

**Board of Directors
San Simeon Community Services District**



**REGULAR BOARD MEETING PACKET
December 05, 2024**

**SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
SPECIAL BOARD MEETING AGENDA
Thursday, December 5, 2024
1350 MAIN STREET
(Coast Unified Board Room)
CAMBRIA, CA 93428
6:00 p.m.
SSCSD Zoom Meeting**

Join Zoom Meeting

[https://zoom.us/j/92234058981?
pwd=cwB3W0FU1qPb6M9ybkhP6oytjxQrpk.1](https://zoom.us/j/92234058981?pwd=cwB3W0FU1qPb6M9ybkhP6oytjxQrpk.1)

Meeting ID: 922 3405 8981

Passcode: 350896

Agendas: Agenda packets and other written documentation are available for public inspection 72 hours prior to the regularly scheduled meeting at the San Simeon CSD office, located at 111 Pico Avenue, San Simeon, during normal business hours. Any agenda-related writings or documents provided to a majority of the Board of Directors after distribution of the agenda packet are available for public inspection at the same time. Agendas are also posted at: www.sansimeoncsd.org.

Public Comment: The Board of Directors welcomes and encourages participation in Board meetings. Public comment will be allowed for each individual agenda item. Members of the public wishing to speak may do so when recognized by the Chairperson. **Public Comment is limited to three (3) minutes** or less per person for each agenda item, with additional time at the discretion of the Chair. Public comments should be directed to the Board as a whole and not directed to individual Board members or District staff.

Notice regarding Americans with Disabilities Act:



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting or if you need the agenda or the documents in the agenda packet provided in an alternative format, please contact District staff at (805) 927-4778 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made (28CFR 35.102-35.104 ADA TITLE II).

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:

Any member of the public may address the Board relating to any matter pertaining to District business and within the Board's authority to take action, provided the matter is not on the Board's agenda. **Comments are limited to three (3) minutes** or less with additional time at the discretion of the Chairperson. The public wishing to address the Board on items that do not appear on the agenda may do so; however, the Board will take no action other than referring the item to staff for study and analysis and may place the item on a future agenda.

5. NON-DISTRICT REPORTS:

Public comments at the conclusion of non-district reports are limited to three (3) minutes per person per item.

A. Sheriff's Report - Stated Verbal Report

6. DISTRICT STAFF & COMMITTEE REPORTS:

Public comments at the conclusion of District staff and committee reports are limited to three (3) minutes per person per item.

A. STAFF REPORTS:

- i. **FRM Operations Report** – Summary of November Activities.
- ii. **Interim General Manager's Report** – Summary of November Activities
- iii. **District Financial Summary** – Summary of November Financials.
- iv. **District Counsel's Report** – Summary of November Activities.
- v. **Reorganization Committee Report-** Summary of November's Activities

7. CONSENT CALENDAR ITEMS:

All items are approved by a single action. Any item may be removed from the Consent Calendar for separate discussion upon request from a member of the public, District staff or a Director. Public comment on the Consent Calendar will take place prior to the Board's vote on the Consent Calendar items. Unless an item is pulled for separate consideration by the Board, the following items are recommended for approval without further discussion.

A. REVIEW AND APPROVAL OF MINUTES FOR THE MEETING ON NOVEMBER 7, 2024

B. REVIEW AND APPROVAL OF NOVEMBER DISBURSEMENTS JOURNAL

- C. REVIEW AND APPROVAL OF THE JULY - OCTOBER P/L
- D. REVIEW AND APPROVAL OF THE OCTOBER BALANCE SHEET

8. BUSINESS ACTION ITEMS:

Public comments at the conclusion of each business action item are limited to three (3) minutes per person per item.

- A. DISCUSSION OF THE INTERIM GENERAL MANAGER ADMINISTRATIVE RESET PROPOSAL

9. BOARD COMMENTS:

This section is intended as an opportunity for Board members to make brief announcements, request information from staff, request future agenda item(s) and/or report on their own activities related to District business. No action is to be taken until an item is placed on a future agenda.

10. CONSIDERATION FOR SCHEDULING THE NEXT REGULAR MEETING ON JANUARY 02, 2025.

Board discussion

**MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR BOARD MEETING
1350 MAIN STREET
CAMBRIA, CA 93428
Thursday, November 7, 2024
6:00 p.m.**

1. CALL TO ORDER

The Special Meeting of the San Simeon Community Service District Council was called to order at 6:00 p.m. by Chair Le.

