

## **SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**

Grover Beach City Council Chambers  
154 South 8<sup>th</sup> Street,  
Grover Beach, CA

Minutes of the Meeting of Wednesday March 01, 2017  
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 Karen White, 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**

No changes

### **4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

Chairman Shoals opened the public comment period.

Julie Tacker commented about the Liebert, Cassidy, Whitmore contract, costs related to it since May 2016, and the status with the facilitator. She also asked about the Public Records Request Act and the intention of such Act when responding to requests within 10 days.

Patricia Price commented about the District's Website, tapes transferred to AGP Video, a letter written by Mary Lucey and its inaccuracies, and requested an apology. She also commented about Plant Superintendent John Clemons.

Mary Lucey commented that the letter was a post and not a letter and would not apologize; she feels the Public Records Requests are abused and out of control and have a definite fiscal impact on the District.

Shirley Gibson stated she had recently started attending meetings and recommended the Board start working on the current and future status of the District and not the past.

Chairman Shoals closed public comment.

### **5. CONSENT AGENDA**

**5A. Approval of Warrants**

**5B. Approval of Minutes of Meeting of February 15, 2017**

Chairman Shoals opened the public comment period on Items 5A and 5B.

Chairman Shoals closed public comment.

**Motion:** Director Hill made a motion to approve Items 5A and 5B.  
**Second:** Alternate White  
**Action:** Approved unanimously by roll call vote.

**6. ACTION ITEMS:**

**6A. Approval of Minutes of Meeting of December 21, 2016**

Chairman Shoals opened the public comment period.

Julie Tacker referred to the District's Bylaws regarding requests/attachments being reflected in the record.

Patty Welsh felt it was not necessary for letters to be attached to the minutes.

Mary Lucey provided comments.

Patricia Price read a letter.

Chairman Shoals closed public comment.

**Motion:** Director Hill made a motion to approve Item 6A.  
**Second:** None.  
**Action:** Motion failed.

Chairman Shoals stated he would like to continue this item to the next meeting as he is still keeping with his previous discussion of not including attachments to the minutes. Director White agreed as she was not in attendance at the December 21<sup>st</sup> meeting and had not had an opportunity to review the tape. She also stated that Director Austin should be back and available for the next meeting. This item will return at the next meeting.

**6B. DISTRICT ADMINISTRATOR & PLANT SUPERINTENDENT REPORT**

Administrator Hubner presented the District Administrator and Plant Superintendent's Report.

Director Hill commented on the Surplus Sale, specifically related to the "bridge" and possibly donating it to the Sheriff's Department, and the I & I Study on the website.

Chairman Shoals opened the public comment period.

Julie Tacker commented on Cambria CSD's Brine; RGSP and cost sharing, total compensation and consultant; Strategic Planning; and the outreach initiative with OCSD.

Chairman Shoals closed public comment.

**Action:** The Board received and filed this report.

**6C. FISCAL YEAR 2016/17 SECOND QUARTER (MID-YEAR) REVIEW BUDGET PERFORMANCE REVIEW**

Administrator Hubner gave a power point presentation on the 2<sup>nd</sup> Quarter Budget Performance using graphs which showed Revenues, Expenses, Transfers and Fund Balances. He discussed approximately 30 different accounts. He requested an increase of \$46,000 for Professional Services including Outside Counsel, Attorney Fees, Human Resources and Computer Support. The other large increase would be for Maintenance, Tools, and Replacement. This increase would cover the cost of the previously Board approved new flooring for the District Control Building and office. He would be able to accommodate this with transfers internally in Operating Fund 19.

Chairman Shoals opened the public comment period.

Julie Tacker commented on the Student Intern Program (decrease); the Source Control Program (decrease) as she thought that was for the quarterly newsletter; the IT invoices (increase) due to the trailer; and legal costs.

Debbie Peterson commented on the Knudsen Report and legal costs.

Beatrice Spencer commented on the increase in costs related to legal, outside legal, and human resources.

