



**SOUTH SAN LUIS OBISPO COUNTY  
SANITATION DISTRICT**

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**Action Summary Minutes of the  
Meeting of Wednesday, September 6, 2017, at 6:00 p.m.**

**BOARD OF DIRECTORS MEETING**  
Arroyo Grande City Council Chambers  
215 E. Branch Street  
Arroyo Grande, California 93420

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**1. CALL TO ORDER AND ROLL CALL**

Chairman Shoals called the meeting to order and recognized a quorum.

Present: John Shoals, Chairman, City of Grover Beach  
Jim Hill, Director, City of Arroyo Grande  
Linda Austin, Vice Chair, Oceano Community Services District

District Staff: Paul Karp, Technical/Administrative Services Consultant  
Gilbert A. Trujillo, District Legal Counsel

**2. PLEDGE OF ALLEGIANCE**

Chairman Shoals led the Pledge of Allegiance

**3. AGENDA REVIEW**

**Motion:** Director Austin made a motion to approve the Agenda as presented

**Second:** Director Hill

**Action:** Motion approved 3 – 0

**Ayes:** Directors Austin, Hill and Shoals

**Noes:** None

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

Chairman Shoals opened the Public Comment period.

Julie Tacker commented on the former Administrator's relocation expenses, Water Board complaint filed by the former Administrator and disparaging remarks made about staff.

Kris Victorine spoke on District Counsel and the 2015/16 final audit.

Ron Holt commented on the current Brown Act document.

Patricia Price spoke on Chairman Shoals City Council report, the former Administrator's management style and employee's leave without due process.

Mary Lucey commented on Board meeting guidelines regarding personnel.

Colene Kubel spoke in support of Director/Mayor Hill and moving forward.

Nicholas Pressure commented on recall forms.

Cinnamon Lofton spoke in support of unitive merging of all.

Shirley Gibson commented on taking the focus off of the former District Administrator and moving forward.

*Chairman Shoals closed the Public Comment period.*

**5. CONSENT AGENDA:**

Director Hill requested the approval of Warrants be take separately.

**5A. Approval of Warrants**

Chairman Shoals opened the Public Comment period.

Julie Tacker spoke on the Downey Brand warrant.

Chairman Shoals closed the Public Comment period.

Director Hill made a motion to approve the Warrant Register excluding the Downey Brand Warrant.

Motion died for lack of second.

**Motion:** Director Austin made a motion to approve the Warrant Register as presented

**Second:** Director Shoals

**Action:** Motion approved 2 – 1 Director Hill voted No

**Ayes:** Directors Austin and Shoals

**Noes:** Director Hill

Chairman Shoals opened the Public Comment period for the remaining items on the Consent Agenda.

Julie Tacker spoke on removing the Public Commenter's community of residence from the Minutes and why she called Point of Order during the August 2, 2017 meeting.

Shirley Gibson stated the Minutes should be Action Summary only.

Mary Lucey commented on Director Hill's statement regarding the joint investigation.

Nicholas Pressure commented on doing the financial report without a final audit.

Chairman Shoals closed the Public Comment period.

- 5B. Approval of Minutes of Meeting of the Special Meeting of July 26, 2017**
- 5C. Approval of Minutes of Meeting of August 2, 2017**
- 5D. Approval of Minutes of Meeting of August 16, 2017**
- 5E. July Financial Report**

**Motion:** Director Austin made a motion to approve the Minutes as presented. It was further ordered that future Minutes be Action Summary only and the public speakers community of residence not be included in the Minutes.

**Second:** Director Hill

**Action:** Motion approved 3 - 0

**Ayes:** Directors Austin, Hill and Shoals

**Noes:** None

**6. ACTION ITEMS:**

- 6A. DISCUSSION AND CONSIDERATION OF APPROVAL TO REVISE THE ADOPTED BUDGET FOR FISCAL YEAR 2017-18 REGARDING LINE ITEMS FOR LEGAL EXPENSES.**

Technical Consultant Paul J. Karp provided the Staff Report requesting revisions to the two line items for Legal Expenses in the adopted 2017/18 budget.

Chairman Shoals opened the Public Comment period.

Julie Tacker commented on legal fees.

Debbie Peterson spoke on legal fees.

Mary Lucey spoke on the Budget, legal fees and Human Resources.

Patricia Price commented on legal fees.

Shirley Gibson supported the new leaderships recommendations.

Chairman Shoals closed the Public Comment period.

**Motion:** Director Austin made a motion to adopt Resolution 2017-376 to revise amounts on line items for legal expenses of adopted budget for Fiscal Year 2017-18.

**Second:** Director Shoals

**Action:** Motion approved 2 – 1. Director Hill voted No with prejudice.

**Ayes:** Directors Austin and Shoals

**Noes:** Director Hill

**6B. DISCUSSION AND CONSIDERATION OF APPROVAL TO SUBMIT AN APPLICATION FOR MEMBERSHIP OF PAUL J. KARP TO THE SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT ZONE 1 AND 1A ADVISORY COMMITTEE.**

Technical Consultant Paul J. Karp provided the Staff Report requesting approval to submit an application for membership of Paul J. Karp to the San Luis Obispo County Flood Control and Water Conservation District Zone 1 and 1A Advisory Committee.