2. ROLL CALL

Present: Chair Holly Le, Director Jacqueline Diamond, Director Karina Tiwana, Director Donahue,

Absent: None

Staff Present: Patrick Faverty, Ed.D., Interim General Manager
Nubia Goldstein, District Counsel, White Brenner LLP

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was held at 6:00 p.m.

4. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

- Citizen Robert Hather commented concern regarding the uncompleted Akel and Still water report and requested the district to lift the Moratorium

5. NON-DISTRICT REPORTS (6:09 p.m. – 6:12 p.m.):

A. Sheriff's Report – Stated a report summary from the month of October

Director Diamond Raised a question about vehicles parked for extended periods.

Sherrif Representative Advised contacting the California Highway Patrol (CHP) to file a complaint regarding such vehicles.

Director Tiwana Requested information about a recent traffic accident.

Sherrif Representative Stated that the CHP could provide accident details, but information might not be available yet due to the ongoing investigation.

PUBLIC COMMENT FOR THIS ITEM

- None

6. CONSENT AGENDA ITEMS (6:13 p.m. – 6:21 p.m.)

A. Review and Approval of Minutes for the Meeting on October 03, 2024

PUBLIC COMMENT FOR THIS ITEM

- None

Director Diamond pulled the item for discussion and correction. The minutes to be corrected for item 7A. iii- the District Financial Summary to reflect correct the Interim General Managers response to state that Adam Geis is the CPA from Moss, Levy & Hartzheim LLP that the district used for the 2022-2023 and 2023-2024 FY audit.

Director Diamond made a motion to correct the Minutes from October 3, 2024, with the stated corrections to reflect the accounting firm and approve the Minutes for the October 03, 2024, Meeting. Director Donahue seconded the motion.

Vote was taken as follows:

AYES:Le, Diamond, Tiwana, Donahue

NOES:

ABSTAIN:

ABSENT:

B. Review and approval of October Disbursements Journal

PUBLIC COMMENT FOR THIS ITEM

- Hank Kruzick Observed that the District's spending has remained consistent over the past three years and noted the stabilized cash reserves. He expressed concern that reserves falling below half a million dollars could be a potential cause for alarm.

Chair Le made a motion to approve the October disbursements journals. Director Donahue seconded the motion.

Vote was taken as follows:

AYES:Le, Diamond, Tiwana, Donahue

NOES:

ABSTAIN:

ABSENT:

7. BUSINESS ACTION ITEMS (6:18 p.m. - 6:22 p.m.):

A. Discussion of the Interim General Manager's Administrative Reset Proposal

Chair Le makes a motion to remove item A to be returned and discussed at the next meeting and in closed session. Director Donahue Seconds the motion

Vote was taken as follows:

AYES: Le, Diamond, Tiwana, Donahue

NOES:

ABSTAIN:

ABSENT:

B. Receive Update on Status on Contract Discussions with RGS for District Reorganization Services and Provide Direction to Staff

District Counsel Provided an update on administrative support for the district's reorganization process. Counsel stated that staff had consulted with RGS, as directed by the board, regarding assistance in the reorganization process. However, discussions have indicated that reaching an agreement with RGS may take additional time. Considering this potential delay, the County Board of Supervisors has authorized their staff to seek a consultant to assist both the county and the district with the reorganization process. This process, including issuing an RFP, gathering responses, and reviewing input, may extend until February 2025. Given the uncertainty regarding RGS's continued services, this item has been brought back for the board's discussion to consider alternative options or continue negotiations with RGS.

Director Tiwana Thanked counsel for the update and emphasized the importance of continuing the district's dissolution process while maintaining ongoing operations. She noted the need to keep exploring options, suggesting that the county might identify a reasonable and available consultant to collaborate with the district.

Director Donahue Suggested that the county might have suitable recommendations for the district. He expressed that it may be premature to contract with RGS and preferred deferring the decision to hire until later, aligning with the county's direction. He emphasized the importance of proceeding with the dissolution process.

Director Tiwana Stated she does not object to the county providing recommendations but noted that they would likely not provide specific names to avoid a conflict of interest.

Director Donahue Clarified that the county could share names submitted through the RFP process.

Chair Le Proposed that the district create its own list of potential dissolution advisors while the county simultaneously seeks external candidates.

