricted to.

General Manager Kelly Dodds explained that Restricted Funds are for Capital Projects. Capital Improvements like adding or replacing Street Lights, or Landscaping, buying equipment, etc.

Director Baker discussed the Operational Reserves and the Operational Cash for a estimated total of around 1.2 Million in Street Lighting and Landscaping fund.

General Manager Kelly Dodds explained that the Street Lighting and Landscaping fund has had many projects discussed over the past 10 years, but the previous Board had a lot of push-back on where lighting should and should not be, and expressed a need for a Street Lighting and Landscaping Master plan. Mr. Dodds explained that most of the street lights are owned and operated by PG&E, and the District pays a monthly fee for power and maintenance. Discussion about PG&E and the new requirement for everything to be underground was discussed.

Director Gregory asked about the new subdivision projects and if it was the developers responsibility to pay for the landscaping, sidewalks and lighting? General Manager Kelly Dodds explained that one of the reasons that the Landscaping scope is narrow was to prevent new development coming in and the District inadvertently taking over their landscaping. In most developments the developer put in all the landscaping and infrastructure, and then the HOA takes over all the maintenance of the Landscaping.

Director Kalvans explained that San Miguel is very hot in the summer months and voiced that he as always been in favor of more trees and landscaping; and that there are a lot of studies on how a canopy would help to cool the community. The District should be investing in the community to make sure that it is a welcoming place for residents. Director Kalvans discussed other areas within the District that could use landscaping, and thinks it would be good time to have a discussion on expanding the landscaping areas.

Director Davis voiced that no District funds should be spent on the Eastside of Mission Street, and that a developer will eventually come in and develop that area. Director Davis expressed that in his opinion residents would plant more trees if the cost of water was not so high.

Public Comment: Ashley Sangster, San Miguel resident spoke about the eucalyptus trees, curb, cutter, and sidewalk improvements on the property that is intended for the Temporary Housing Unit (THU), and asked for an update on how that will be handled since it is a requirement that was discussed.

Board Comment: Director Kalvans asked Chief Young about the cost for Curb, Cutter, or Sidewalks improvements at the THU. Fire Chief Scott Young explained that this was not part of the Landscaping Powers discussion but would give an update on the curb, cutter, and sidewalks. Improvements requirements were put on the project, and he expressed to the County that it was a temporary project and made no sense for the curb, cutter, and sidewalks from the Fire Station to the railroad tracks. The Fire Department has negotiated a waiver and the waiver is to forgo curb, cutter, and sidewalks improvements on the South side of the Fire Station for the temporary project in exchange for doing curb, cutter, and sidewalks improvements on the Northside of the Fire Station for our future project that is part of the the District's Master Plan. Discussion ensued on the cost of the curb, cutter, and sidewalk improvements.

Director Kalvans voiced that he would like to bring back a discussion to expand the District's Lighting & Landscaping plan.

General Manager Kelly Dodds clarified that Director Kalvans would like to bring back an item in the future to expand Lighting/Landscaping excluding Parks and Sidewalks. Seconded by Director Smiley.

Adjourn to the San Miguel Community Services District Groundwater Sustainability Agency (GSA):

At: 7:51 P.M.

11. GSA Board Action Items:

1. Update from May 22, 2024 Paso Basin Cooperative Committee meeting

Discuss action taken at recent PBCC meeting.

No action to be taken at this time. Direction may be given to the General Manager to agendaize for a future meeting.

Item was presented by General Manager Kelly Dodds explained that this item was added so that the entire Board could have a more formal update on the May 22nd, 2024, Paso Basin Cooperative Committee (PBCC) meeting. It was explained that all the Directors receive the agenda packet for each of the PBCC Meeting in their emails. Mr. Dodds explained that they had discussions on some of the ongoing projects, and for San Miguel GSA (SMGSA) it is the round one grant implementation, and the funds that the SMGSA would be getting. They did have an update on the State Water Project RFP, an update from Land IQ, status of the MOA amendment number two, approval of the 2024-25 Budget, and update on consultant procurement guidelines. General Manager Kelly Dodds explained that all that information is available in the PBCC Board packet, and encouraged the San Miguel Board to review that packet monthly, and discussion ensued on the strict requirements under amendment number two.

