



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

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## **SUMMARY ACTION MINUTES - Regular Meeting of Wednesday, May 16, 2018**

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

Chair Austin called the meeting to order and recognized a quorum.

Present: Linda Austin, Chair, Oceano Community Services District  
Jim Hill, Director, City of Arroyo Grande  
Barbara Nicolls, Director, City of Grover Beach

District Staff: Paul J. Karp, Technical Consultant  
Keith Collins, District Legal Counsel  
Amy Simpson, District Bookkeeper/Secretary

### **2. PLEDGE OF ALLEGIANCE**

Chair Austin led the Pledge of Allegiance.

### **3. AGENDA REVIEW**

The Board agreed to hear Item 6B, the Technical Consultant and Plant Operations report before Item 6A.

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

Chair Austin opened the Public Comment period.

Julie Tacker commented on the censure of Director Hill, requested a censure of John Shoals and Mary Lucey, and requested that financial reporting return to the agenda.

Shirley Gibson commented on rate payer's opinions, money, and importance on Board decisions.

Patricia Price and Patty Welsh commented on the rebuttal of Mary Lucey's comments.

Chair Austin closed the Public Comment period.

### **5. CONSENT AGENDA:**

#### **5A. Approval of Warrants**

- 5B. **Approval of Meeting Minutes of May 2, 2018**
- 5C. **Approval of Special Meeting Minutes of May 4, 2018**
- 5D. **Approval of Redundancy Project; Kennedy/Jenks (K/J) Contract Amendment; Approval of Resolution No. 2018-393**

Chair Austin opened the Public Comment period.

Julie Tacker commented on the Consent Agenda.

Chair Austin closed the Public Comment period.

Chair Austin clarified that the Minutes should only reflect actions of the Board and not what goes on in the audience.

**Motion:** Director Nicolls made a motion to approve the Consent Agenda as presented recognizing Resolution No. 2018-393.

**Second:** Director Hill

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

#### **6B. Technical Consultants and Plant Operations Report**

Technical Consultant Karp presented the Technical Consultants report. He highlighted that the rehab of Digester No. 1 continues and that the concrete has been placed for the Biosolids Handling Facility. Interim Superintendent Jones reported on plant operations. He explained the May 1<sup>st</sup> violation which was an exceedance of limit for fecal coliform bacteria and said the cause is still unknown. Staff believes it may be due to inconsistencies in the chlorine system and mentioned there is a request in the budget to assess the chlorine system. He also said that the repaired centrifuge auger will be installed once the biosolids slab is complete. Interim Plant Superintendent Jones then spoke on the Air Pollution Control District (APCD) violation and announced that the plan was approved and the District had been released and discharged from any and all claims for civil penalties arising out of that notice of violation.

Director Hill requested a column for actual chlorine usage be added to the Superintendent's report.

Chair Austin opened the Public Comment period.

Julie Tacker, Patty Welsh, Shirley Gibson and Ron Arnoldsen commented on the Technical Consultant and Operations Report.

Chair Austin closed the Public Comment period.

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

#### **6A. PRESENTATION AND APPROVAL OF 2015/16 FINANCIAL AUDIT**

Al Eschenbach, Glenn Burdette Attest Corporation, presented the audit. He provided a brief overview of the audit and said that the transition of staff led to the

length of time it took to complete the 2016 audit. He was pleased to announce that the District does have an unqualified opinion this year. He concluded that the general health of the District is strong on an immediate basis. There were three material weakness findings in the 2015/16 Audit. They were capital assets reporting, lack of expertise in financial accounting and reporting, and inadequate segregation of duties. Findings indicate that there can be room for improvement, and that he is satisfied with the cooperation GB has received from District staff.

Chair Austin opened the Public Comment period.

Patty Welsh, Kris Victorine, Julie Tacker, Shirley Gibson, Ron Arnoldsen and Patricia Price all commented on the presentation of the 2016 Financial Audit.