PUBLIC COMMENT FOR THIS ITEM

- None

Director Tiwana made a motion to continue to pursue an informal opportunity for district reorganization contract to assist the district in reorganization services. Director Le seconded the motion.

Vote was taken as follows:

AYES:Le, Diamond, Tiwana, Donahue

NOES:

ABSTAIN:

ABSENT:

8. DISTRICT STAFF & COMMITTEE REPORTS (6:22 p.m. – 6:58 p.m.)

A. STAFF REPORTS:

i. FRM Operations Report – Interim General Manager stated that the representative from FRM is unable at the time to state the Summary of October Activities due to them being inundated with prior commitments.

Director Tiwana Suggested that, for convenience, certain items could be addressed earlier in the meeting.

Director Le Proposed that all reports be presented earlier in the meeting, immediately following public comments.

Director Tiwana Asked if time constraints were the reason for the absence of a representative at the meeting

Interim General Manager explained that representatives from FRM were unavailable due to attending three other board meetings on the first Thursday of each month, with only two members available to cover these meetings.

Director Donahue Requested that the total water sold, and water be calculated in acre-feet rather than gallons for consistency.

Interim General Manager Stated that water usage data in the report is currently provided in gallons.

Director Tiwana Suggested that FRM include acre-feet conversions in the report if feasible.

Director Diamond Questioned the necessity of including acre-feet calculations in the report, as directors could perform these calculations independently if needed.

Director Donahue Clarified that he preferred acre-feet calculations in reports for continuity, as previous decades of data were recorded in this format, allowing for comparison to historical records.

PUBLIC COMMENT FOR THIS ITEM

- Citizen Hank Kruzick Stated that the water loss percentage for this year has increased to 13%, compared to the usual 7%, potentially resulting in \$60,000 in lost revenue. He suggested updating water meter readers for certain businesses to address the issue.

ii. Interim General Manager's Report – Stated a Summary of October's Activities.

Chair Le commented a question for clarification if \$1500 was the cost of the report or the cost of the repairs

Interim General Manager Explained that Precision would conduct a cost analysis to determine whether to repair or replace the Pico Stairs. The estimated cost to replace the stairs was quoted at \$600,000.

PUBLIC COMMENT FOR THIS ITEM

- None

iii. District Financial Summary – Noted that Adam Gies was unable to attend the meeting to provide a summary of the district's financials.

Director Tiwana Inquired about the name of Adam Gies' accounting firm.

Interim General Manager Stated that the firm is Moss, Levy & Hartzheim LLP and clarified that no representative from the firm was available to attend the meeting.

Director Tiawna Suggested that an effort be made to include the firm in the report, and that the item be moved to the agenda for the next meeting.

iv. District Counsel's Report – Stated there was nothing to report for the month of October.

v. District Reorganization Committee's Report - Director Diamond stated a summary of the meeting's events

Director Donahue Suggested that Rebecca Hammill, the Assistant County Administrator, could be included in the process or that these meetings could be recorded and held via Zoom.

Interim General Manager Mentioned that the county has offered the district more hands-on involvement, such as participating in hiring interviews to provide input on potential consultants. The Interim General Manager recommended that two board members could participate in this process. Additionally, the district would have an opportunity to review the RFP/RFQ before hiring a consultant.

Director Donahe Asked if the meetings could be recorded and conducted via Zoom for easier access.

Interim General Manager Explained that committee meetings cannot be recorded or held on Zoom because they are not publicly accessible. However, county representatives attended the reorganization committee meeting.

Director Diamond Noted that county meetings are held on the first Friday of every month and requested that the district's reorganization committee meet the Friday before.

Interim General Manager Pointed out that holding meetings the week before would conflict with district meetings scheduled for the following week.

Director Diamond Proposed that the reorganization committee meetings be held on the last Friday of each month instead.

PUBLIC COMMENT FOR THIS ITEM

- None

9. CLOSED SESSION (6:58 p.m. - 7:52 p.m.)

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code § 54956.9: Three (3) Potential Cases

B. REPORT UPON CONCLUSION OF CLOSED SESSION

Once a closed session has been completed, the legislative body must convene in open session. (§ 54957.7(b).) If the legislative body took final action in the closed session, the body may be required to make a report of the action taken and the vote thereon to the public at the open session. (§ 54957.1(a).) The report may be made either orally or in writing. (§ 54957.1(b).) In the case of a contract or settlement of a lawsuit, copies of the document also must be disclosed as soon as possible. (§ 54957.1(b) and (c).)

