

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

OCSD Board Room
1655 Front Street
Oceano, California 93445

Minutes of the Meeting of Wednesday October 19, 2016
6:00 P.M.

1. CALL. TO ORDER AND ROLL CALL

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

District Staff in Attendance: John Clemons, Plant Superintendent; Gerhardt Hubner, District Administrator; Gilbert Trujillo, District Legal Counsel; Amy Simpson, Bookkeeper/Secretary

2. FLAG SALUTE

3. AGENDA REVIEW

Approved as presented unanimously by roll call vote.

4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

Chairman Shoals opened the public comment period.

Patty Welsh commented on the District getting out of litigation business.

Julie Tacker requested the un-redacted email Director Lucey presented as evidence in her request to censure Director Hill at the meeting of September 21. She also commented that a change order of \$17,000 for the Grit Removal Project should have been brought before the Board.

Debbie Peterson commented on the meeting room for Closed Session. The Board might want to consider holding Closed Session at the front of the OCSD building.

Patricia Price referred to the meeting of September 21. She noted her concern with the Board not reprimanding Director Lucey for the negative comments about the District. She would like to see staff working together for the rate payers.

Tim Brown referred to the meeting of September 21 specifically when Chairman Shoals said that "we would rectify the record at a later date". He requests the Board follow through with rectifying the record.

Chairman Shoals closed the public comment.

Alternate Guerrero stated he no longer has keys to hold Closed Session in the meeting room at the front of the OCSD building.

5. CONSENT AGENDA

5A. Approval of Minutes of Meeting of October 05, 2016

5B. Approval of Warrants

5C. Financial Review at September 30, 2016

Chairman Shoals opened the public comment period.

Debbie Peterson, and Julie Tacker commented on the legal bills.

Chairman Shoals closed public comment.

Motion: Director Hill made a motion to approve Items 5B and 5C

Second: Alternate Guerrero

Action: Approved unanimously by roll call vote.

Item 5A, Minutes of October 05, 2016, will be continued at next scheduled Board meeting.

6. DISTRICT ADMINISTRATOR AND PLANT SUPERINTENDENT'S REPORT

District Administrator Hubner presented this report giving updates on the RWQCB and District Settlement of 2010 spill, Redundancy Project, SRF funding loan, Satellite Recovery Grant, Regional Groundwater Sustainability Project meeting, and the website overhaul.

Plant Superintendent Clemons presented his portion of the report showing the facility continues to meet permit limitations. He highlighted Fecal Coli number going down from 67 MPN/100 ml last year to 5 MPN/100 ml this year. He gave updates on operation and maintenance, training and call outs.

Chairman Shoals opened the public comment period.

Julie Tacker commented on the District's Bookkeeper/Secretary receive regulatory update training in areas of Payroll and CalPers. She spoke to the timeline and cost of permitting with the Coastal Development Permit, and about moving the plant before any more money is spent on the Redundancy Project.

Debbie Peterson asked why the Board had not approved \$10,000 for completion of SCADA.

Patty Welsh highlighted the SDRMA letter that commended staff for no reportable accidents.

Beatrice Spencer gave kudos to staff, but believes something is wrong when the legal bills are so high.

Chairman Shoals closed the public comment.

Action: The Board received and filed this report.

7. ACTION ITEMS:

7A. CONSIDERATION OF RESOLUTION NO. 2016-358, AUTHORIZING AN ANNUAL TRANSFER TO A DEDICATED RESERVE ACCOUNT, AND DIRECTING THE DISTRICT ADMINISTRATOR TO TRANSFER MONEY PER THE DISTRICT'S RESERVE POLICY

Chairman Shoals opened the item to public comment.

Julie Tacker commented on using unaudited financials and stated that it sets a precedent for the transfer not to be brought to Board annually.

Chairman Shoals closed the public comment.