Mary Lucey commented on special districts and how they must have legal representation at meetings and be assured that investigations and other issues stay within the law, and come at a cost.

Chairman Shoals closed public comment.

Director Hill then provided his comments about the increase in outside counsel and legal fees, investigations and computer support. He is not supportive of these increases. He also indicated concerns about other items that have not come to the Board for approval.

**Motion:** Alternate White made a motion to adopt Resolution No. 2017-363 authorizing the budgetary adjustments as detailed in Exhibit A

**Second:** Chairman Shoals

**Noes:** Director Hill

**Action:** Approved 2-1.

**6D. CORRECTIONS TO EXHIBIT "A" CONTRIBUTIONS ON BEHALF OF EMPLOYEE, AND THE 2016-2017 SALARY RANGE MONTHLY COMPENSATION TABLE AS CONTAINED AS PART OF RESOLUTION NO. 2016-349**

Administrator Hubner presented this item. The item is to consider and approve corrections to Exhibit "A" Contributions on Behalf of Employee, and 2016-2017 Salary Range Monthly Compensation Table contained within Resolution No. 2016-349. He reported that this was a simple housekeeping item.

There was no public comment on this item.

**Motion:** Director Hill made a motion to approve corrections to Exhibit "A" Contributions on Behalf of Employee, and 2016-2017 Salary Range Monthly Compensation Table contained within Resolution No. 2016-349

**Second:** Alternate White

**Action:** Approved unanimously by roll call vote.

**6E. REQUEST BY THE CITY OF ARROYO GRANDE TO PARTICIPATE IN JOINT INVESTIGATION**

Director Hill recused himself at this time.

Legal Counsel Trujillo presented this report. He reported that there is a request by the City of Arroyo Grande to participate in a joint investigation alleging misconduct by Mayor Hill. This investigation is related to this District because of his role as a Board Member. The cost to the District would be \$7,500.

Chairman Shoals opened the public comment period.

Julie Tacker, Otis Page, Debbie Peterson, Patricia Price, Ron Holt, and Beatrice Spencer asked that if the Board does participate, that they use an independent investigator and not Liebert, Cassidy, Whitmore due to an alleged conflict.

Mary Lucey, and Shirley Gibson have concerns of exposure to litigation and would recommend using Liebert, Cassidy, Whitmore to investigate the allegations.

Chairman Shoals closed public comment.

**Motion:** Alternate Member White made a motion to join with the City of Arroyo Grande in hiring a firm to investigate the recent allegations focused on Arroyo Grande Mayor Jim Hill. Legal Counsel suggested the motion include authorization for District Counsel to execute any contract amendments that may be necessary with Liebert, Cassidy, Whitmore, to execute any conflict waiver that may be necessary to effectuate this joint representation and to share 50% of the cost of the investigation.

**Second:** Chairman Shoals

**Action:** Approved 2-0. (Director Hill recused himself from this item)

Chairman Shoals provided some comments as it related to litigations, the Knudson report, personnel matters, that this is not a "Witch Hunt", and how to move forward from here.

Director Hill resumed his seat at the dais.

**7. CLOSED SESSION**

CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code Section 54957.6. Agency designated representative: District Administrator

Employee Organizations: Service Employees International Union (SEIU) Local 620, Non-represented Management and Non-Represented Employees.

**8. RECONVENE TO OPEN SESSION**

At 8:10 p.m., the Board reconvened to open session.

The Board provided direction to staff to provide a future report on a I & I Study, website audio tapes, and start date for delivery of Cambria CSD's brine.

**9. ADJOURNMENT**

This meeting adjourned at 8:15 p.m.

**The next regularly scheduled Board meeting on March 15, 2017, 6 p.m. at the Grover Beach City Council Chambers, 154 South 8<sup>th</sup> Street, Grover Beach, California 93433**

***THESE MINUTES ARE DRAFT AND NOT OFFICIAL UNTIL APPROVED BY THE BOARD OF DIRECTORS AT A SUBSEQUENT MEETING.***