District Counsel reported direction has been presented to staff regarding all closed session items

C. RECONVENE AND REPORT OUT OF CLOSED SESSION

D. BOARD COMMENTS:

Director Donahue Asked if the reset proposal would be included on the agenda for the December meeting and if it would be discussed in closed session.

PUBLIC COMMENT OPEN TO FUTURE AGENDA ITEMS

- None

10. ADJOURNMENT (7:53 p.m.):

The Regular Meeting of the San Simeon Community Service District adjourned at 7:53 p.m.

In May of 2024, the San Simeon CSD board adopted a resolution to dissolve the district and have the County manage all district services, including water, wastewater, roads, lighting, and weed abatement. The county is proposed to form a separate County Service Area (CSA) to manage these services. They already operate several CSAs, including ones for Cayucos and Santa Margarita water services.

The reorganization goals are:

- 1) Providing long-term, stable, and skilled governance for the community's critical services via cost-effective county management, administration, and operations.
- 2) Leveraging county grant funding and engineering skills for long overdue infrastructure improvements, including pipe bridge replacement, repair or replacement of the Pico beach access stairway, new water tanks, and ultimately Coastal Commission-mandated relocation of the wastewater treatment plant.
- 3) Competently managing development moratorium-related studies and associated legal and other challenges with the county's expertise. The district lacks development skills, putting the district at considerable risk. The county is already engaged in the district's development moratorium matters.

The process to dissolve San Simeon as a community services district and form a county service area is defined in State law and overseen by the San Luis Obispo Local Area Formation Commission (LAFCO). It involves a year or more of study by the county and district, with ultimate approval by LAFCO and the community. The community will have hearings and other opportunities for a say, including at the monthly San Simeon CSD board, LAFCO, and Board of Supervisors meetings.

Reorganization Status:

As mentioned above, in May of this year, the district submitted its application for dissolution to LAFCO. LAFCO then formally requested the county's consideration of the district's proposal.

At the October 22, 2024, San Luis Obispo County Board of Supervisors meeting, unanimous approval was given for the County's staff proposal to hire a consultant to help with the required reorganization studies. The county will now be issuing a bid request and hiring a consultant. The consultant will most likely start in the March-April timeframe.

The district has formed a district reorganization ad hoc committee consisting of San Simeon CSD Board Chair Holly Le, Director Jacqueline Diamond, Interim General Manager Patrick Faverty, and resident Hank Krzciuk. The committee reports out at each month's San Simeon CSD board meeting.

Senior county staff has established monthly reorganization project meetings with the district's ad hoc committee.

Reorganization documentation and updates can be found on the district's website.

San Simeon Community Services District

Profit and Loss

July - October, 2024

	TOTAL	
	JUL - OCT, 2024	JUL - OCT, 2023 (PY)
Income		
4000 Services		
4005 Services - waste	192,454.65	187,049.58
4010 Services - water	175,184.16	167,858.17
4012 Services - base service fee	34,993.92	34,913.40
4013 Late fees and adjustments	2,302.51	11,987.07
4050 State of CA - H Castle WW Trmt	39,003.71	
Total 4000 Services	443,938.95	401,808.22
4100 Property tax income		
4110 Prop tax current secured	2,377.72	
4120 Prop tax current supp secured	844.89	
4130 Prop tax current unsecured	3,769.60	
4140 Prop tax current supp unsec	88.00	
4150 Prop tax prior secured	-112.64	
4160 Prop tax prior supp secured	-7.89	
4170 Prop tax prior unsecured	16.55	
4180 Prop tax prior supp unsecured	4.31	
4190 Prop tax penalties and interest	55.33	
4295 Prop tax - unitary	0.36	
4299 Prop tax - other	751.10	
Total 4100 Property tax income	7,787.33	
6080	158.26	
Total Income	\$451,884.54	\$401,808.22
GROSS PROFIT	\$451,884.54	\$401,808.22
Expenses		
6000 Accounting	8,000.00	
6020 Bank fees	519.66	441.38
6025 Bookkeeping	16,648.50	26,782.70
6030 Directors fee	1,600.00	1,900.00
6031 Payroll expenses-yr taxes	306.00	137.75
6035 Dues and subscriptions	5,039.99	650.00
6045 Electrical power		
6045A Electrical - monthly per GES C.		5,500.00
6045B Electrical - PGE bills	31,088.29	9,774.75
6045C Electrical - PGE Street Lights	15,727.81	1,920.15
Total 6045 Electrical power	46,816.10	17,194.90
6055 Road maintenance		18,428.00
6075 Insurance - PERS health		10.21
6076 Pension plan - PERS retirement	5,886.00	6,508.03
6080 Insurance - liability	4,374.40	4,582.40

