



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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SUMMARY ACTION MINUTES Regular Meeting of Wednesday, July 18, 2018

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: Jeremy Ghent, District Administrator
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

Approved as presented. District Administrator Ghent announced that Item 5B. Warrant Register for Fiscal Year 18/19 had been revised to include an additional warrant.

4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

Vice Chair Nicolls opened the Public Comment period.

Julie Tacker commented on the censure of Director Hill; requested a censure of John Shoals; correction to statements of Mary Lucey; civil action against former District Administrator John Wallace; the Public Records Act and the Brown Act. She also requested that Board members address questions regarding the Board packet at the meeting so that the public can hear the answers as well.

Shirley Gibson commented on the Boards obligation to the rate payers. She also commented on John Shoals, Mary Lucey and John Wallace.

Kris Victorine commented on a civil suit against former District Administrator John Wallace and read from the Bylaws regarding the public's right to participate in the legislative process.

Coleen Kubel requested civil action against former District Administrator John Wallace.

Vice Chair Nicolls closed the Public Comment period.

5. CONSENT AGENDA:

A revised Item 5B. Warrant Register was distributed.

- 5A. Approval of Warrants FY 17/18**
- 5B. Approval of Warrants FY 18/19 Revised**
- 5C. Approval of Meeting Minutes of June 20, 2018**
- 5D. Notice of Contract Completion; Biosolids Handling Facility Project**
- 5E. Financial Report for May 2018**

Vice Chair Nicolls opened the Public Comment period.

Julie Tacker commented on legal counsel.

Vice Chair Nicolls closed the Public Comment period.

Jim Hill requested the Board have a discussion regarding the Wallace matter.

Motion: Director Hill made a motion to approve the Consent Agenda with Item 5B Revised.

Second: Director White

Action: Approved unanimously by voice vote.

6A. Technical Consultants and Plant Operations Report

Administrator Ghent presented the District Administrator and Plant Operations Report. He highlighted the Central Coast Blue Project and said he had met with Ben Fine, City of Pismo Beach, and two members of the design team from WSC Consulting group. They exchanged project footprints between Kennedy Jenks' Redundancy Project and WSC's Central Coast Blue Project to determine the real estate constraints of the Central Coast Blue Project at the District site. He also announced that on July 9th, Erika Frost, Laboratory Technician, began her employment with the District.

Administrator Ghent presented the Plant Operations report. He reported that there was an exceedance on July 4th and 5th of District permit in regards to fecal coliform. He said he met with a consultant and received some recommendations to prevent this from continuing to occur. He also notified the Board of a spill the County had into the Oceano lagoon. He said the District is collecting the dewatering water and will be submitting an invoice to Granite Construction to recover the cost of assisting in the cleanup.

The Board had a brief discussion regarding the exceedance.

Vice Chair Nicolls opened the Public Comment period.

Julie Tacker commented on the Central Coast Blue Project, the fines associated with the exceedance and the formula to determine the cost of assisting in the cleanup of the lagoon spill.

Vice Chair Nicolls closed the Public Comment period.

Administrator Ghent provided the formula used to recover District costs associated with assisting the County in the cleanup. The formula is annual operating budget divided by annual flow, or \$390 per 100,000 gallons of treated water. He also said that there will be weighted labor costs included in the bill.

Action: The Board received and filed the report.

6B. 2018 CONFLICT OF INTEREST CODE

Administrator Ghent and Legal Counsel Collins presented this item. They said the revisions are minor updated code references. This is a biannual requirement and the changes were simply to reference the correct regulations.

There was no Public Comment on this item.

Motion: Director Hill made a motion to Adopt Resolution 2018-398, and directed staff to process amended Conflict-of-Interest Code with the County no later than October 1, 2018.

Second: Director White

Action: Approved unanimously by roll call vote.

6C. CONSIDERATION OF APPROVAL TO EXECUTE A CONTRACT TO PERFORM PROFESSIONAL AUDITING SERVICES FOR THE DISTRICT'S FY 2016-17, 2017-18 AND 2018-19 FINANCIAL AUDITS

Administrator Ghent presented this item. He said that Technical Consultant Paul Karp had met with Glenn Burdette and during that meeting Glenn Burdette said they were not interested in completing the audit at the bid price and were seeking \$30,000 to perform the upcoming audit. Mr. Karp could not come up with an amicable solution to the new cost so he drafted a staff report and passed it on to Administrator Ghent to present to the Board today.

Vice Chair Nicolls opened the Public Comment period.

Julie Tacker and Kris Victorine commented on issuing a Request for Proposals (RFP) for new auditor.

Vice Chair Nicolls closed the Public Comment period.

The Board had a discussion and agreed they are supportive of Moss, Levy, & Hartzheim (MLH) performing District audits for three years.

Administrator Ghent assured the Board that he would look into the status of the books and would use a Certified Public Accountant (CPA) if necessary to prepare the books prior to the audit.

Motion: Director White made a motion to execute a professional services contract with Moss, Levy & Hartzheim (MLH) to perform the District audit for FY 2016-17, 2017-18, and 2018-19 for an amount of \$9,300, \$9,630 and \$9,970 respectively.

Second: Director Hill

Action: Approved unanimously by roll call vote.

6D. DISCUSSION AND CONSIDERATION OF APPROVAL TO SUBMIT AN APPLICATION FOR MEMBERSHIP OF JEREMY GHENT TO THE SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT ZONE 1 AND 1A ADVISORY COMMITTEE

Administrator Ghent presented this item.

There was no public comment on this item.

Motion: Director Hill made a motion to recommend Mr. Jeremy Ghent as the District's representative, to the San Luis Obispo County Flood Control and Water Conservation District Zone 1 and 1A, Advisory Committee to fill the vacancy of Mr. Karp and directed staff to submit an application to the Board of Supervisors for formal consideration and appointment.

Second: Director White

Action: Approved unanimously by roll call vote.

7. MISCELLANEOUS ITEMS

7A. Written Communications

None.

8. BOARD MEMBER COMMUNICATIONS

Director Hill requested the Board have a discussion to consider the issue of former District Administrator Wallace. Director Nicolls agreed that it is a discussion the Board should have. Director White said she is not interested in seeing this discussion on an agenda.

9. CLOSED SESSION:

(A) CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Section 54956.9)

One Case: Case No. 18 CV-0402 - Carol A. Wolff v. Mathew Robert Dutra;
Duna Vista Mobile Home Park; South San Luis Obispo County Sanitation
District; Alexander Keith; Christine Keith

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.

The Board adjourned to Closed Session at 7:08 p.m.

The Board reconvened from closed session at 7:28 p.m.

The Board took no reportable action.

10. ADJOURN MEETING

The meeting was adjourned at 7:29 p.m.

***THESE MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT THE
MEETING OF AUGUST 01, 2018.***