



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 then convened to Closed Session
SMCSD Boardroom 08-24-2023**

1. Call to Order:

At: 6:02 P.M.

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

3. Approval of Regular Meeting Agenda:

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker				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 letter from the San Miguel Groundwater Sustainability Agency Board apposing the EPC. Mr. Grewal discussed the EPC filing with the Department of Water Resources (DWR) before the Board of Supervisor vote, and explained that DWR is the only agency in the State of California that can make somebody a GSA. Mr. Grewal also explained to the Board that there will be a hearing at LAFCO in October.

Board Comment: Director Kalvans voiced that he agreed that the EPC should not have been seated, and would like to discuss sending a letter to LAFCo and DWR. General Manager Kelly

Dodds explained that it would be more appropriate for Director Kalvans to bring that up at Board Comment.

6. Special Presentations/Public Hearings/Other:

None

7. Non- District Reports:

1. San Luis Obispo County Organizations

Verbal/Report

Commander Manuele from the Sheriff Department updated the Board that San Miguel had 217 calls for Year. July 2023, was Down by 10% from last year.

Public Comment: None

Board Comment: None

2. Community Service Organizations

Verbal

Scott Young, President San Miguel Firefighters Association (SMFA) explained that the SMFA will be participating in the Stair Climb at the Paso Robles Fair Grounds on September 11th, and that this event is sponsored by San Miguel Firefighters Association and Paso Robles Firefighters Association.

Mr. Young explained that the SMFA will be having a Blood Drive on September 11th at the San Miguel Fire Department located at 1150 Mission Street, please sign up and save a life.

Rod Smiley from the North County Masonic Lodge explained that the Lodge is having a dinner on September 11th honoring Fire Departments through out the County, and that the San Miguel Fire Department will be honored at that dinner.

Mr. Smiley updated the Board that the Masonic Lodge signage for local service organization in San Miguel is moving forward. Mr. Smiley explained that the Masonic Lodge has been working with the Rios-Caledonia Adobe and they will be doing clean up and rehabilitation on the current signage and in return the Adobe will allow more service organizations to us it.

Anthony Kalvans updated the Board that the Lion's Club had a good turn out for the Mid-State Fair parking and that the Old Timers BBQ will be held on Sunday August 27 from Noon to 2 P.M.; if you are over 80 years old the meal is free.

Public Comment: None

Board Comment: None

3. Camp Roberts—Army National Guard

Verbal

None

8. Staff & Committee Reports - Receive & File:

1. General Manager

Receive verbal report

General Manager Kelly Dodds updated the Board that there is a Box inside the San Miguel Post Office for protest; and that the District has no authority or responsibility over that box, using it is at your own risk. Mr. Dodds explained that the best way to protest the Water Rate increase is to mail or drop off at 1765 Bonita Place. Protests will be accepted until the

close of the public hearing on September 28th 2023.

General Manager Kelly Dodds voiced that the District has received the Admin Draft of the SOI/MSR from LAFCo.

Board Comment: Kalvans asked about getting a copy of the Admin Draft SOI/MSR, and when LAFCo was anticipating approving the final draft? General Manager Kelly Dodds explained that LAFCo is agendaizing it for their October 2023 meeting.

Director Davis asked about the letters of opposition, and expressed that the letters will be collected and turned in by "the public". Director Davis voiced that he will be having the "The moms of liberty" counting the protest letters. General Manager Kelly Dodds explained to Director Davis that it would have to be a Board vote to involve a third party to count the protest. The District always encourages the community to participate, and attend District meetings .

Public Comment: Ashley Sangster San Miguel resident voiced that he agrees with Director Davis that an independent organization should count the protest.

2. District Counsel

Receive verbal report

District General Counsel Christina Pritchard, from White Brenner had nothing to report.

Public Comment: None

Board Comment: None

3. District Utilities

Receive and File

General Manager Kelly Dodds report was submitted as written; and explained that there are still positions opened for WWTF operator. The District is still working with FEMA, the Sanitary Sewer Main & Manhole Inspection Services are on the agenda tonight, and that the WWTF is still moving forward with final design finishing up at the end of year.

Board Comment: Director Davis asked if he was correct that the District was looking for someone that is qualified to run the WWTF. General Manager Kelly Dodds explained that the District has qualified operators to run the WWTF, and that he was looking for additional operators.

Director Davis asked how many do you need? How many employees do you have that are certified and qualified, and passed all the exams to run a treatment plant? General Manager Kelly Dodds explained that there are two people employed by the District that can do that on their own. Director Davis again asked if they were qualified. General Manager Kelly Dodds voiced, Yes.

Director Davis suggested at maybe he should talk to one of the in-house operators, and promote them to run the WWTF. General Manager Kelly Dodds voiced that Director Davis was encroaching into personnel matters, but explained that they have been talked to and they declined moving into that position. Discussion ensued.

Public Comment: Greg Grewal spoke about there being times in his career that he had to learn, advance, and change. Job descriptions change, and employees have to advance with education or move on.

4. Fire Chief Report

Receive and File

Fire Chief Young submitted report as written, and asked for any questions. Chief Young explained that the California Fire Foundation grant was not awarded.

Board Comment: Director Kalvans asked about the 2023 Fire Code, and the County having issue with the Photovoltaic portion. Chief Young updated the Board that the District

General Counsel is working with him to present items to the County Board of Supervisors. Discussion ensued, and Chief Young asked for a letter of support from the Board. Director Gregory asked about the Grant and the Safer Grant. Discussion ensued with explanation of the different grants.

Public Comment: None

9. Consent Calendar:

Public Comment: None

Board Comment: None

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Approve

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

1. 07-27-2023 Draft San Miguel CSD and Groundwater Sustainability Agency Meeting Minutes (Parent)

Receive and File

10. Board Action Items:

1. Financial Reports - July 2023 (Hido)

Please *Review* the July 2023 SMCSD Financial Reports.

After the SMCSD Audit is completed, all adjusting journal entries are processed, and the 22/23 FY is closed- all Financial Reports that were presented for Review Only will be finalized. Those reports will then be presented to the Board for *Receive and File* approvals. Financial Officer Michelle Hido voiced that Financials for July are on Pages 43 thru 81. Mrs. Hido updated the Board of Directors that the fraudulent charges that occurred out of the Santa Maria escrow account, have been credited back to the account. The payment was received from the insurance company for the Mission Street accident that took down a street light; funds are in the Lighting Account. Financial Officer Michelle Hido explained that with the new fiscal year we have many of the big annual contract payments in July. On page 47 is the Annual Reimbursement Report for over one-hundred dollars, required by Gov. Code 53065.5 and is published on our District website. The District Auditor will be at the office doing his second field test day in September. Financial Officer explained that she is only asking for the Board review the financials and once the Audit is completed the reviewed financials will be brought back to the Board to receive and file.

Board Comment: Davis asked about who reviews, and discussion about receive and file ensued.

Public Comment: None

2. Rural Fire Capacity (RFC) Grant

Approve RESOLUTION 2023-36 authorizing the Fire Chief to accept the Rural Fire Capacity (RFC) grant award agreement number 7GF23106 from Cal Fire in matching grant funding in the amount of \$14,235.76 for the purchase of equipment as described and approved within the grant application submitted April 19, 2023.

Total purchases shall not exceed \$28,471.52

Item was presented by Fire Chief Young, asking the Board to approve Resolution 2023-36 Accept the Rural Capacity Grant (RFC)..

Board Comment: Director Kalvans asked if there was a reason the grant amount was reduced. Chief Young explained that they do not give a reason, discussion ensued.

Director Davis explained that he was confused on the grants and though Chief Young said he did not receive the grant. Chief Young explained that he applies for multiple grants.

Public Comment: None

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Approve Resolution 2023-36

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

3. Adoption of California Uniform Public Construction Cost Accounting Act (CUPCCA) and Revised Purchasing Policy

Adopt RESOLUTION 2023-37 electing to subject the District to the requirements of the California Uniform Public Construction Cost Accounting Act and approving an amended Purchasing Policy.

Item presented by Christina Pritchard District General Council and spoke about what the California Uniform Public Construction Cost Accounting Act (CUPCCA) was and how it would work for the District. Counsel Pritchard explained the SMCSO cost tier thresholds, and discussed the more stringent accounting procedures. Discussion on using the District work force for Public Works projects below two-hundred thousand and how that would be a great benefit for the District. The changes for formal bidding was discussed. If the District goes into CUPCCA it is required to update these restriction in the District Purchasing Policy. A redline of the District Purchasing Policy is attached with no other changes being made to the policy for Board review.