San Simeon Community Services District

Profit and Loss

July - October, 2024

	TOTAL	
	JUL - OCT, 2024	JUL - OCT, 2023 (PY)
6095 LAFCO cost apportionment		2,998.66
6100 Legal fees	43,886.15	35,558.50
6105 Licenses and permits	162.00	3,692.00
6115 Miscellaneous expenses	1,255.60	774.00
6120 Office expenses	11,228.96	7,361.11
6125 Operations management	271,308.63	170,006.03
6130 R&M allowance - GES Contract	14,837.50	52,951.93
6135 Weed abatement	1,296.00	498.00
6145 Professional fees	58,321.92	69,922.20
6192 Repair & Maint-Dist Responsblty		
6192C R&M Exp - district's portion		7,291.00
Total 6192 Repair & Maint-Dist Responsblty		7,291.00
6195 Website		2,600.00
Total Expenses	\$491,487.41	\$430,288.80
NET OPERATING INCOME	\$ -39,602.87	\$ -28,480.58
Other Income		
8010 Interest income	18,188.01	
8020 Interest - money market	29.72	1,007.77
8044 Grant income	25,117.50	
8090 Other misc income	158.00	
Total Other Income	\$43,493.23	\$1,007.77
Other Expenses		
9010 Depreciation expense	29,124.96	29,124.96
9020 USDA loan repayment		
9020a USDA loan repay - interest	5,789.47	5,789.47
9020b USDA loan repay - prin	4,555.53	4,555.53
Total 9020 USDA loan repayment	10,345.00	10,345.00
9030 Capital proj/improve	93.33	9,633.08
9030d Capital Prj-Outfall Pipe Repair		5,243.75
Total 9030 Capital proj/improve	93.33	14,876.83
Total Other Expenses	\$39,563.29	\$54,346.79
NET OTHER INCOME	\$3,929.94	\$ -53,339.02
NET INCOME	\$ -35,672.93	\$ -81,819.60

San Simeon Community Services District

Balance Sheet

As of October 31, 2024

	TOTAL	
	AS OF OCT 31, 2024	AS OF OCT 31, 2023 (PY)
ASSETS		
Current Assets		
Bank Accounts		
1010 Petty cash	150.00	150.00
1015 Pac Prem Ckg-6603	33,323.34	168,644.25
1017 Money Market PPBI	-1,397,444.31	-78,482.18
1017a Pac Prem - Mon Mkt Unrestricted	-20,496.82	-20,496.82
1017b USDA short lived asset fund	5,000.00	5,000.00
1017c USDA Reserve for Annual Pymt	20,690.00	20,690.00
1017d Operating Reserves	340,000.00	340,000.00
1017e Reserves-Capital Rehab & Replac	448,076.82	448,076.82
1017f Capacity Fees Held	678,999.00	678,999.00
1017g Wait List deposits held	93,538.60	93,538.60
1017h Cust sec dep held (06/30/22)	8,450.00	8,450.00
Total 1017 Money Market PPBI	176,813.29	1,495,775.42
1018 California Class I	333,457.98	
1019 California Class II	704,377.90	
1040 Cash in county treasury	0.00	0.00
1050 LAIF - non-restricted cash	571.81	571.81
Total Bank Accounts	\$1,248,694.32	\$1,665,141.48
Accounts Receivable		
1201 - Accounts recvbl-other	0.00	0.00
Total Accounts Receivable	\$0.00	\$0.00
Other Current Assets		
1014 *Deposits in Transit	0.00	0.00
1200 Accounts receivable default	48,643.52	120,616.08
1202 Accounts receivable - other	0.00	0.00
1210 Undeposited funds	0.00	0.00
1220 A/R - Hearst Castle	0.00	0.00
1230 Interest receivable	0.00	0.00
1300 Prepaid insurance expense	8,748.97	9,164.93
Total Other Current Assets	\$57,392.49	\$129,781.01
Total Current Assets	\$1,306,086.81	\$1,794,922.49
Fixed Assets		
1400 Fixed assets		
1420 Building and structures	279,580.67	279,580.67
1480 Earthquake 2003	0.00	0.00
1500 Equipment	0.45	0.45
1500a Equip-PA System	7,591.16	7,591.16
1500b Equip-Muffin Monster	5,098.32	5,098.32

