



**BOARD OF DIRECTORS**

Raynette Gregory, President                      Anthony Kalvans, Vice-President  
 Ward Roney, Director                              Hector Palafox, Director                      Crystal Lara, Director

**REGULAR MEETING MINUTES**  
**6:00 P.M. Closed Session 7:00 P.M. Opened Session**  
**SMCSD Boardroom 01-27-2022**

I.	<b>Call to Order:</b>	6:00 PM	<b>Video part 0 Time: 0</b>		
III.	<b>Roll Call:</b>	<i>Gregory, Palafox, Kalvans, Lara 6:00</i>		ABSENT: <i>Roney</i>	
III.	<b>Approval of Regular Meeting Agenda:</b>				
	Motion by:	Director Kalvans			
	Second by:	Director Gregory			
	Motion:	Voice Vote			
	<b>Board Members</b>	<b>Ayes</b>	<b>Noes</b>	<b>Abstain</b>	<b>Recuse</b>
	R. Gregory	X			
	A. Kalvans	X			
	H. Palafox	X			
	C. Lara	X			
	W. Roney				X
					4/0/1
	<b>Public Comment for items on closed session agenda:</b>	None			

IV.	<b>ADJOURN TO CLOSED SESSION: 6:01 PM</b>				
A.	<b>CLOSED SESSION AGENDA:</b>				
	<b>1. CONFERENCE WITH DISTRICT GENERAL COUNSEL-ANTICIPATED LITIGATION</b>				
	Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:				
	<b>2. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION</b>				
	Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:1				
	<b>3. PUBLIC EMPLOYMENT</b>				
	Title: Assistant Fire Chief; Pursuant to Government Code Section 54954.5				

V.	<b>Call to Order for Regular Board Meeting/ Pledge of Allegiance:</b>	Kalvans	<b>Video part 1/5 Time: 00:30</b>		
VI.	<b>Report out of Closed Session- Time:</b>		<b>Video part 1/5 Time: 01:10</b>		
	<b>Time:</b>	7:02 PM			
	1. Report out of closed session by District General Counsel (WhiteBrenner, LLP)				
	Direction was given to staff, no reportable action.				
	Director Gregory asked for 5 minute recess.				
	Director Gregory called the meeting into session. Time: 7:13 PM				
			<b>Video part 1/5 Time: 11:15</b>		

