



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

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## **Action Minutes of the Regular Meeting of Wednesday, January 17, 2018**

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

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

Present: Tim Brown, Director, City of Arroyo Grande  
Linda Austin, Acting Chair, Oceano Community Services District  
Barbara Nicolls, Director, City of Grover Beach

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

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

Acting Chair Austin led the Pledge of Allegiance.

### **3. AGENDA REVIEW**

Approved as presented.

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

Acting Chair Austin opened the Public Comment period.

Julie Tacker requested the Board rescind the censure of Director Hill, an investigation of Chair Shoals and increasing the Board to five members. She questioned why Wendy Stockton was attending the Wallace hearings.

Shirley Gibson asked the Board to follow direction and wishes of the rate payers regarding policy.

Patricia Price reiterated the testimony presented by Ms. Tacker.

Coleen Kubel requested the Board use a strict rotation in regards to election of Chair and Vice Chair.

Kris Victorine read Paragraph 6.2 of the Bylaws.

Mary Lucey asked that the sewer charges for the cities of Arroyo Grande and Grover Beach be collected on the property taxes. She asked where the rate increase funds have been spent.

Patty Welsh commented on the minutes of January 03, 2018. She believes she gave comment at the meeting that was not included in the minutes.

Ron Holt reiterated the points made by Ms. Tacker and Ms. Price.

Acting Chair Austin closed the Public Comment period.

Director Brown questioned legal counsel regarding the matter raised about work by Ms. Stockton.

Legal Counsel Trujillo responded that the confidential matter had been thoroughly discussed with the Board in Closed Session.

## **5. CONSENT AGENDA:**

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

### **5B. Approval of Minutes of Meeting of December 06, 2017**

Acting Chair Austin requested the Minutes be considered separately.

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

Acting Chair Austin opened the Public Comment period.

Julie Tacker commented on the Warrant Register.

Acting Chair Austin closed the Public Comment period.

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

**Second:** Director Nicolls

**Action:** Approved unanimously.

### **5B. Approval of Minutes of Meeting of December 06, 2017.**

The Board discussed action, action summary and verbatim minutes.

Acting Chair Austin opened the Public Comment period.

Julie Tacker, Shirley Gibson, and Mary Lucey all commented on the Minutes of January 03, 2018.

Acting Chair Austin closed the Public Comment period.

**Action:** The minutes of January 03, 2018 were tabled until the next meeting.

**6. ACTION ITEMS:**

**6A. ELECTION OF CALENDAR YEAR 2018 BOARD OFFICERS**

Technical Consultant Karp presented the Staff Report.

Acting Chair Austin opened the Public Comment period.

Patricia Price, Julie Tacker, and Kris Victorine gave their support of Director Hill for the Chair.

Coleen Kubel commented on the process of the election.

Shirley Gibson gave her support of Linda Austin as the Chair.

Patty Welsh and Mary Lucey would support anyone except Director Hill as the Chair.

Acting Chair Austin closed the Public Comment period.

**Motion:** Director Nicolls made a motion to continue this item to the next Board meeting.

**Second:** Director Brown

**Action:** Approved unanimously.

**6B. CONSIDERATION OF PROPOSAL FOR FINANCIAL PLAN UPDATE**

Technical Consultant Karp introduced Alex Handlers, presenter of the item from Bartle Wells Associates.

There was a discussion of the importance of completed audits in regards to financial planning. Mr. Handlers stated that they are not as concerned with the audited financials, but more with underlying data and budget data that feed into the audit. They also discussed separate accounting for rate increase money and Mr. Handlers stated that he did not recommend such in light of the flexibility needed to address capital required for a wide variety of projects that must be completed prerequisite to efficient operations and on a critical path to implement the redundancy project. He did state that borrowers of funding from the State Revolving Fund (SRF) must reserve the equivalent of one year debt service funding to guarantee payments.

Acting Chair Austin opened the Public Comment period.

Julie Tacker, Coleen Kubel and Patricia Price all commented on this item.

Acting Chair Austin closed the Public Comment period.

**Motion:** Director Brown made a motion to authorize the preparation of a Financial Plan Update within the existing contract with Bartle Wells Associates as recommended by Staff.

**Second:** Director Nicolls

**Action:** Approved unanimously.

**6C. CONSIDERATION OF BUDGET ADJUSTMENT IN SUPPORT OF PRIMARY DIGESTER NO. 1 REPAIR**

Technical Consultant Karp presented the Staff Report and recommended the Board adopt Resolution No. 2018-385 allocating an additional \$466,200 to Fund 26 line item 2017 B1-07 entitled "Primary Digester No. 1 Repair."

Acting Chair Austin opened the Public Comment period.

Patricia Price, Mary Lucey, Julie Tacker and Shirley Gibson all commented on this item.

Acting Chair Austin closed the Public Comment period.

**Motion:** Director Nicolls made a motion to adopt Resolution No. 2018-385 allocating an additional \$466,200 to Fund 26 line item 2017 B1-07 entitled "Primary Digester No. 1 Repair."

**Second:** Director Brown

**Action:** Approved unanimously.

**6D. TECHNICAL CONSULTANTS AND PLANT OPERATIONS REPORT**

Technical Consultant Karp presented the Staff Report. The Board commented on Conflict of Interest requirements. Legal Counsel Trujillo stated typically conflict issues seldom arise in a sanitation district because the decisions made by the Directors typically affect each resident in the same manner.

Acting Chair Austin opened the Public Comment period.

Julie Tacker commented on the Technical Consultants and Plant Operations report.

Acting Chair Austin closed the Public Comment period.

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

**7. MISCELLANEOUS ITEMS**

**7A. Written Communications**

1. Transmittal of Bylaws for Review at February 7, 2018 Meeting.

**8. BOARD MEMBER COMMUNICATIONS**

There were no Board member communications.

**9. CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL: ANTICIPATED LITIGATION:**  
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: (one case)

Acting Chair Austin opened the Public Comment period.

Julie Tacker commented on Closed Session.

Acting Chair Austin closed the Public Comment period.

The Board adjourned to Closed Session at 7:38 p.m.

**Action:** District Legal Counsel Trujillo announced that there was no reportable action.

**10. ADJOURN MEETING**

The meeting was adjourned at 7:55 p.m.

***THESE MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT THE MEETING OF FEBRUARY 07, 2018.***