San Simeon Community Services District

Balance Sheet

As of October 31, 2024

	TOTAL	
	AS OF OCT 31, 2024	AS OF OCT 31, 2023 (PY)
Total 1500 Equipment	12,689.93	12,689.93
1540 Major Water Projects	0.00	0.00
1560 Pipe bridge	29,497.00	29,497.00
1580 Sewer plant	869,352.16	869,352.16
1590 Sewer plant equipment	12,468.83	12,468.83
1600 Water system	235,615.43	235,615.43
1620 WWTP expansion	299,565.92	299,565.92
1630 Tertiary Project	568,063.00	568,063.00
1640 Wellhead Rehab Project	448,253.95	448,253.95
1650 Walkway access projects	26,791.00	26,791.00
1660 RO Unit	950,521.38	950,521.38
1680 Generator	18,291.00	18,291.00
Total 1400 Fixed assets	3,750,690.27	3,750,690.27
1450 Construction in Progress		
1670 Reservoir / Water Tanks	287,693.56	287,693.56
Total 1450 Construction in Progress	287,693.56	287,693.56
1690 Accumulated depreciation	-1,833,644.56	-1,746,269.68
Total Fixed Assets	\$2,204,739.27	\$2,292,114.15
Other Assets		
1830 Contingent liability reserve	0.00	0.00
Total Other Assets	\$0.00	\$0.00
TOTAL ASSETS	\$3,510,826.08	\$4,087,036.64
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 Accounts payable	68,130.65	212,340.72
Total Accounts Payable	\$68,130.65	\$212,340.72
Other Current Liabilities		
2020 Other accrued liabilities	0.00	0.00
2100 Payroll liabilities	-79.85	275.50
2500 Customer security deposits	8,050.00	8,050.00
2510 Connect hookup wait list	93,538.60	93,538.60
2515 Unearned Revenue- Capacity Fees	678,999.00	678,999.00
Total Other Current Liabilities	\$780,507.75	\$780,863.10
Total Current Liabilities	\$848,638.40	\$993,203.82

San Simeon Community Services District

Balance Sheet

As of October 31, 2024

	TOTAL	
	AS OF OCT 31, 2024	AS OF OCT 31, 2023 (PY)
Long-Term Liabilities		
2520 USDA Loan Principal Bal	416,499.72	416,499.72
Total Long-Term Liabilities	\$416,499.72	\$416,499.72
Total Liabilities	\$1,265,138.12	\$1,409,703.54
Equity		
3200 Fund balance (= PY Net Inc)	-698,212.60	-284,242.03
3201 Net Investment in Capital Asset	1,980,565.00	1,980,565.00
3204 BOD Assigned-Rehab & Replace		
3204G Board Assigned for General CIP	50,051.03	50,051.03
3204S Board Assigned for WW CIP	199,047.69	199,047.69
3204W Board Assigned for Water CIP	198,978.10	198,978.10
Total 3204 BOD Assigned-Rehab & Replace	448,076.82	448,076.82
3207 BOD Assigned for Oper Reserves		
3207G Op Reserves -Gen Fd	40,000.00	40,000.00
3207S Op Reserves - Sewer Fd	150,000.00	150,000.00
3207W Op Reserves - Water Fd	150,000.00	150,000.00
Total 3207 BOD Assigned for Oper Reserves	340,000.00	340,000.00
3210 Moved to acct 3220- U-U Equity	0.00	0.00
3211 Restricted-USDA Annual Loan Pmt	20,690.00	20,690.00
3212 Restricted-USDA Short Liv Ass	5,000.00	5,000.00
3220 Unrestricted-Undesignatd Equity	271,846.27	271,846.27
3900 Suspense	-86,604.60	-22,783.36
Net Income	-35,672.93	-81,819.60
Total Equity	\$2,245,687.96	\$2,677,333.10
TOTAL LIABILITIES AND EQUITY	\$3,510,826.08	\$4,087,036.64

San Simeon Community Services District (CA-01-0155)

Total Balance As Of 12/02/24: \$1,041,942.35

[OPEN A NEW SUBACCOUNT](#)

California CLASS

As of 12/02/24

\$1,041,942.35

[Detail →](#)