General Manager Kelly Dodds asked sitting GSA Board Member Director Baker if he would like to add anything.

Board Comment: Director Baker asked for a "Blended Water Irrigation" presentation, with Director Davis requesting also.

Director Baker voiced that he thought the presentation was interesting and that it would be coming back at the next PBCC meeting with it's costs. Director Baker spoke about the draft on the consultant procurement and how it will be funded. Director Baker explained that he

felt like the Budget, that was approved, is going to be pretty flexible as other things start coming up and that the District needs to be aware that it would add to the Districts costs.

Discussion on transparency for the PBCC funds ensued.

Director Baker asked when the grants were awarded, and when did they get the seven million dollars? General Manager Kelly Dodds answered that the grant funds are reimbursement based, and the final agreement was signed in January 2022.

Director Baker voiced that the grant is being eroded by inflation and would like the grantor to give the District the interest on those funds.

Director Kalvans voiced that he has read the minutes from the last PBCC meeting and appreciates Director Bakers comments and feedback during those meetings, and voiced that he is looking forward to the formation of the Joint Powers Authority (JPA). Director Kalvans explained that he would like Director Baker to advocate for a stronger position within the JPA for the District.

District General Counsel Pritchard explained that the purpose of a JPA is in order to create a mechanism for the extraction fees to be implemented so that the different agencies are no longer putting in their own funds for the cost of the Groundwater Sustainability Plan (GSP). Counsel explained that their understanding is that the goal is to formalize, because the PBCC was formed for a specific purpose. Formalizing a JPA will be a separate agency made up of members of all the agencies involved and then the JPA would be able to collect extraction fees and fund itself in order to implement the GSP.

Director Kalvans asked if the JPA was being discussed at the PBCC or is it still at the Staff level? General Manager Kelly Dodds explained that at this point it is at staff level, and the staff is trying to get a framework in place that can be brought to the Board for discussion. This kind of thing would first go to the PBCC Board then to the GSA Boards as an agreement. Discussion ensued.

Public Comment: Murray Powell, Templeton resident spoke about the PBCC "Staff" and amendment number two. Mr. Powell voiced that the San Miguel GSA needs to re-look at amendment number two.

Reconvene to the San Miguel Community Services District Board of Directors:

AT: 8:11 P.M.

12. Board Comment:

Director Davis asked that an agenda item, for Director Bakers proposal be on the next meeting agenda for approval of a water rates increase with a new Prop 218. General Manager Kelly Dodds explained that during the action item it was requested that the CPI increase would be looked at and the costs to go through a new Prop 218 with Director Bakers rate increase proposal.

Director Gregory asked Fire Chief Young to bring back an update on the Temporary Housing Unit. Seconded by Director Kalvans.

General Manager Kelly Dodds explained that he would like to have a special meeting to discuss a change order for the Wastewater Treatment facility. Discussion ensued.

Board Consensus for a Special Meeting is June 6th at 6:00 P.M.

Director Kalvans voiced that he would like to address the public comment that he has been lying about the harassment that he has been enduring over the last year, and wanted to make sure that everyone understand that there are police reports and screens shot of the ongoing harassment. Director Kalvans voiced that he knows that other staff has also been harassed.

Director Smiley voiced that he too had been harassed and is still looking for somebody that is leaking closed session discussions.

13. Adjourn to Closed Session/Closed Session Agenda:

At 8:18 P.M.

1.

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

Discussion

2. CONFERENCE WITH DISTRICT GENERAL COUNSEL – Existing Litigation Pursuant to Government Code Section 54956.9 (d)(1) Case: *Steinbeck v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-265039* and Case: *Eidemiller v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-269212*

Discussion

14. Report out of Closed Session:

The San Miguel Community Services District Board of Directors acted to waive privilege, to date, for the cost associated with the Steinbeck v. City of Paso Robles and Eidemiller v. City of Paso Robles cases.

15. Adjournment to Next Regular Meeting: