

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

City of Arroyo Grande, City Council Chambers
215 East Branch Street
Arroyo Grande, California 93420

Minutes of the Meeting of Wednesday June 01, 2016
6 P.M.

1. CALL TO ORDER AND ROLL CALL

Present: Chairman John Shoals, City of Grover Beach; Director Mary Lucey, Oceano Community Services District; Director Jim Hill, City of Arroyo Grande

District Staff in Attendance: Mr. Hubner, District Administrator; Gilbert Trujillo, District Legal Counsel; Amy Simpson, District Secretary/Bookkeeper

2. FLAG SALUTE

3. AGENDA REVIEW

4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

Chairman Shoals opened the public comment period.

Julie Tacker asked that staff disclose District Administrators resume.

Patty Welsh asked for District Administrators resume. She also mentioned texting during meetings.

Beatrice Spencer would like to know if CAD drawings have been returned. She was displeased by the cancellation of the last meeting due to lack of a quorum. She feels now is a good time to elect a new alternate for the City of Grover Beach.

Colleen Martin asks that the Board consider going to a five member board. She recommended using representatives from the school district and the hospital.

Ron Arnoldson clarified statements from prior meetings. He loves AG, GB and Oceano.

Ron Holt was displeased with the cancellation of the last meeting.

Linda Austin expanded on Ron Arnoldson's comment stating that the people of Oceano were upset because Grover Beach City had in their sphere of influence to annex parts of Oceano.

There being no more public comment, Chairman Shoals closed the public comment period.

Legal counsel Trujillo asked that Julie Tacker share the case law she is referencing in her request for the District Administrator's resume.

District Administrator Hubner responded to Mrs. Spencer that the District is pursuing return of the CAD drawings.

Director Hill has looked into having a five member board. It would require legislative action. He would request that Mr. Hubner's personal information be redacted from the resume and the document be disclosable.

Legal Counsel Trujillo announced that in the SDRMA case, a request for dismissal was filed by the SSLOCSD in exchange for waiver of costs. This case has now been dismissed.

5. CONSENT AGENDA

5A. Review and Approval of Minutes of Meeting of May 04, 2016

5B. Review and Approval of Warrants

5C. Financial Review at April 29, 2016

Director Lucey complimented staff on the minutes.

Chairman Shoals opened the public comment period.

Sharon Brown, Julie Tacker, Patty Welsh and Marc London all commented on the consent agenda.

There being no more public comment, Chairman Shoals closed the public comment period.

Motion: Director Hill
Second: Director Lucey
Action: Approved unanimously

6. ACTION ITEMS:

6A. Public Hearing and Adoption of Proposed Resolution No. 2016-347, Collecting Fiscal Year 2015-16 from the Community of Oceano Wastewater and Delinquent Charges on the County Property Tax Roll

Mr. Hubner introduced this item in a power point presentation. At the April 20, 2016 Board meeting, Board directed staff to return to the May 4, 2016 meeting to discuss the District's Billing services with its Member Agencies; at the May 4, 2016 Board meeting, the Board after considering a number of options, directed staff to place the residents of the Oceano Community Service District on the County Tax Roll for collection of past delinquent and future District wastewater charges.

The District currently bills the Oceano CSD customers directly. This spring, the District sent out 2100 bills to residents and property owners in an effort to collect \$245,271 (one billing for three billing cycles). As of May 20, 2016 the District:

- Received = \$125,064
- Amount delinquent = \$120,207
- 936 are delinquent or 51% of the expected revenues for Fiscal Year 2015-16

The District mailed notice to property owners pursuant to Health & Safety Code 5473.1. NBS prepared and delivered the Resolution and Report. The District Secretary published notice of Public Hearing once a week for two weeks prior to this public hearing.

The District prepared a written report (the "Report") using its consultant NBS. The Report contains a description of each parcel of real property subject to the wastewater services and facilities charge, and the amount of that charge for each such parcel for Fiscal Year 2016/17. The charge was computed in conformity with Ordinance No. 2016-001 adopted by the Board on March 2, 2016. A copy of the Report is available at the District office for public inspection and the District website. The report also contains a separate section describing each parcel of real property delinquent in paying past wastewater services and facilities charges, and the amount of that delinquency. This charge was computed in conformity with Ordinance No. 2006-01 adopted by the Board on November 29, 2006.

Proposed Resolution No. 2016-347 authorizes:

- Health & Safety Code §5473; by ordinance the District can set charges for wastewater services and facilities.
- Health & Safety Code §5473; by resolution the District can adopt by 2/3 majority of its members, to provide for collection of wastewater services and facilities charges annually on the property tax roll.
- Health & Safety Code §5473; by resolution the District can collect delinquent charges on the property tax roll.

Proposed Resolution No. 2016-347 approves:

- Overrule all protests and objections to the Report on wastewater services and facilities charges and confirm and approve the Report; and
- Overrule all protests and objections to the Report on delinquent wastewater services and facilities charges and confirm and approve Report; and
- Request wastewater services and facilities charges, and the delinquent charges, be placed on the San Luis Obispo County Tax collector for collection on the Fiscal Year 2016/17 tax roll, and
- Instruct and authorize District Staff to transmit to the Report to the San Luis Obispo County Tax Collector and to file the necessary documents with the Tax Collector.

Greg Davidson, representative from NBS, also gave a power point presentation and answered questions of the Board and members of the public.

Chairman Shoals opened the item to public comment.

Bob Berg, Clair Valmer, Nancy McNeil, Ray Parker and Linda Austin asked questions for clarification.

Julie Tores and Jean Bragg protests the Resolution.

Tim Brown clarified that it is not a tax.

Beatrice Spencer, Karen White, Collen Martin, Patty Welsh, Sharon Brown, Julie Tacker are in favor of the Resolution.

Chairman Shoals closed the public hearing.

The Board received public input and protests to placing collection of rates and delinquent rates on the tax roll. The number of protests necessary to constitute a majority is 1051. The Board determined that a majority protest does not exist.

Motion: Director Hill made a motion to find that there was an insufficient protest and further moved to adopt Resolution No. 2016-347 a Resolution of the Board of

South San Luis Obispo County Sanitation District approving the report of wastewater services and facilities charges and delinquent charges, and directing the filing of charges and delinquent charges from the community of Oceano for collection by the County Tax Collector pursuant to Health & Safety Code §5470 et seq.

Second: Chairman Shoals

Action: Approved unanimously

The Board gave direction to staff to reach out to the 936 delinquent accounts.

6B. Information Technology Integration into Wastewater Operations

The Board of Directors and members of the public received a demonstration of recently completed and deployed IT integration project for our wastewater operations given by Operator II, Mr. Michael Arias.

Chairman Shoals opened the item to public comment.

There being no public comment, Chairman Shoals closed the public comment period.

Action: The Board received and filed this report.

6C. Proposed Draft Budget - Fiscal Year 2016-17 Budget

The Board and members of the public received a power point presentation on a proposed Draft Budget for Fiscal Year 2016-17 beginning July 1, 2016.

Chairman Shoals opened the item to public comment.

Patty Welsh, Julie Tacker, Beatrice Spencer, Debbie Peterson and Marc London commented on the following budget accounts:

- Satellite Office
- Litigation
- Reserves
- Strategic Planning

Chairman Shoals closed the public comment period.

The Board had a brief discussion addressing the budget accounts mentioned in public comment.

The Board gave direction to reduce the amount for Outside Counsel from \$40,000 to \$20,000 and return to next meeting with the Final Budget and Reserve Policy.

6D. Update on Homeless Issue and Impact of Trash on District and Surrounding Properties.

The Board heard an update on District efforts working with the Oceano neighborhood near our facility, on the homeless and transit population, and the impacts of trash/debris on District and surrounding properties.

Chairman Shoals opened the item to public comment.

Julie Tacker and Debbie Peterson gave comment on this item.

Chairman Shoals closed the public comment.

Action: The Board received and filed this report.

7. DISTRICT ADMINSTRATOR AND PLANT SUPERINTENDENT'S REPORT

Mr. Hubner presented this report.

Chairman Shoals opened the item to public comment.

Sharon Brown and Julie Tacker, Debbie Peterson and Beatrice Spencer all commented on this item.

Action: The Board received and filed this report.

8. PUBLIC COMMENT ON CLOSED SESSION

Chairman Shoals opened the public comment period.

Marc London commented on Closed Session.

Chairman Shoals closed the public comment period.

9. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION [Paragraph (1) of subdivision (d) of Government Code Section 54956.9];

(1) South San Luis Obispo County Sanitation District v. State Water Resources Control Board (Superior Court of Sacramento) case number 34-2012-80001209-CU-WM-GDS)

CONFERENCE WITH LABOR NEGOTIATORS

*Agency designated representative: (District Administrator)
Employee organization: (Unrepresented employees)*

10. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

Legal Counsel announced that the Board met in closed session regarding the two items on the closed session agenda. In the State Water Resources Control Board matter, he reported that the District and State entered into a stipulated stay of the litigation and agreed to enter into settlement negotiations. In the Conference with Labor Negotiators, there was no reportable action.

There being no further business to come before the Board, Chairman Shoals adjourned the meeting at approximately 11 p.m.

THESE MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT THE MEETING OF JULY 06, 2016.