



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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SUMMARY ACTION MINUTES - **AMENDED** Regular Meeting of Wednesday, April 4, 2018

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
Gilbert Trujillo, District Legal Counsel

2. PLEDGE OF ALLEGIANCE

Chair Austin led the Pledge of Allegiance.

3. AGENDA REVIEW

Approved as presented.

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, censure of John Shoals, financial reports, and civil action against former administrator John Wallace.

Brad Snook, SurfRider, asked that the Board agendaize the Coastal Permit for the brine discharge program, trucks delivering brine to the plant, and an SOP for brine.

Shirley Gibson commented about previous meetings, information provided by the League of California Cities about "successful mayors" and "do's and don'ts," and the disrespect shown to staff and managers.

Coleen Kubel stated a correction to the previous speaker's comment.

Mary Lucey stated that she did not see the Superintendent's report of effluent quality in Board packets, and that she agrees with a previous comment made about being disrespectful to staff.

Patricia Price commented on the Personnel Policy Manual, Section 2000, and the Lab Tech position.

Chair Austin closed the Public Comment period.

Director Hill provided comment on Mr. Snook's comment regarding brine disposal.

Technical Consultant Karp responded to the request from Mr. Snook stating that the Brine program as operated today is included in the waste discharge order for the operation of the plant. The Plan is currently permitted to operate by the Coastal Development Plan and there is no reason to request additional permitting.

5. CONSENT AGENDA:

- 5A. Approval of Warrants**
- 5B. Approval of Minutes of March 07, 2018**
- 5C. Redundancy Project: Kennedy/Jenks (K/J); Project Change Request 5**
- 5D. Redundancy Project: Kennedy/Jenks (K/J); Project Change Request 6**
- 5E. Validation of District Agreement with Faye Russo Tax Preparation, Accounting and Payroll**
- 5F. Status Update on 2015/2016 and 2016/2017 Financial Audits**

Director Hill requested that all items on the Consent Agenda be pulled for comment.

5A. Approval of Warrants

The Board discussed Warrants 2881, 2886, 2887, and 2895.

Chair Austin opened the Public Comment period.

Julie Tacker, Mary Lucey, Patricia Price and Shirley Gibson commented on the warrants for Liebert, Cassidy, Whitmore (LCW); Lara HR Services; and Faye Russo Accounting.

Chair Austin requested Legal Counsel to speak on the Liebert, Cassidy, Whitmore (LCW) invoices and what could occur if the invoices were not paid. Counsel responded to the request and recommended payment of all outstanding LCW invoices.

Chair Austin closed the Public Comment period.

Motion: Director Hill made a motion to approve the warrants without the LCW invoice for approximately \$750.

Second: No second.

Action: Motion failed for lack of second.

Motion: Director Nicolls made a motion to approve the warrants; that the Faye Russo Accounting invoice be considered under item 5E.
Second: Chair Austin.

Action: Approved 2-1

Yes: Director Nicolls and Chair Austin
No: Director Hill

5B. Approval of Minutes of March 21, 2018

Director Hill commented about the minutes being referred to in staff reports.

Chair Austin opened the Public Comment period.

Julie Tacker suggested using “spoke in support of, or in opposition of,” and technical problems with AGP at the last meeting.

Chair Austin closed the Public Comment period.

Motion: Director Nicolls made a motion to approve the minutes of March 21, 2018.

Second: Director Hill; noting that the minutes should be explained somewhat.

Action: Approved 3-0

Yes: Director Nicolls, Director Hill, and Chair Austin

5C. & 5D. Redundancy Project: Kennedy/Jenks; Project Change Request 5 & Redundancy Project: Kennedy/Jenks; Project Change 6

Director Hill commented on the design schedule, the increased management efforts and the delay in the schedule.

Technical Consultant Karp responded to the questions when directed by the Chair.

Chair Austin opened the Public Comment period.

Julie Tacker commented on the TM-7 and the Flood Mitigation Measures.

Chair Austin closed the Public Comment period.

Motion: Director Hill made a motion to approve Kennedy/Jenks PCR 5 and PCR 6, with the additional request for staff to contact Bartle Wells regarding increases to funding needs.

Second: Director Nicolls.

Action: Approved 3-0

Yes: Director Hill, Director Nicolls, and Chair Austin.

5E. Validation of District Agreement with Faye Russo Tax Preparation, Accounting and Payroll

Director Hill commented on the agreement, seeing no way he can vote to validate the agreement beyond \$25,000 in expenditures.

Chair Austin commented on the agreement and is in favor of validating the agreement and payments as recommended by staff.

Director Nicolls commented on the \$25,000 amount, that the invoice which is currently due should be paid, and the need to complete the job through the term which expires in May.

Director Hill responded to Director Nicolls comments.

Chair Austin opened the Public Comment period.

Coleen Kubel, Patricia Price, Julie Tacker, and Mary Lucey provided comments on the agreement.

Chair Austin closed the Public Comment period.

Director Hill stated he could not support the staff recommendation to validate; and suggested that staff prepare an amendment in lieu of the existing agreement.

Director Nicolls questioned if Ms. Russo was assisting with the audit for 15/16.

Chair Austin also provided comments.

Motion: Director Nicolls made a motion to accept the billing and allow Faye Russo Accounting to finish the contract.

Second: Chair Austin.

