

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, July 8, 2020
3:00 pm

Internet Meeting Location

1. REGULAR SESSION: 3:00 PM

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|-----------|------------------------------------|---------------------------------------|
| A. | Chairperson Kellas – Present | General Manager, Charlie Grace |
| | Vice-Chairperson Russell – Present | District Counsel, Natalie Frye Laacke |
| | Director Carson – Present | |
| | Director Maurer – Present | |
| | Director de la Rosa – Present | |

Vice-Chairperson Russell and Director de la Rosa had technical difficulty and were delayed in joining the meeting.

2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:

Public Comment –

Bob Hather inquired whether the moratorium in San Simeon requires an Environmental Impact Review (EIR). He stated that as a property owner this requirement impacted him.

Henry Krzciuk commented that delaying additional development was related to the water storage project and unnecessary delays that were related to project mismanagement. He also discussed the conservation easement, the Ranchland Trust and the view shed impacts.

Director Carson inquired with Charlie Grace about if there is enough water to issue hookups.

Charlie Grace responded that there are approximately 70 acre feet of water but we are permitted to use 140 acre feet of water. Grace feels that there is 30 - 50 acre feet of water available for additional building.

3. SPECIAL PRESENTATIONS AND REPORTS:

A. STAFF REPORTS:

- i. **Sheriff's Report** – Commander Nelson provided the report for June.
- ii. **Superintendent's Report** – Jerry Copeland provided a summary of June activities.
- iii. **General Manager's Report** – Charlie Grace provided a summary of June Activities.

Vice-Chairperson Russell requested that the grant summaries listed as part of the GM report include a brief description of what the grant related too.

- iv. **District Financial Summary** – Cortney Murguia provided a summary of the monthly financials.
- v. **District Counsel’s Report** – Natalie Frye Laacke provided a Summary of June Activities.

B. BOARD OF DIRECTORS AND COMMITTEE REPORTS: None

C. SPECIAL PRESENTATION: None

4. CONSENT AGENDA ITEMS:

Public Comment – Henry Krzciuk commented on the meeting minutes and requested that his written comments become part of the meeting minutes. He also commented on an agreement between the District and Oliveira Consulting that he referred to as a secret agreement that needed to be brought forward so that the Board and the public could provide feedback.

A. Review and approval of Minutes for the Regular Meeting on June 10, 2020.

B. Review and approval of Disbursements Journal.

C. Approval of Resolution 20-422 updating signatures including facsimile signatures for Banking services on behalf of the SSCSD.

A motion was made to approve items 4A-4C.

Motion: Kellas

2nd: Russell

All in: 5/0

Roll Call:

Kellas: Yes

Russell: Yes

Carson: Yes

Maurer: Yes

De la Rosa: Yes

5. BUSINESS ACTION ITEMS:

A. Review of authorization of powers to the General Manager awarded under Resolution 20-419.

Chairperson Kellas introduced this item.

Henry Krzciuk commented that the Resolution could be annulled or voided. He requested that legal counsel please provide a legal basis for the Resolution. He also stated that the document had not been signed and was not on the website.

There was no action taken regarding this matter.

B. Adoption of Resolution 20-423 establishing the District's Appropriation Limit for Fiscal year 2020-2021.

Chairperson Kellas introduced this item. There was no public comment on this item.
A motion was made to adopt resolution 20-423.

Motion: Kellas
2nd: De la Rosa
All in: 5/0

Roll Call:

Kellas: Yes Russell: Yes Carson: Yes Maurer: Yes De la Rosa: Yes

C. Review of the draft Budget FY 2020/2021.

Michael Hanchett introduced the item and provided a summary of what was discussed at the Budget Committee meeting. He commented on changes to the cost of liability insurance, the outfall inspection, and other changes to operation and maintenance items, and the increase in legal fees.

There was a motion to approve the preliminary version of the FY 20/21 budget.

Motion: Kellas
2nd: De la Rosa
All in: 4/1
Abstain: Carson

Roll Call:

Kellas: Yes Russell: Yes Carson: Abstain Maurer: Yes De la Rosa: Yes

D. Consideration of Chairperson's appointment of a new member to the Water & Budget Committees.

Chairperson Kellas introduced the item. She made the following recommendations for the committees. She also asked if any members of the public would like to be added as committee members.

David Sansone asked that be added to the Water Committee.

Budget Committee:

Daniel de la Rosa (D)
William Maurer (D)
Michael Hanchett

Water Committee:

Michael Hanchett
David Sansone
Leroy Price

Kathy Fry

John Russell (D)
Daniel de la Rosa (D)

A motion was made to add David Sansone to the Water Committee.

Motion: Kellas
2nd: Carson
All in: 5/0

Roll Call:

Kellas: Yes Russell: Yes Carson: Yes Maurer: Yes De la Rosa: Yes

A motion was made to remove Kellas from the Budget Committee and add Director Maurer.

Motion: Kellas
2nd: Russell
All in: 5/0

Roll Call:

Kellas: Yes Russell: Yes Carson: Yes Maurer: Yes De la Rosa: Yes

E. Direction to staff regarding real property offer for A.P.N. 013.091.027.

Chairperson Kellas introduced this item.

Natalie Frye Laacke commented that staff had determined that this matter did not need to be part of the closed session. She stated that the Board did not have enough information related to the property to be able to provide any direction to staff.

A copy of the letter from the property owner to the District was shown as part of the Zoom shared screen function. This allowed all members of the public to see the correspondence.

Henry Krzcuik commented that he had not received a copy of the letter.

Staff stated that an email was sent to the Board and members of the Board Packet Distribution list at 2:38 pm containing a copy of the letter.

6. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS – None

7. PUBLIC COMMENT ON CLOSED SESSION ITEMS–

Henry Krzcuik commented about where the funds would come from. He expressed his concerns about using water funds to reimburse sewer funds while keeping in compliance with prop 218 laws.

Michael Hanchett stated that the Board had discussed this matter several years ago and he questioned the procedures for determining residential and commercial EDU allocations.

David Sansone remarked that he believed that the property used to be zoned commercial and not residential. He also asked that staff verify that any dates included in a refund request would be verified that the zoning determination had been finalized.

8. ADJOURN FOR CLOSED SESSION @ 4:09 PM

A. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:
(Number of cases: 1 – Manish Gupta)

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code Section 54956.8)

*This matter was discussed as part of the Business Action Items E.

9. RECONVENE TO OPEN SESSION – 5:33 PM

No reportable action was taken regarding this matter.

10. ADJOURNMENT @ 5:34 PM