Board Comment: Director Gregory asked for more explanation on the thresholds; 60k and 200k. District General Counsel Pritchard explained that after the 60k the District does not have to bid out the contract, meaning that the District can negotiate a contract for what the District feels the most qualified and the best value for the District. It was explained that at the 200k threshold the District would have to go through the informal bidding process; discussion ensued on the state required bid list.

Director Gregory asked why the District had not opted into CUPCCA previously. District

General Counsel explained that not a lot of public agencies know that it is available to them. It was explained that over one-thousand California public agencies have opted into CUPCCA, and feels that the State Controllers Office has not properly publicized it.

General Manager Kelly Dodds explained to the Board of Directors that it was something that the District was unaware of and explained how CUPCCA would benefit the District; CUPCCA by allowing public works projects to be done by District Staff and not being forced to go out to bid. Discussion ensued over informal, formal bidding processes, and new or used equipment purchases.

Director Davis expressed that he thought that the District is loaded up with any kind of equipment that might be needed. Director Davis explained that he has always been upset because everything is "bid out" and voiced that if CUPCCA is approved then we can finally start doing in-house work with District staff. General Manager Kelly Dodds explained that if the District opted into CUPCCA then that would allow the District to do more things in-house. Director Davis voiced that is what he likes about it.

Public Comment: Greg Grewal Shandon resident asked District Counsel what happens when a project turns in bid at a certain price, then it becomes more. District General Counsel responded explaining that it does happen and those are brought to the Board as change orders.

Ashley Sangster San Miguel resident, spoke that he thought that CUPCCA would cost the District more. Mr. Sangster explained that he works for a state agency that does not participate in CUPCCA and that the California Contacting Code will only allow you to do maintenance to your own facilities. Mr. Sangster discussed the bidding process that he uses, and voiced that he thinks that if the District is not bidding projects the likelihood is that the project will cost more, referencing that the contractor will not sharpen their pencils. Director Davis motioned and motion Failed.

Board Comment: Director Kalvans spoke about having a question regarding the the District only receiving sole source or single contractor bids. Director Kalvans voiced that local contractor only wanting the multi-million dollar projects.

General Manager Kelly Dodds explained that the District does not have multi-million dollar projects, and we don't solicit the same response that bigger agencies have. The District projects are usually a lower dollar amount twenty to one hundred thousand dollars projects. Mr. Dodds explained that the District has a small group of contractors that will work with us and fit us into their scheduled. Discussion ensued about CUPPCA, and how the accounting is more stringent.

Director Gregory questioned the Purchasing Policy that was revised back in 2021, and that the limit was twenty-five thousand. General Manager explained that CUPPCA is only for Public Works Projects, and that all other expenses go by the twenty-five thousand that is in the Districts Purchasing Policy.

Mr. Sangster asked to speak again on Director Kalvans questions. Motion failed. Mr. Sangster was asked to send an email.

Director Kalvans asked about tabling the item by another motion and if that was allowed. District General Counsel Pritchard informed the Board of Directors that because the Item is agendized they could make multiple motions.

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Approve Resolution 2023-37

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

Motion By: Owen Davis

Second By:

Motion: To to allow another public comment

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker				X

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Table resolution 2023-37 for more information

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

4. Construction project review

Discuss District construction projects that were completed and that are in progress.

Item Presented by General Manager Kelly Dodds explaining that the item was Informational Only. The information is to inform the Board of what projects we have in the works and how much has been spent on those projects, and how much grant funding the District has received. Mr. Dodds went through the report, and asked for questions.

Board Comment: Director Kalvans asked why there was no information on Capital for the Fire Department. Chief Young explained that the Fire Department, at this moment only has the lease on the engine and the Temporary Housing Unit, and they are in the monthly financial reports. Director Kalvans asked about Solid Waste and General Manager Kelly Dodds explained that these are project that are not in the maintenance budget. Director Kalvans voiced that he wanted to put on record that none of the Street lighting project have been done and would like the whole District to be on this kind of report next time.

