



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

Post Office Box 339, Oceano, California 93475-0339  
1600 Aloha, Oceano, California 93445-9735  
Telephone (805) 489-6666 FAX (805) 489-2765  
www.sslocsd.org

## **SUMMARY ACTION MINUTES Regular Meeting of Wednesday, June 6, 2018**

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

Vice Chair Nicolls called the meeting to order and recognized a quorum.

Present: Barbara Nicolls, Vice Chair, City of Grover Beach  
Jim Hill, Director, City of Arroyo Grande  
Karen White, Director, Oceano Community Services District

District Staff: Richard Sweet, Technical Consultant  
Keith Collins, District Legal Counsel  
Amy Simpson, District Bookkeeper/Secretary

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

Vice Chair Nicolls led the Pledge of Allegiance.

### **3. AGENDA REVIEW**

Technical Consultant Sweet announced that there was a letter received from Julie Tacker after completion and distribution of the agenda packet, and recommended that it be considered with the agenda under Item 7A. Written Communications.

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

Vice Chair Nicolls opened the Public Comment period.

Julie Tacker thanked the staff for adding her letter to the agenda and commented on the censure of Director Hill, requested a censure of John Shoals and Mary Lucey, pursuing civil action against former administrator John Wallace and requested the District respond to the letter received from the District Attorney's office.

Shirley Gibson commented on rate payers and non-rate payers.

Ron Arnoldsen asked the Board to consider a civil suit against former administrator John Wallace.

Kris Victorine asked the Board to pursue civil action against former administrator John Wallace and read from the District Bylaws Section 6.2 regarding public comment.

Patty Welsh commented on a public records request she submitted.

Coleen Kubel commented on the importance of public comment.

Vice Chair Nicolls closed the Public Comment period.

The Board requested staff send a response to the District Attorney's office acknowledging receipt of the letter dated April 7, 2018.

**5. CONSENT AGENDA:**

**5A. Approval of Warrants**

**5B. Approval of Special Meeting Minutes of May 11, 2018**

**5C. Approval of Meeting Minutes of May 16, 2018**

**5D. Financial Report for April 2018**

**5E. Notice of Rotation of District Board Meeting Location**

Director White recused herself from Item 5B.

Director Hill provided his comments on the Warrant Register and the Financial Report for April 2018.

Technical Consultant Sweet pointed out that there was a revision to the Warrant Register.

Vice Chair Nicolls opened the Public Comment period.

Julie Tacker, Patty Welsh and Ron Arnoldsen commented on the consent agenda.

Vice Chair Nicolls closed the Public Comment period.

Director Hill requested Item 5C. Minutes of May 16, 2018 be brought back after revision.

**Motion:** Director Hill made a motion to approve Items 5A, as amended, 5D, and 5E.

**Second:** Vice Chair Nicolls

**Action:** Approved unanimously by voice vote.

Item 5C. Minutes of May 16, 2018 were tabled for review and correction.

**Motion:** Director Hill made a motion to approve Item 5B.

**Second:** Director Nicolls

**Action:** Approved 2-0 by voice vote; with 1 recusal.

**6A. Technical Consultants and Plant Operations Report**

Technical Consultant Sweet presented the Technical Consultants and Plant Operations Report. He highlighted the progress of the Digester Rehab Project, the

Biosolids Handling Facility, the Digester Valve Replacement Project, and the USDA application for financing.

Director Hill provided his comments on the Technical Consultants and Plant Operations Report. He recommended having a future discussion on the proposed Memorandum of Agreement (MOA) with City of Pismo Beach.

Technical Consultant Sweet addressed Director Hill's comments. He noted that MKN had submitted a proposal to evaluate the issue causing high fecal coliform numbers and chlorine usage. He also provided the status of the application for State Financing. He said the items of cultural evaluation and air quality have been reviewed by the staff.

Vice Chair Nicolls opened the Public Comment period.