Motion: Alternate Guerrero made a motion to Adopt Resolution No. 2016-358, authorizing annual transfers to the Reserve Account, and transferring \$248,990 from the beginning fund balance available in Operating Fund 19 to new Account No. 19-1011 with the deletion of "Whereas, in addition to its standard operations, the District in now proceeding with significant capital and updating projects including a redundancy project, and wishes to implement a prudent reserve to assure success of these efforts."

Second: Chairman Shoals

Action: Motion approved unanimously by roll call vote.

7B. GRIEVANCES FILED BY DISTRICT OPERATORS MR. MICHAEL ARIAS AND MR. MYCHAL JONES

District Counsel informed the Board and public that District Policy as it relates to grievances has been followed and implemented and recommend this item be held in Open Session.

The Board discussed their duty on this item. They are to identify where the interpretation by the District Administrator is in any conflict with the personnel policy and then take appropriate action.

Chairman Shoals opened the item to public comment.

Patty Welsh, Beatrice Spencer, Julie Tacker, Ron Holt, and Mark McKibben all spoke in support of the grievances.

Patty Welsh, Tim Brown, Beatrice Spencer, Ron Arnoldson, Julie Tacker, Debbie Peterson, and Mark McKibben spoke to the interpretation of District policy and believe that a public hearing for grievances is not best practice.

Chairman Shoals closed the public comment. The Board took a recess.

The Board came back from recess to Open Session and the Chairman announced that based on information provided by the employees which includes sensitive personnel information, he recommended the Board hold a Closed hearing with both grievants with their concurrence. The Chair acknowledged for the record that this recommendation was contrary to legal counsel's advice.

Mr. Arias and Mr. Jones concurred to hold a Closed hearing.

The Board went into a Closed hearing to review the grievance and documents submitted by Mr. Arias and Mr. Jones.

CLOSED HEARING ON GRIEVANCES

RETURN TO OPEN SESSION

District Counsel announced that the Board would be meeting in Closed Session to discuss three items.

8A. PUBLIC EMPLOYEE APPOINTMENT

Title: Operator III

8B. EMPLOYEE PERFORMANCE EVALUATION

Title: District Administrator

8C. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant Exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (one potential case).

PUBLIC COMMENT ON CLOSED SESSION

Chairman Shoals opened the public comment period.

Julie Tacker, Patty Welsh, Beatrice Spencer, and Patricia Price all spoke to Item 8B Personnel Evaluation of District Administrator, and their dissatisfaction with the District Administrator.

Patricia Price spoke to Item 8A. She is in favor of the Operators and not in favor of the District Administrators interpretation of the Personnel Policy.

Chairman Shoals closed the comment period.

The Board went into Closed Session.

8. CLOSED SESSION

RETURN TO OPEN SESSION; CLOSED SESSION REPORT BY DISTRICT COUNSEL

8B. EMPLOYEE PERFORMANCE EVALUATION

No reportable action.

8C. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

No reportable action.

8A. PUBLIC EMPLOYEE APPOINTMENT

By unanimous vote, motion by Director Hill, and second by Director Guerrero, the Board adopted resolutions denying the grievances filed by Mr. Jones and Mr. Arias and directed staff to update the Personnel Policy Manual within six months, including a review of the job descriptions, and upon adoption by the Board, that staff implement a competitive promotional process to fill the Operator III positions currently authorized by the Board.

Chairman Shoals added a few comments. He said the Board was unanimous in that the Administrator has the authority to approve or deny recommendations and there are no guarantees with recommendations from the Plant Superintendent that he is acting in the capacity that he was hired too. When following past bad practices, it is not advisable or acceptable. All operators are being compensated commensurate with their performance and certification. They have received pay increases where warranted. It is obvious the operator III job description and the grievance policy are not sufficient and need to be updated. The Board does believe in promoting from within the organization when possible, but it should be a competitive process, open to all qualified employees.

9. ADJOURN MEETING

This meeting adjourned at 11:15 pm.

The next regularly scheduled Board meeting on November 16, 2016, 6 pm at the Oceano Community Service District Board Room, 1655 Front Street, Oceano, California

THESE MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT THE MEETING OF DECEMBER 07, 2016.