Director Davis asked about the Sanitary Sewer Main and Manhole inspection service project. General Manager Kelly Dodds explained to Director Davis that the item was on the report and being discussed on the next agenda item.

Public Comment: None

5. Request for Bids -- Sanitary Sewer Main and Manhole inspection service

Authorize the General Manager to release a Request for Bids for sewer main and manhole inspection services.

Item presented by General Manager Kelly Dodds asking the Board to authorize the General Manager to release a request for bid proposals to conduct cleaning and CCTV inspections of approximately 28,266 linear feet, comprising 93 segments of sanitary sewer mains. The District was awarded a grant in the amount of \$396,500 for the planning phase of this project. An application will be made for the construction phase of this project at the end of the planning phase.

Board Comment: Director Davis asked how many sewer obstructions have been taken care of with the jetter. Director Davis voiced that if not broke don't fix, expressing that three-hundred and ninety thousand is a lot of money to pay someone to tell you how your sewer lines are doing. Discussion on sewer lines, and not waiting until they break to fix them ensued.

General Manager Kelly Dodds explained that the project is all grant funded; the purpose is to determine if we have any cracked, leaking or reduction in flow throughout the lines. Discussion on the maintenance of the sewer lines ensued. Mr. Dodds explained that the contractor will be go through all the lines and develop a plan of what needs repair.

Director Gregory voiced that the District is obligated to provide these services and that the District should be proactive, not reactive.

Director Kalvans asked about inspection of laterals. General Manager Kelly Dodds explained that the District is not responsibility for laterals, so is not part of the project scope.

Public Comment: Greg Grewal Shandon resident spoke about grant money and that it is not free money. If there is a problem then he agrees with grants; to fix them and spoke about regulations.

Board Comment: After motion Director Gregory expressed that she is a fiscal conservative and expressed that the people in the community need us to except these grants.

Director Kalvans expressed that the District needs to apply for grants and understands that these funds are tax dollars. Director Kalvans voiced that grants are not reliable, and the District should not ever fully rely on grants to maintain the facilities.

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Authorize General Manager to release RFB

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

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

At: 7:35 P.M. Starting on page 309 of agenda packet

11. GSA Board Action Items:

- Proposed responses - Grand Jury report titled "Can One Wet Year Wash Away the**

Paso Robles Basin's Water Worries" (6-23-2023)

Discuss proposed responses to County of San Luis Obispo Grand Jury report findings and recommendations. Provide feedback to the General Manager.

Item was presented by General Manager Kelly Dodds, the PBCC staff has developed responses to the Grand Jury findings and recommendations. Those draft responses are attached to this report. This Board should review the draft responses and provide feedback to the General Manager.

Public Comment: Greg Grewal Shandon Resident spoke about the monitoring, satellite data, and outreach. Mr. Grewal discussed Paso Robles Nacimiento water, and the County State water not being used.

Board Comment: Director Kalvans asked to discuss F3 monitoring, and blank spots in data and voiced that having more well data is not going to change anything. General Manager Kelly Dodds explained that more monitoring sites will not magically fix anything but will provide more data and more information is always better. Discussion ensued.

Director Smiley asked to what end with the Monitoring/Data and who would look at this information. General Manager discussed the data that they are looking at but agreed that if no one looking at it; then to what end.

Director Kalvans voiced his frustration and gave a history of the older committees regarding the basin.

Director Smiley voiced that he agrees with report, that even if we have back to back wet years the basin is still in overdraft.

Director Gregory voiced that she is a vineyard owner and understands that some farmers are taking advantage by over irrigating and drilling wells down to to eight-hundred feet.

Director Davis voiced that he thinks that there is no drought and the problem is the Harvard Group that has purchased the land to sell the water, and the new owners are the teachers union from Canada. Director Davis voiced that the County Board of Supervisors are making a lot of money backing these large vineyards. The Paso Basin is fine and thanked Mr. Grewal for fighting these issues.

Discussion ensued and General Manager Kelly Dodds explained that this is Information only.

Consensus of the Board of Directors is to approve responses made by the PBCC staff

2. Discuss representation on Paso Basin Cooperative Committee (PBCC)

Discuss appointing a Board member to the Paso Basin Cooperative Committee (PBCC) as either the Member or Alternate. Provide direction to the General Manager.

