

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR BOARD MEETING
1350 MAIN STREET
CAMBRIA, CA 93428
Google Meet
Wednesday, June 10, 2026
6:00 p.m.

1. CALL TO ORDER

The Special Meeting of the San Simeon Community Service District Board of Directors was called to order at **6:00 p.m.** by chair **Karina Tiwana**.

2. ROLL CALL

Present: Chair person Karina Tiwana, Director Holly Le, Director Michael Donahue

Absent: None

Staff Present: Suzanne Watkins, Primary Lead SLO County/CalWARN
Ruth Montgomery – Clerk

Public Attendees: Some community members attended both in person and virtually.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was held at 06:03 p.m. by Chair Tiwana.

4. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

The Chair opened the floor for public comment on items not listed on the agenda.

No public comments were received.

5. NON-DISTRICT REPORTS

A. Sheriff's Report:

Commander Abass reported:

- 24 calls for service during May, down from 36 calls the previous month.
- Five enforcement stops and three preventative patrol activities were conducted.
- 5 new deputy sheriffs graduated from the Allan Hancock Law Enforcement Academy and will begin field training, resulting in additional personnel in the San Simeon Area.
- Deputies responded to parking concerns on Avon Avenue and tagged vehicles to encourage compliance and relocation.

The Board congratulated the graduating cadets and welcomed the new deputies

No public comments followed the report.

6. DISTRICT STAFF & COMMITTEE REPORTS

A. STAFF REPORTS:

I. County of SLO CalWARN Report

Presenter: Suzy Watkins

Ms. Watkins reported that County Public Works continues routine operations under the CalWARN response and focused significant efforts on completing the draft NBS analysis report for Board discussion.

No public comments were received.

ii. FRM Operations Report - May Activities

FRM reported:

Wastewater System

- Fencing repairs at the wastewater treatment plant were completed.
- An effluent pump failed and was replaced on the same day.
- An additional pump will be kept in inventory as a spare.

Water System

- No notable activities, special projects, or operational issues occurred during May.

Compliance

- No compliance violations were reported.

No public comments were received.

lii. District Financial Summary – Summary of April Financials.

Presenter: Suzy Watkins

Staff reported that the April 30 financial statements remained in line with the adopted budget and no significant financial surprises were identified.

No public comments were received.

Iv. District Counsel's Report - Summary of May Activities

District Counsel reported that there were no items to report for the month.

PUBLIC COMMENT FOR THIS SECTION

No public comments were made.

7. CONSENT CALENDAR ITEMS

Items presented for approval

- A.** Review and Approval of Minutes for the Meeting on May 14, 2026.
- B.** Review and Approval of April Disbursements Journal

Public Comment

No public comments were received.

Motion

Director Donahue makes a motion to approve items A & B on consent calendar items.
Director Le seconded the motion.

AYES: Chair Tiwana, Director Le, Director Donahue
NOES: 0
ABSTAIN: 0
ABSENT: 0

Motion to approve the Consent Calendar carried unanimously (3-0).

8. BUSINESS ACTION ITEMS

8.A. Discuss the Draft NBS Analysis of San Simeon Community Services District and provide comments

County Presentation

John Diodati Director of Public Works, provided an overview of the draft NBS analysis and explained:

- The County's due diligence process regarding the District's request for dissolution and successor agency services.
- Major infrastructure needs, including wastewater treatment plant relocation and reservoir replacement.
- The analysis represents a high-level, worst-case financial scenario intended to inform decision-making and does not establish actual rates.
- Future rates would be refined over time and implemented only as projects move forward.
- Grant opportunities exist but require a lead agency and sufficiently developed projects.
- The County would pursue strategies such as grants, low-interest loans, and project prioritization to reduce rate impacts.

NBS Presentation

Sarah Mares of NBS presented findings of the draft study:

- The study evaluated all District services, including administration, roads, street lighting, hazardous weed abatement, the Pico Stairway, water service, and wastewater service.
- Water infrastructure requires significant capital improvements, particularly reservoir replacement.

- Wastewater alternatives analyzed included:
 1. Relocation and rehabilitation of a package treatment plant;
 2. Conveyance to Cambria with a single pump system;
 3. Conveyance to Cambria with a dual pump system.
- Rate scenarios presented represented worst-case assumptions based on full project financing and compliance with Proposition 218 requirements.

LAFCO Presentation

LAFCO Executive Officer Rob Fitzroy presented:

- The history of regional agency coordination meetings.
- Next procedural steps, including Board of Supervisors consideration, development of service agreements, preparation of a Plan for Service, and LAFCO proceedings.
- Estimated timeline placing completion of the dissolution process around late 2027.
- Importance of continued community engagement and interagency cooperation.

Board Discussion

Board members discussed:

- Concerns regarding the magnitude of projected rate increases.
- Potential opportunities to secure grants and financial assistance.
- The importance of community participation and maintaining a unified approach to solving infrastructure challenges.
- The need for additional review of technical studies and historical planning documents.

Public Comment

Supervisor Bruce Gibson: emphasized the importance of continued community engagement throughout the dissolution process. He encouraged residents to submit written comments on the draft NBS report and stated that collaboration among the community, County, LAFCO, Cambria CSD, and other agencies will be essential. He noted that the rate projections represent a worst-case scenario and that future efforts will focus on reducing costs through grants, financing, and careful planning. He also stressed that maintaining safe drinking water and wastewater services remains a necessity regardless of the successor agency.

Director Donahue asked whether the Board should consider additional rate increases in the near future. Supervisor Gibson responded that it was too early to speculate on

future rates and emphasized that decisions should be based on factual information as the process moves forward.

The Chair thanked Supervisor Gibson for his comments and emphasized the importance of continued cooperation among all parties involved.

Hank Krzciuk: expressed concern that the cost estimates in the draft NBS report significantly overstate the actual costs of the proposed water and wastewater improvements. He stated that previous engineering work for the water tanks and the Dudek Coastal Hazard Response Plan contain more recent and detailed cost analyses that were not incorporated into the report. He also noted that the projects should be phased over time rather than fully funded at once and requested that NBS revise the report using the updated studies and cost information. Hank submitted written comments for consideration and urged the Board to ensure the draft report clearly reflects these concerns before it is finalized.

Julie Tacker expressed concerns similar to those raised by the previous speaker, stating that the draft NBS report does not incorporate recent engineering work for the water system or the Dudek Coastal Hazard Response Plan. She suggested that including these studies and phasing capital projects over time could reduce projected costs. Ms. Tucker also encouraged NBS to evaluate potential state funding opportunities, including Assembly Bill 805 and Senate Bill 200 programs, to help offset project costs for the disadvantaged community. She urged the County to incorporate these considerations into the final report before moving forward.

Director Donahue suggested that installing a 10-inch water line in the same trench as the proposed sewer line to Cambria could reduce costs by eliminating the need for one water tank while also providing mutual fire protection benefits for both San Simeon and Cambria. The Chair encouraged the speaker to submit the recommendation in writing so it could be included with the public comments for consideration.

John Diodati: thanked the public speakers, acknowledged their comments regarding prior studies, and stated that the information could be considered in future revisions of the NBS report.

Motion

No action was taken

9. BOARD COMMENTS:

Chair Tiwana: requested a future agenda item to collect written comments and recommendations on the draft NBS report from Board members and the public. The request was seconded by Director Donahue.

Director Donahue suggested discussing the Board's role and continuity through the anticipated dissolution process. The Board agreed to discuss the matter further with the General Manager at a future meeting.

10. ADJOURNMENT

The next meeting is scheduled for July 2nd, 2026.