Julie Tacker commented on the report.

Vice Chair Nicolls closed the Public Comment period.

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

**6B. PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 2018-394 FOR COLLECTING FISCAL YEAR 2018-2019 ANNUAL WASTEWATER CHARGES FOR THE COMMUNITY OF OCEANO THROUGH THE COUNTY PROPERTY TAX ROLL**

Technical Consultant Sweet presented this item and noted that there was an updated version of the report provided tonight which includes new connections that were added this year to the Oceano sewer system.

The Board had no questions or comments.

Vice Chair Nicolls opened the public hearing to receive public testimony.

Julie Tacker commented on the boundaries Oceano.

Vice Chair Nicolls closed the public hearing.

**Motion:** Director Hill made a motion to adopt Resolution No. 2018-394 authorizing the transmittal of the report to the County to collect District wastewater treatment charges from the OCSD service area for Fiscal Year 2018-19 on the County Property Tax Roll.

**Second:** Director White

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

**6C. PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 2018-395 APPROVING THE FINAL BUDGET FOR FISCAL YEAR 2018-19**

Technical Consultant Sweet presented this item.

Director Hill provided his comments regarding Fund 20.

Vice Chair Nicolls opened the public hearing to receive public input regarding adoption of the Budget for Fiscal Year 2018-19.

Julie Tacker and Ron Arnoldsen commented on the budget.

Vice Chair Nicolls closed the public hearing.

**Motion:** Director White made a motion to adopt Resolution No. 2018-395 approving the Budget for Fiscal Year 2018-19.

**Second:** Director Hill

Board discussion ensued about establishing a separate fund to track the funding of the Redundancy Project.

Technical Consultant Sweet referred to the report prepared by Bartle Wells Associates, and said that some of the money from the rate increase is to be used for maintenance projects. He advised the Board to be cautious about isolating funds from being used for maintenance projects and encouraged the Board to put this discussion off until there are actual numbers and a spending time line, which the Bartle Wells Report will provide.

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

Vice Chair Nicolls called for a ten minute break.

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

Technical Consultant Sweet presented this report.

The Board reviewed the Personnel Policy starting with chapter 7042 - Laboratory Technician. They directed staff to correct grammar and spelling and asked for clarification of Appendix D. Code of Conduct, Section 11. The Board completed the review of the Personnel Policy.

Director Hill requested the administrators look at the nepotism policy from other agencies in an effort to reduce verbiage.

## **7. MISCELLANEOUS ITEMS**

### **7A. Written Communications**

1. Letter received from Julie Tacker alleging the District engaged in three violations of the Brown Act.

Technical Consultant Sweet presented this item and made the letter available for public inspection.

Legal Counsel Collins said his firm had reviewed the three allegations and it was their opinion that there was no violation of the Brown Act.

Vice Chair Nicolls opened the public comment period.

Julie Tacker, Shirley Gibson and Kris Victorine commented on this item.

Vice Chair Nicolls closed the public hearing.

**8. BOARD MEMBER COMMUNICATIONS**

None.

**9. CLOSED SESSION:**

**(A) PUBLIC EMPLOYMENT APPOINTMENT**

**Title: District Administrator**

**(B) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (one case).

Legal Counsel Collins announced Closed Session.

Vice Chair Nicolls opened the Public Comment period.

Julie Tacker commented on Closed Session.

Vice Chair Nicolls closed the Public Comment period.

Director Hill invited the public to stay for the announcement out of Closed Session.

The Board adjourned to Closed Session at 8:23 p.m.

The Board reconvened from closed session at 9:10 p.m.

The Board took action to tentatively appoint Jeremy Ghent as District Administrator. Staff was directed to prepare an employment agreement for approval at a regular meeting tentatively scheduled for June 14, 2018 at 6 p.m.

With regard to initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (one case), the Board took no reportable action.

**10. ADJOURN MEETING**

The meeting was adjourned at 9:15 p.m.

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