VII.	<p><b><u>Public Comment and Communications for items not on the Agenda:</u></b></p> <p>Owen Davis made comment about the January 6th meeting and voiced that the new board member was not a good option.</p> <p>Cheryl Larson made comment about Casa Blanca Mobile Home Park and the property owner and his misconduct Counsel reminded speaker of the 3-minute limit and the District's limited authority to water, sewer, and fire matters. Selena Hernandez made comment about Casa Blanca residents not properly charged for sewer and water by owner, and sewer is not properly hooked up.</p> <p>Fire Prevention Officer Scott Young made comment regarding previous comments about the fire and public safety concerns involving the Casa Blanca Mobile Home Park</p> <p>Hakeem Gordon made comment regarding an issue on 15th street; as well as spoke on water affordability</p> <p><b>Board Comment:</b></p> <p>Director Kalvans thanked those from Casa Blanca for their comments, agrees there is an issue especially with emergency vehicles not knowing where to go, hopes something can be done about it, understands there are issues there that need to be addressed.</p> <p>Director Gregory responds to Mr. Owen Davis' comments and provided clarification</p>	Video part 1/5 Time: 11:30
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VIII.	<p><b>Special Presentations/Public Hearings/Other:</b></p>	None	Video part 0 Time: 0
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IX.	<p><b>Staff &amp; Committee Reports – Receive &amp; File:</b></p> <p><b>Non-District Reports:</b></p> <p>1. San Luis Obispo County:                      Verbal - Report Attached                      Video part 1/5 Time: 29:10</p> <p>San Luis Obispo County Sheriff Michael Manuele gave verbal report on December 2021 call statistics.</p> <p><b>Public Comment:</b></p> <p>Cheryl Larson made comment about domestic violence statistics and those done by undocumented persons. Sheriff responded they do not keep track of that data as it is illegal.</p> <p>2. Camp Roberts—Army National Guard                      Verbal                      Video part 2/5 Time: 02:50</p> <p>Kiba Baird reported on the status of Camp Roberts, less training, planning the Buzz Marathon, Has been hosting the History Channel Documentary for Black History Month planning to get a plaque, and working on hunting program.</p> <p><b>Public Comment:</b></p> <p>Owen Davis asked about hunting and was responded with her contact information.</p> <p>Cheryl Larson asked question about the segregation history of Camp Roberts.</p> <p><b>Board Comment:</b></p> <p>Director Lara asked where the public can find out more about this information and was responded with the website. Director Kalvans made comment about the history involving segregation at Camp Roberts and discussion ensued.</p> <p>3. Community Service Organizations:                      Verbal                      Video part 2/5 Time: 11:55</p> <p>President of the San Miguel Firefighter Association Scott Young reported on the status after the holidays, working on the Buzz Marathon, partnered with the Army Recruiting Office to bring an Easter egg hunt to Lillian Larsen.</p> <p><b>Public Comment:</b>                      None</p> <p><b>Board Comment:</b></p> <p>Director Kalvans made comment to thank the Firefighter Association</p> <p><b>District Staff &amp; Committee Reports:</b></p> <p>4. Interim General Manager :                      Verbal                      Video part 2/5 Time: 13:30</p>	
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Interim General Manager Rob Roberson read report aloud, reported on the covid statistics, welcomed Crystal Lara to the Board, IVR phone and email bill statistics, customer who have automatic payments set up, customers on payment arrangements, State Water Arrearage money credited to past due accounts, staff is applying for Wastewater arrearage program, staff is working on collections, 2021 financials are completed and report prepared, mid-year adjustments have been made, payroll has been migrated to Black Mountain, district strategic plan is moving forward, working on transition with new IT Services, preparing RFP for new rate study, preparing RFP for next district auditor, reviewing personnel policies and will bring back to the board.

**Public Comment:** None

**Board Comment:**

Director Kalvans made comment in praise of strategic plan moving forward

Director Gregory asked question regarding the timeline of the strategic plan and discussion ensued.

- 5 District General Counsel: Verbal Video part 2/5 Time: 21:35  
District General Counsel Doug White had nothing to report.

6. Director of Utilities: Report Attached Video part 2/5 Time: 21:45  
Report submitted as written with addition that IWMA is currently working on applying to state for grant funding in relations to SB1383, we have changes to ordinance which will come to the Board in February, January 1st starts the mandatory reporting of paper purchases and use of 30% recycled paper, all generators have made it here and been installed.

**Public Comment:**

Owen Davis asked question about the generators and their use of natural gas and asked about fuel tanks.

Director of Utilities responded that there was a request for fuel tanks but no purchase of fuel tanks as it came back to the board.

**Board Comment:**

Director Kalvans asked about the waiver for SB1383 and how it will work out.

Director of Utilities responded there's no discount from being excluded from SB1383, have to prove the community will still have to pay same rate/surcharge as everyone else within the county and further discussion ensued.

Director Gregory asked question about SB1383 paper requirements and how they monitor it, asked about the arrearage program, and DWR grant funding.

Director of Utilities responded the District will have to provide receipts and documentation to prove what they bought or why they couldn't buy the 30% recycled paper, the water arrearage money was applied to delinquent accounts, DWR grant money was discussed in GSA meeting, further discussion ensued.

7. Fire Chief: Report Attached Video part 3/5 time: 04:10  
Report is submitted as written with notes that December was busiest month, total 347 calls last year, four department members attending PCF Academy in San Luis Obispo to get their Volunteer Firefighter I Certification, Asst. Fire Chief got the new mobile computer data systems installed, now are visible in the dispatch cad and can be seen on the dispatch map now.

**Public Comment:** None

**Board Comment:**

Director Gregory made comment in support of the work being done and keeping up with technology.

X. **Consent Calendar:** Video part 3/5 Time: 06:20

1. **Review and Approve Board Meeting Minutes**
  - A. 11-18-2021 Special Board Meeting Minutes Draft
  - B. 12-16-2021 Special Board Meeting Minutes Draft
  - C. 01-06-2022 Special Board Meeting Minutes Draft

2. **Approve a correction to Change Order No.1 to the Base Contract with Ellison Environmental, Inc. dba Fluid Resource Management (Contractor) for the Pre-Engineered Package Membrane Bioreactor Municipal Wastewater Treatment System as part of the Machado Wastewater Treatment Facility Upgrade & Expansion Project and authorizing the Interim General Manager to execute the Change Order No.1 Resolution 2021-34.**

Correction consists of revision of the Total from \$1,375,279.82 to \$1,535,781.47 to correctly reflect all lines originally listed on the change order approved at the October 2021 Board Meeting. (Dodds)

3. **Receive and File June 2021 to November 2021 Enumeration of Financial Reports (Hido)**

- a) June 2021
- b) July 2021
- c) August 2021
- d) September 2021
- e) October 2021
- f) November 2021

**Public Comment:** None

**Board Comment:** None

**Motion by:** Director Palafox

**Second by:** Director Gregory

**Motion:** Approve consent items 1 - 3.

Board Members	Ayes	Noes	Abstain	Recuse	Absent
A. Kalvans	X				
H. Palafox	X				
R. Gregory	X				
C. Lara	X				
W. Roney					X

4/0/1

**XI. Board Action Items:**

Video part 3/5 Time: 08:35

1. **Review, Discuss and Receive the Enumeration of Financial Reports for December 2021 (Hido)**

- A. Claims Detail Report
- B. Statement of Revenue Budget vs Actuals
- C. Rev Budget vs Actual Summary
- D. Statement of Expenditures Budget vs Actual
- E. Cash Report
- F. Investment Portfolio Report
- G. Q4 Investment Portfolio Report

Financial Officer Michelle Hido submitted report as written with notes all bank reconciliations have been completed, W-2s were sent out, moved over to Black Mountain Payroll, reviewed all the CSD's payroll, taxes, deductions, CalPERS, reapplied for the CalPERS safety category.

**Public Comment:** None

**Board Comment:**

Director Kalvans made comment in appreciation for the attention to detail.

**Motion by:** Director Kalvans  
**Second by:** Director Palafox  
**Motion:** Receive and file financial reports for December 2021

Board Members	Ayes	Noes	Abstain	Recuse	Absent
H. Palafox	X				
A. Kalvans	X				
C. Lara	X				
R. Gregory	X				
W. Roney					X

4/0/1

Video part 3/5 Time: 12:55

2. **Review and approve RESOLUTION 2022-01 approving Mid-Year Budget adjustments to the FY 2021-22 approved budget. (Dodds/Roberson)**

**Recommendation:** Approve Resolution 2022-01 authorizing proposed Midyear Budget adjustments to the approved FY 2021-22 budget.

Interim General Manager Rob Roberson read report as submitted.

**Board Comment:**

Director Gregory asked about the adjustments that were made to the wastewater treatment plant.

Director of Utilities responded the adjustments were for reconciling some accounts that were over by a minimum amount, the total is higher than original budget because of other adjustments that were approved, discussion ensued

**Public Comment:**

Owen Davis made comment about the total cost for the Wastewater facility.

**Staff & Board Comment:**

Director of Utilities responded that the cost the District will pay depends on the time it takes to purchase materials, the time to get permitting done, and the time it takes to get additional grant funding, still in those processes.

Director Kalvans made comment in appreciation for the grants, understands there aren't as many options, and main concern is the property tax regarding the school, asked who prepares the budget, transparency with budget.

Interim General Manager explained the process of creating the budget and discussion ensued.

**Motion by:** Director Gregory

**Second by:** Director Palafox

**Motion:** Approve Resolution 2022-01 approving the Fiscal Year 2021-22 budget adjustments

Board Members	Ayes	Noes	Abstain	Recuse	Absent
C. Lara	X				
A. Kalvans	X				
H. Palafox	X				
R. Gregory	X				
W. Roney					X

4/0/1

Video part: 3/5 Time: 24:50

3. **Review and Approve RESOLUTION 2022-02 amending Section 13.5 of the District Personnel Guidelines and Policies relating to Cellular Telephone and Other Electronic Device Usage at the District. (Roberson/Dervin)**

**Recommendation:** Adopt Resolution 2022-02 amending Section 13.5 of the District Personnel Guidelines and Policies relating to Cellular Telephone and Other Electronic Device Usage at the District

Interim General Manager Rob Roberson read report as submitted and the Fire Department found a phone service that cost less than the stipend which allowed having cell phones assigned as a tool for position to keep fire-related issues separate from personal phones.

**Public Comment:**

Owen Davis made comment in disagreement with Fire Department and Utility Staff getting District Cell phones.

**Board Comment:**

Counsel Doug White clarified that if the CSD employees are using their phones at work they are legally required to have either a phone stipend or other phone services.

Director Kalvans made comment in understanding of the legal clarification.

Director Lara asked if the phones will stay at the job site

Interim General Manager explained that the phones will be assigned to the position and will stay on their person.

**Motion by:** Director Gregory

**Second by:** Director Kalvans

**Motion:** Approve Resolution 2022-02

Board Members	Ayes	Noes	Abstain	Recuse	Absent
A. Kalvans	X				
C. Lara	X				
H. Palafox	X				
R. Gregory	X				
W. Roney					X

4/0/1

Video part 3/5 Time: 30:30

4. **Review and approve RESOLUTION 2022-03 authorizing the Director of Utilities to contract with San Luis Powerhouse in an amount not to exceed \$15,722.34 for the purchase of a replacement generator and authorize the Director of Utilities to purchase material and contract services in an amount not to exceed \$12,000 to install the replacement generator at the Mission Gardens Lift Station. (Dodds)**

**Recommendation:** Approve RESOLUTION 2022-03 authorizing the Director of Utilities to purchase and install a replacement generator and authorize a corresponding transfer and budget adjustment in an amount equal to \$27,722.34 from Wastewater Operational Reserve to Mission Gardens Lift Station Projects (40-580).

Director of Utilities Kelly Dodds read report as submitted

**Board Comment:**

Director Gregory asked what is the size of the current generator and the one that will replace it, and maintenance.

Director of Utilities responded the specifications of the current and proposed generators, discussion ensued.

**Public Comment:**

Member of the Public commented about the use of the generator because the Casa Blanca owner does not take care of the tenants.

**Staff Comment:**

Director of Utilities responded to clarify that the Mission Gardens development is not the same development as the Casa Blanca development.

**Motion by:** Director Gregory

**Second by:** Director Palafox

**Motion:** Approve Resolution 2022-03 to contract with San Luis Powerhouse

Board Members	Ayes	Noes	Abstain	Recuse	Absent
A. Kalvans	X				
H. Palafox	X				
C. Lara	X				
R. Gregory	X				
W. Roney					X

4/0/1

Video part: 4/6 Time: 05:30

- Review and Approve RESOLUTION 2022-04 authorizing the Director of Utilities to contract with Water Systems Consulting (WSC) for engineering and technical support to prepare, submit and negotiate terms in relation to the required Notice of Intent (NOI), to Discharge in an amount of \$50,000. Including a budget adjustment to Waste Discharge fees/ permits (40-705). (Dodds)**

**Recommendation:** Approve RESOLUTION 2022-04 authorizing the Director of Utilities to contract with Water Systems Consulting (WSC) to complete the required Notice of Intent (NOI) to Discharge in an amount of \$50,000. Including a budget adjustment to Waste Discharge fees/ permits (40-705).

Director of Utilities Kelly Dodds read report as submitted.