Chairman Shoals opened the Public Comment period.

Nicholas Pressure questioned if serving both the District and Advisory Committee would be a conflict of interest.

Chairman Shoals closed the Public Comment period.

Technical Consultant Paul J. Karp explained what the Zone 1/1A Committee is advising.

**Motion:** Director Hill made a motion to appoint Paul J. Karp to the San Luis Obispo County Flood Control and Water Conservation District Zone 1 and 1A Advisory Committee to fill the vacancy left by Gerhardt Hubner.

**Second:** Director Austin.

**Action:** Motion approved 3-0

**Ayes:** Directors Hill, Austin and Shoals

**Noes:** None

**6C. DISCUSSION AND DIRECTION TO STAFF REGARDING THE STATUS OF THE JOINT INVESTIGATION WITH THE CITY OF ARROYO GRANDE**

District Counsel Gilbert Trujillo advised that Board direction was needed on the following:

1. Liebert, Cassidy Whitmore to present in open session a review of the joint investigation;
- and
2. Waive attorney/client privilege of additional joint investigation related documents.

Chairman Shoals opened the Public Comment period.

Nicholas Pressure commented on the investigation findings.

Teri Kleir spoke in support of Director Hill.

Shirley Gibson commented on witnessing a conversation conspiring against the former District Administrator.

Stewart Jenkins spoke on waiving the attorney/client privilege, and placing the Liebert, Cassidy Whitmore and Stewart Jenkins letter on the District website.

Debbie Peterson commented on legal fees and apology due to Director Hill.

Julie Tacker spoke on the joint investigation summary and actual reports.

Colene Kubel commented on content and inaccuracies in the report.

Otis Page spoke on fallacy in the report, legal counsel and lack of due process for Director Hill.

Matt Guerrero spoke in support of the investigation and he alleged fabrication created by Director Hill.

Patricia Price commented on Director Hill not getting due process and a vote of no confidence petition.

Mary Lucey spoke on the need for the joint investigation report to go public.

Ron Holt commented on the investigation and his thought that Liebert Cassidy Whitmore had a conflict.

Lindsay Westbrook thanked Director Hill.

Mike Nobel spoke in support of Director Hill.

Chairman Shoals closed the Public Comment period.

**Motion:** Director Austin made a motion to waive the attorney/client privilege, release the report and have Liebert Cassidy Whitmore provide a presentation to the Board, on the investigation, in open session.

**Second:** Director Shoals.

**Action:** Motion approved 3-0

**Ayes:** Directors Austin, Hill and Shoals

**Noes:** None.

#### **6D. TECHNICAL CONSULTANTS AND PLANT OPERATION'S REPORT**

Technical Consultant Paul J. Karp gave the Technical Consultants and Plant Operation's Report.

The Board discussed the Cherry Avenue bridge, redundancy, ground water recycle, the C-train and the audit.

Chairman Shoals opened the Public Comment period.

Debbie Peterson commented on the District By-laws and the Technical Advisors contract.

Julie Tacker spoke on the Liebert, Cassidy, Whitmore retro contract, recycle of MND, bond market, administration trailer, C-train and the Audit.

Patricia Price commented on the District's By-laws.

Chairman Shoals closed the Public Comment period.

The Board Received and Filed the Technical Consultant's and Plant Operation's Report.

#### **7. BOARD MEMBER COMMUNICATIONS**

None

#### **8. CLOSED SESSION**

District Counsel Gilbert Trujillo read the Closed Session items into the Record.

Chairman Shoals opened the Public Comment period.

Stewart Jenkins, Attorney at Law, commented on Government Code Section 54956.9.

Julie Tacker commented on item 8A, exposure to litigation, and initiation of litigation.

Chairman Shoals closed the Public Comment period.

- 8A. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code Section 54957.6:** Agency designated representatives: Richard Sweet or Paul J. Karp; Susan Wells Employee organization: Service Employees International Union (SEIU) Local 620

Discussed, no reportable action.

- 8B. CONFERENCE WITH LEGAL COUNSEL: ANTICIPATED LITIGATION:** significant exposure to litigation pursuant to **paragraph (2) of Government Code Section: 54956.9 (d), paragraph 2, and (e)(5):** Three Items

Discussed, no reportable action.

- 8C. CONFERENCE WITH LEGAL COUNSEL: ANTICIPATED LITIGATION:** significant exposure to litigation pursuant to **Government Code Section: 54956.9 (d), paragraph 2, and (e)(4):** One Item

Discussed, no reportable action.

The Board reconvened the meeting at 8:46.

**9. ADJOURN MEETING**

The meeting was adjourned at 8:47 p.m.

**The next regular Board of Directors meeting is scheduled for  
September 20, 2017, 6 pm at the  
Arroyo Grande City Council Chambers,  
215 E. Branch Street, Arroyo Grande, California 93420**