Chair Austin closed the Public Comment period.

**Motion:** Director Nicolls made a motion to approve and file the 2015/16 Financial Audit.

**Second:** Director Hill

**Action:** Approved unanimously for filing.

Chair Austin called for a five minute recess at 7:20 p.m.

#### **6C. DRAFT FISCAL YEAR 2018/2019 BUDGET**

Technical Consultant Karp presented the Budget. He provided background on the layout of the spreadsheets and highlighted the Redundancy Project and pointed out that savings will be drawn down to complete design of the project.

The Board agreed to increase the budget proposal for Professional Services-Fiscal Services and decrease the budgets for Professional Services-Strategic Planning, Professional Services-Attorney Fees, Small Tools and Office Supplies and Equipment.

District Bookkeeper/Secretary Simpson clarified that Other Charges seen in Fund 20 is designated for the Memorandum of Agreement (MOA) with City of Pismo for the joint EIR that will be carried over from the current budget.

Chair Austin opened the Public Comment period.

Julie Tacker, Ron Arnoldsen, Patricia Price and Shirley Gibson commented on the 2018/19 budget.

Chair Austin closed the Public Comment period.

**Motion:** Director Nicolls made a motion to schedule a Public Hearing for the regular meeting of June 06, 2018 to consider the adoption of the final budget for Fiscal Year 2018/19 and directed staff to advertise and notice the Public Hearing.

**Second:** Director Hill

**Action:** Approved unanimously

**6D. DISCUSSION OF PERSONNEL POLICY MANUAL UPDATES**

Chair Austin requested to table Item 6D Discussion of the Personnel Policy Manual Update to the next regularly scheduled meeting.

The Personnel Policy Manual will be brought back at a future meeting and discussion will continue beginning with Section 7042 – Laboratory Technician.

**7. MISCELLANEOUS ITEMS**

**7A. Written Communications**

Director Hill requested that the District respond to a letter received from the District Attorney.

**8. BOARD MEMBER COMMUNICATIONS**

The Board requested that monthly financial reports return to the agenda.

Director Hill encourages the public to go visit the Central Coast Blue pilot project that can be seen at the Pismo Beach wastewater treatment plant. It will be open for the next year and everyone is welcome to call and make an appointment to check it out.

**9. CLOSED SESSION:**

**PUBLIC EMPLOYEE APPOINTMENT**

**Title: District Administrator**

Legal Counsel Keith Collins announced Closed Session.

Chair Austin opened the Public Comment period.

Julie Tacker commented on Closed Session.

Chair Austin closed the Public Comment period.

The Board adjourned to Closed Session at 8:28 p.m.

**10. RETURN TO OPEN SESSION**

The Board returned to open session at 8:44 p.m., with no reportable action from the Closed Session.

**Motion:** Director Nicolls moved to add an urgency item to the agenda upon learning that the current agreement with the Technical Consultants expires on May 27, 2018, and that the appointment of a new District Administrator is still not and will not be completed before May 27, 2018. The item was to consider an agreement to extend the services of the Technical Consultants.

**Second:** Director Hill

**Action:** Approved unanimously.

The matter of the approval of a new agreement with the Technical Consultants was discussed by the Board.

**Motion:** Director Hill moved to approve the agreement to be effective May 27, 2018, under the same terms of the District's two prior agreements with the Technical Consultants for a term to expire within a day or two after the new District Administrator begins District service, but for no longer than two months. The written document with an effective date of May 27, 2018, is to be executed by the Technical Consultants and the Board Chair as soon as practicable.

**Second:** Chair Austin

**Action:** Approved unanimously on a roll call vote.

Director Hill moved for meeting adjournment at 8:48 p.m., Director Nicolls seconded the motion and it was approved unanimously.

**10. ADJOURN MEETING**

The meeting was adjourned at 8:48 p.m.

***THESE MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT THE MEETING OF JUNE 20, 2018.***