**Board Comment:**

Director Palafox asked about the importance to the State's NOI, and if they were changing the requirements.

Director of Utilities responded about the State's regulations and the changing permit they will need to apply for.

Director Gregory made comment about it only being a California regulation and discussion ensued.

Director Kalvans asked about if we were under construction and was responded to not far enough along in construction and more discussion ensued.

Director Gregory asked when the deadline is and was responded to it passed in November and they were able to get extensions until the end of February.

Director Kalvans made another comment about the state regulations and having to spend more money.

Director of Utilities made comment in reassurance of process and discussion ensued.

**Public Comment:**

Owen Davis made comment unrelated to agenda item. Voiced that Director Lara was a Cyber Bully.

**Board Comment:**

Counsel Doug White responded to clarify that a member of the board can not perform work even on a volunteer basis for the District, they would be legally prohibited.

Director Gregory directed the public that the Director's will not be slandered during the meeting.

Director Kalvans made comment in support for Counsel's clarification and discussion ensued.

**Motion by:** Director Kalvans  
**Second by:** Director Gregory  
**Motion:** Approve Resolution 2022-04 authorizing the Director of Utilities to contract with WSC

Board Members	Ayes	Noes	Abstain	Recuse	Absent
C. Lara	X				
A. Kalvans	X				
H. Palafox	X				
R. Gregory	X				
W. Roney					X

4/0/1

Video part: 4/6 Time: 18:40

6. **Continued discussion on the Fire Department Temporary Housing unit (Young)**

**Recommendation:** Discuss the status and next steps for the Fire Department Temporary Housing unit  
 Fire Prevention Officer Scott Young read report as submitted.

**Board Comment:**

Director Gregory asked if there is a date in mind when it will be done

Fire Prevention Officer responded the production date is six to eight months and then it depends on the budget for financing the project and the assembly time, further explanation and discussion ensued

Director Kalvans made comment about making sure the first responders have the tools necessary to do their job.

**Public Comment:** None

*Discussion Item Only*

Video part: 4/6 Time: 24:30

7. **Amend Assistant Fire Chief Employment Agreement to Comport with CalPERS Rules Requirements for Public Safety Retirement by RESOLUTION 2022-05. (Roberson/White)**

**Recommendation:** Review and amend the Employment Agreement for Scott Young as the Assistant Fire Chief to Comport with CalPERS Rules Requirements, and Authorize the Interim General Manager to Execute the Amended Agreement

Counsel Doug White presented item stating it is a technical amendment to comply with CalPERS regulation dealing with holiday pay.

**Board Comment:** None

**Public Comment:** None

**Motion by:** Director Gregory

**Second by:** Director Palafox

**Motion:** Amend Assistant Fire Chief Employment Agreement by Resolution 2022-05

Board Members	Ayes	Noes	Abstain	Recuse	Absent
H. Palafox	X				
C. Lara	X				
A. Kalvans	X				
R. Gregory	X				
W. Roney					X

4/0/1



Video part 4/5 Time: 26:15

**8. Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project (Dodds)**

**Recommendation:** Discuss the status and next steps of the Machado Wastewater Treatment Facility expansion and aeration upgrade projects.

Director of Utilities read report as submitted.

**Board Comment:**

Director Gregory asked if there is a ground breaking date, talked about the changing timeline.

Director of Utilities responded it depends on the USDA and getting funding, discussed the housing market and other proposed projects, discussion ensued.

Director Kalvans asked about the timeline for next year, the affect of interest rates, funding.

Director of Utilities responded the timeline and the future with the increasing interest rates, more discussion ensued.

**Public Comment:** None

*Discussion Item Only*

**XII. BOARD COMMENT:**

Video part 4/5 Time: 33:15

Director Gregory thanked the public for attending the meeting and informed them the Directors are available for discussion, happy to answer questions.

Board Clerk added that all Board contact information is on the website, discussed SDLA Board conference.

Director Kalvans commented on the SDLA Board conference accreditation.

**XIII. ADJOURNMENT - RETURN TO CLOSED SESSION**

9:17 PM