Item was presented by General Manager Kelly Dodds explained to the Board of Directors that there is a Member and an Alternate to represent the San Miguel Groundwater Sustainability Agency (SMGSA) at the Paso Basin Cooperative Committee (PBCC).

Currently, General Manager Kelly Dodds is the member and the alternate is SMCSD Field Operator Lead Dustin Pittman. This item is to discuss appointing a Board member to the Paso Basin Cooperative Committee as either the Member or Alternate and provide direction. General Manager Kelly Dodds voiced that he was fine continuing as the Member to the PBCC.

Board Comment: Director Smiley asked about the positions, and when the meeting are. Discussion on alternate ensued.

Director Gregory voiced that the member that represents the SMGSA will be bringing back information to the whole Board.

Director Kalvans voiced that Mr. Dodds has been the PBCC representative for a few years, and wanted to make sure that the District is fairly represented, is local, and understand the

concerns of the community and will actively participate.

General Manager Kelly Dodds voiced that he would be fine continuing, but would like to have a Director as an alternate

Public Comment: Greg Grewal Shandon Resident voiced his appreciation for General Manager Kelly Dodds participation. Mr. Grewal spoke about the other GSA's and who they have on the PBCC Board, and thinks that it would be better to have a SMCSO Board Member on the PBCC Board. Mr. Grewal spoke about the illegal appointment of the EPC to the PBCC board, and voiced that the SMGSA sent a letter apposing the EPC, and nothing was done.

Board Comment: Director Gregory gave a history that she is not on the Board, due to people thinking she should not because she owns a vineyard.

Manager Kelly Dodds explained that the PBCC usually meets once a quarter, and most of the work is being done by staff.

Director Kalvans asked what time of day are the meeting held. General Manager Kelly Dodds explained that they are generally at four o'clock until six at the Paso Robles Council chambers.

Director Smiley asked for any interest from the rest of the Board.

Director Davis voice that he would like a Board Member and Alternate to be appointed. Stating a Motion.

General Manager Kelly Dodds clarified that he does have authority on behalf of the District.

District General Counsel Pritchard voiced that if this vote passes, and there is no interest then you will have no representative. Motion failed without a second.

General Manager Kelly Dodds asked if any of the Director's are interested in the position. Discussion ensued about tabling item for a full Board.

Motion By: Owen Davis

Second By:

Motion: To appoint both seats Board Members

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

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Table to a future meeting

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

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

At: 8:11 P.M.

12. Board Comment:

Director Kalvans request a letter of support for District Fire Code 01-2023 Residential Photovoltaic inspections. Second by Director Smiley

Director Davis asked to have a letter sent Paul Gosling at DWR and San Luis Obispo LAFCo about the letting EPC sit on the PBCC, and how it is illegal to seat EPC. Second by Director Smiley

Director Kalvans requested to have the Board review the new SOI/MSR. General Manager Kelly Dodds explained that the Admin Draft will be sent back to LAFCo and then we can bring it for review at the September Meeting.

Director Kalvans asked to have a Resolution for Mayor Martin to express our condolences for his passing. Fire Chief Young reminded the Board that Retired San Luis Obispo County Board District 1 Supervisor Harry Ovitt passed also. Second by Director Gregory

Director Kalvans asked to have a Resolution for Retired San Luis Obispo County Board District 1 Supervisor Harry Ovitt to express our condolences for his passing. Second by Director Gregory

Director Kalvans asked to discuss having a Ad-Hoc Committee for Area Planning Commission and for County Relations. Second by Director Smiley

Director Kalvans spoke about having a Voting Standard for Protest in the future. Second by Director Smiley.

13. Adjourn to Closed Session/Closed Session Agenda:

Public Comment: None

Adjourn to Closed Session at: 8:22 P.M.

1.

Public Employee Performance Evaluation (Gov. Code, § 54957(b)(1)) Title: Fire Chief

Discussion

2.

Conference with Legal Counsel- Anticipated Litigation

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of section 54956.9: One (1) matter

Direction to staff.

14. Report out of Closed Session:

Nothing to Report

15. Adjournment to Next Regular Meeting:

At: 9:14 P.M