Action: Approved 2-1

Yes: Director Nicolls and Chair Austin

No: Director Hill

5F. Status Update on 2015/2016 and 2016/2017 Financial Audits

Technical Consultant Karp provided the staff report and passed out a copy of a report from Glenn Burdette on the status of the audit which states the audit presentation should be ready at the second meeting in May.

Director Hill expressed frustration over the amount of time it has taken to receive the audit.

Chair Austin opened the Public Comment period.

Julie Tacker and Mary Lucey provided comments on the audit.

Chair Austin closed the Public Comment period.

Director Hill responded to the previous speaker's comment; and asked if there was a "Plan B" if the audit is not presented on May 16th.

Action: The Board received and filed the report.

6. ACTION ITEMS:

6A. TECHNICAL CONSULTANTS AND PLANT OPERATIONS REPORT

Technical Consultant Karp provided the staff report.

Director Hill commented regarding the lack of follow-up on the I & I Study which resulted in a violation of the District's discharge permit with the Regional Water Quality Control Board (RWQCB).

Chair Austin opened the Public Comment period.

Julie Tacker commented on brine disposal and the Cambria CSD (CCSD) application, requested copies of correspondence from CCSD residents supporting the application and its approval.

Patricia Price commented about the brine, and the number of operators working at the plant.

Chair Austin closed the Public Comment period.

Action: The Board received and filed the report.

Chair Austin called for a five minute recess at 7:27 p.m.

The Board reconvened and moved up Item 6C prior to Item 6B to accommodate the legal consultant who was present to address questions that may arise regarding the proposed Jones & Mayer contract.

6C. APPROVAL OF LEGAL SERVICES CONTRACT WITH THE LAW FIRM OF JONES & MAYER

Legal Counsel Trujillo provided the staff report.

Director Hill commented about a Request for Proposals (RFP); would approve the firm until an RFP could be solicited.

Director Nicolls and Chair Austin were impressed with the qualifications stated regarding the legal contractor.

Chair Austin opened the Public Comment period.

Julie Tacker objected to the sole source contract, agrees with an RFP.
Chair Austin closed the Public Comment period.

Motion: Director Hill made a motion to approve the replacement of District Co-Counsel Wendy Stockton with the firm of Jones & Mayer; and consider possibly pursuing an RFP for a new General Counsel after the new District Administrator is hired.

Second: Director Nicolls.

Action: Approved 3-0

Yes: Director Hill, Director Nicolls and Chair Austin

6B. DISCUSSION OF PERSONNEL POLICY MANUAL UPDATES

Technical Consultant Karp provided clarification regarding the definition of “Division” and “Department,” versus the proposed change in text to “District.”

Director Hill requested that a clarification or definition be provided in the PPM to define “Division” or “Department.”

The Board discussed the Personnel Policy Manual updates, provided comments, and asked staff to correct the grammatical errors.

Chair Austin opened the Public Comment period.

Julie Tacker commented on the Personnel Policy Manual updates.

Chair Austin closed the Public Comment period.

The Personnel Policy Manual will be brought back to the next meeting and discussion will continue beginning with Section 5091 – Technology Usage.

6D. DISCUSSION OF EXPANDING THE MEMBERSHIP OF THE DISTRICT BOARD OF DIRECTORS

Technical Consultant Karp provided comments to the Board and then deferred to Legal Counsel Trujillo to provide the staff report.

Director Hill commented about a three member board versus a five member board as it relates to the Brown Act, and how the District is established by State legislature.

Director Nicolls questioned how other members would be identified if the Board expanded to five members.

Director Hill offered suggestions, possibly to include two of the Supervisors who represent the area bounded by the District perimeter.

Chair Austin opened the Public Comment period.

Julie Tacker and Patricia Price spoke in favor of expansion of the District Board.

Shirley Gibson and Mary Lucey spoke against the expansion of the District Board.

Chair Austin closed the public comment period.

Chair Austin stated she had requested the item be placed on the agenda for Legal Counsel to provide this information. She provided her comments about the District and feels that the operation of the plant is most important at this time and to bring this issue back at a later date.

Director Nicolls commented about a three or five member Board and feels that this should be brought back some future date after a new District Administrator is hired.

Director Hill stated he is opposed to waiting until a new Administrator is hired; respectfully disagreed that the plant is running just fine because he believes that being down to four operators and having a recent emissions violation.

Action: The Board received and filed the report.

Chair Austin called upon Technical Consultant Karp to respond to questions about the expenditure amount related to costs for the PPM. Mr. Karp stated the estimated amount at this time was \$9,000.

7. MISCELLANEOUS ITEMS

7A. Written Communications.

1. Correspondence was received from the City of Arroyo Grande requesting a Status Update on 2015/2016 and 2016/2017 Financial Audits.

8. BOARD MEMBER COMMUNICATIONS

None.

9. CLOSED SESSION:

PUBLIC EMPLOYEE APPOINTMENT

Title: District Administrator

Chair Austin opened the Public Comment period.

Julie Tacker and Patricia Price provided comments.

Chair Austin closed the Public Comment period.

Legal Counsel Trujillo announced Closed Session.

The Board adjourned to Closed Session at 8:58 p.m.

The Board reconvened from Closed Session at 9:30 p.m. District Legal Counsel Trujillo announced that there were no reportable actions.

10. ADJOURN MEETING

The meeting was adjourned at 9:31 p.m.

***THESE MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT THE
REGULAR MEETING OF APRIL 18, 2018.***