

**MINUTES**  
**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**BOARD OF DIRECTORS REGULAR MEETING**  
**Wednesday, June 12, 2019**  
**6:00 pm**

**CAVALIER BANQUET ROOM**  
**250 San Simeon Avenue**  
**San Simeon, CA 93452**

**1. REGULAR SESSION: @ 6:02 PM**

- |  |                                       |
|--|---------------------------------------|
| <b>A.</b> Chairperson Kellas – Present | District Counsel, Natalie Frye Laacke |
| Vice-Chairperson McGuire – Present     | General Manager, Charlie Grace        |
| Director Russell – Present             |                                       |
| Director Stanert – Present             |                                       |
| Director Smith – Absent                |                                       |

**2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:**

**Public Comment** – None

**3. SPECIAL PRESENTATIONS AND REPORTS:**

**A. STAFF REPORTS:**

- i. Sheriff’s Report** – Commander Manuele reported that there were 87 calls for service during the month of May.
- ii. Superintendent’s Report** – Jerry Copeland provided a summary of May activities.
- iii. General Manager’s Report** – Grace Charles provided a summary of May Activities.

Renee Osborne provided information related to the grant application for the District. The IRWM is recommending that the SSCSD be awarded \$500,000 for phase 1 of the water reservoir project. The final award determination will be made in 2020.

Director Russell and Mike Hanchett complimented staff for their hard work and dedication related to the grant funding.

Charlie Grace addressed the reservoir project funding options. He also discussed on the riprap Coastal Development Permit (CDP) stating this matter had been placed on the July Coastal Commission meeting agenda. He provided information related to mitigation requirements. He stated that the staff report was not yet available and that staff would schedule a special board meeting once the agenda was made available. Allowing for Board feedback on this matter.

Amanda Rice (Cambria CSD) commented that on July 12 the California Coastal Commission (CCC) would be holding a workshop on short term rentals and climate change in San Luis Obispo.

- iv. District Financial Summary** – Cortney Murguia provided a summary of the District financials.

v. **District Counsel's Report** – Natalie Frye Laacke provided a summary of May activities.

**B. BOARD OF DIRECTORS AND COMMITTEE REPORTS:** None

**C. SPECIAL PRESENTATION:** None

**D. PUBLIC COMMENTS ON SPECIAL PRESENTATIONS AND REPORTS:**

**Public Comment** – None

**4. CONSENT AGENDA ITEMS:**

**Public Comment** – None

**A.** Review and approval of Disbursements Journal.

A motion was made to approve the disbursements journal.

Motion by: Chairperson Kellas

2<sup>nd</sup>: Vice-Chairperson McGuire

All in: 4 /0

Absent: Director Smith

**5. BUSINESS ITEMS:**

**Public Comment** – None

**A. Discussion on Draft Budget FY 2019/2020.**

Mike Hanchett introduced the item and provided a copy of the draft budget to the Board members and members of the public.

Charlie Grace provided information related to public hearing noticing requirements and stated that the District would need to hold a special meeting to meet these legal requirements. The meeting will be held on June 24, 2019 @9:30 am to approve the final version of the budget.

Mike Hanchett provided information related to the budget including income and expenses for the District. He also touched on the five points related to Prop. 218 and explained that these items were meet the requirements.

Charlie Grace commented that there had been four (4) public meetings related to the budget process. All of these meetings allowed for public participation. The special meeting would be the 5<sup>th</sup> meeting related to budget approval for 2019/2020.

There was no public comment on this item.

No action was taken on this matter.

**B. Discussion regarding the proposed rate increases in water and wastewater.**

It was noted that the July 12<sup>th</sup> date in the staff report was incorrect and should be July 10<sup>th</sup>.

There were multiple calls for public comment on this matter made by Chairperson Kellas.

No action was taken on this matter.

**C. Discussion on Procedure to fill the vacancy on the San Simeon Community Services District Board of Directors Created by the failure of Director Hunter Smith to attend three Consecutive Board Meetings; Direction to Staff to post notice of vacancy pursuant to Gov't Code 1780; Schedule meeting at which candidates will be considered and the appointment made.**

Chairperson Kellas and Charlie Grace discussed the noticing requirements and when the notices would be mailed to members of the public.

A motion was made to direct staff to mail the notice of vacancy to the public.

Motion by: Vice-Chairperson McGuire

2<sup>nd</sup>: Director Russell

All in: 4 /0

Absent: Director Smith

**D. Approval of Chairperson's appointment of a Board member to the Budget Committee.**

A motion was made for Chairperson Kellas to be on the Budget Committee.

Motion by: Chairperson Kellas

2<sup>nd</sup>: Vice-Chairperson McGuire

All in: 4 /0

Absent: Director Smith

**6. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS –**

Chairperson Kellas asked that the Board members vote to place the District application for the NFWF grant application on the agenda as an emergency item, she referenced California statute section 54954.2. She provided background information on the July 22 application deadline and timeline requirements that would need to be met in order to submit a final proposal on behalf of the District.

A motion was made to add this item to the agenda as an emergency item.

Motion by: Director Russell

2<sup>nd</sup>: Director Stanert

All in: 4 /0

Absent: Director Smith

A motion to allow staff to move forward with phase two of the grant submittal process not to exceed the amount of \$15,000.00.

Mike Hanchett commented about what the scope of the project would be.

Chairperson Kellas responded that the scope was still being created but would relate to the design phase/portion.

Motion by: Chairperson Kellas

2<sup>nd</sup>: Vice-Chairperson McGuire

All in: 4 /0

Absent: Director Smith

Director Russell asked that an item related to fire sprinklers, waterline upgrade costs, and fire plan reviews be added to the next agenda.

Chairperson Kellas asked that an item related to the Beautification grant be added to the next agenda.

**7. ADJOURNMENT @ 7:11 PM**