Subaccounts

Account #	Name	Avail. Balance	Fund Name
CA-01-0155-0001	Water/Wastewater	\$334,777.39	California CLASS
CA-01-0155-0002	Unearned Revenue; Capacity Fees	\$707,164.96	California CLASS

[View →](#)



Accounts Summary

Display Options Balances

Checking

Balances as of 12/02/2024	Available Balance
Checking Acc***6573 ABA/TRC - 322285781 6573	<u>\$176,820.54</u>
Checking Acc***6603 ABA/TRC - 322285781 6603	<u>\$127,901.64</u>
Total Selected Checking Balance	\$304,722.18
Total of Selected Deposit Accounts	\$304,722.18

STAFF REPORT

Proposal for a reset of the Interim General Manager position

In my experience in leadership positions and in teaching, I often referred to the “boiled frog” scenario. If you throw a frog into boiling water to get frog legs for supper, the frog jumps right out. However, if you put the frog in normal water and slowly turn up the heat, the frog is cooked before he knows it, and voila! Frog legs for supper!

I am the boiled frog. From Acting to Interim to two extensions of the job of GM, I have slowly gotten “cooked” so to speak. While I feel very successful in what has been accomplished, I’d like also to acknowledge how things might be improved. It is obviously time for a reset of the position of GM here.

My improvement plan has several parts. I am happy to reset my relationship with the Board from an hourly consultant to a monthly contract with all employees working within that contract. This contract will include the Interim General Manager, The Bookkeeper/Office Manager, Kathy East, and The Assistant to the General Manager/Technology, Ruth Montgomery, with regular office hours 9:00 to 2:00 Monday – Thursday. I am adding Ruth to the team as Asst to the General Manager to address a number of items, including writing a monthly bilingual newsletter, managing Board meeting technology, assisting us to keep our accounts current, and helping Kathy with bilingual services to our Spanish-speaking customers. All three of us will also liaise with the County, and their ultimate consultant, depending upon the requisite information.

GENERAL MANAGER
ADMINISTRATIVE PROPOSAL
San Simeon Community Services District

Rates & Costs:

Proposed RESET of Contract for Administrative Personnel costs \$15,000/month, and includes a monthly administrative fee of \$1000.00 for vehicle use, mileage, petty cash, insurance, software, and other nominal operating expenses.

I would appreciate White-Brenner writing up a new agreement.

Now for the external RESET: There are several agencies that I have built some relationships with that I will ultimately bring to the Board for consideration as opportunities arise. First, RCAC, <https://www.rcac.org/about-rcac/strategic-plan/>

This is an agency that provides funding and management support for rural communities in the Western U.S. They assist in finding and/or providing funding as well as oversight on project management.

Second, California Rural Water Assoc. <https://calruralwater.org/home/about-us/>

And through the CRWA, the Specialized Utilities Services Program, SUSP, <https://www.suspinc.org>. Each of these agencies will be able to assist as we proceed with the dissolution process, in consideration of rate studies and median household income surveys to provide appropriate data to the County.

And, finally the US Dept of Agriculture, Rural Development program. This USDA RD Program is the funder of the RO Building. While I am not suggesting another loan from them, their loan terms are exceptionally good at 40 years, but they also provide other support services, <https://www.rd.usda.gov/sites/default/files/usda-rd-wep-matrix-08282024.pdf>

Finally, a Communications RESET, A regular email letter from the GM to all members of the Board. However, there are some Brown Act issues to be addressed.

The Brown Act provides that “[a] majority of the members of a legislative body shall not, outside a meeting ... use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body.”

An example of a serial meeting is when a chief executive officer (the hub) briefs a majority of members (the spokes) prior to a formal meeting and, in the process, information about the members’ respective views is revealed. Each of these scenarios violates the Brown Act.

A unilateral written communication to the legislative body, such as an informational or advisory memorandum, does not violate the Brown Act. Such a memo, however, may be a public record.

From a Guide to the Ralph M Brown Act 2024

Thus, the key to any letter I send the Board is that you may not collectively discuss any item outside of a meeting, and I will not include anything in the letter that is confidential (or public record request). To that end, I will start sending regular communication to you between meetings. Not necessarily every week, but regularly. And every communication I send the Board is public information.

And, of course, the final reset has already begun with the formation of the reorg committee. Rebecca Campbell, the Assistant County Administrator has included our district reorg committee in the monthly County meetings.