

**SPECIAL MEETING MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR BOARD MEETING
Tuesday, September 6, 2022
5:00 pm**

Pursuant to San Simeon CSD Resolution 22-456 and incompliance with AB 361 this meeting occurred as a virtual teleconference using the Zoom app.

Internet Meeting Location – Via ZOOM

1. REGULAR SESSION @ 5:00 PM

- A. Chairperson Kellas - Present
- Vice Chairperson Giacoletti - Present
- Director de la Rosa – Present
- Director Donahue - Absent

2. BUSINESS ACTION ITEMS:

A. DISCUSSION, REVIEW AND APPROVAL OF A CONTRACT FOR LORI MATHER VIDEO SERVICES FOR THE PERIOD OF THREE YEARS IN THE AMOUNT OF \$19,800. (1:03)

Chairperson Kellas introduced the item, stating the Lori Mather Video was the least expensive responsive bidder. Vice-Chairperson Giacoletti commented that one of the other proposals was less money than Lori Mather Video's costs.

Public Comment –

(3:35) Henry Krzciuk commented.

(6:45) Julie Tacker commented.

(9:02) Michael Hanchett commented.

(10:00) A motion was made to approve a three year contract with Lori Mather Video Services.

Motion: Chairperson Kellas

2nd: Director de la Rosa

Vote: 3/0

Absent: Donahue

Roll Call:

Kellas: Yes

Giacoletti: Yes

de la Rosa: Yes

B. DIRECTION TO STAFF REGARDING HIRING A WATER RIGHTS ATTORNEY ON BEHALF OF THE DISTRICT. (10:45)

Chairperson Kellas introduced the item and suggested that the Board put out an Request for Quotes (RFQ).

Public Comment –

(11:38) Henry Krzciuk commented.

(14:50) Karina Tiwana commented.

(18:20) Julie Tacker commented.

(20:40) Michael Hanchett commented.

(21:40) Chairperson Kellas and Jeff Minnery discussed water rights attorneys stating that his law firm specialized in general law related to government entities.

(29:29) A motion was made that the District send out an RFQ regarding price quotes and services to multiple people involved as far as governmental law and as far as water rights. (If we tell them what we need we should get back something solid and substantial as to what would be the best way to go).

Motion: Chairperson Kellas

2nd: Director de la Rosa

Vote: 3/0

Absent: Donahue

Roll Call:

Kellas: Yes

Giacoletti: Yes

de la Rosa: Yes

C. DISCUSSION, REVIEW AND APPROVAL OF GRACE ENVIRONMENTAL OPERATIONS & MANAGEMENT CONTRACT EXTENSION FOR OPERATIONS, MAINTENANCE AND GENERAL MANAGER SERVICES. (24:03)

Charlie Grace recused himself stating that he had a business interest in this matter. Chairperson Kellas introduced the item and provided background on this matter.

Public Comment –

(31:35) Henry Krzciuk commented.

(35:10) Karina Tiwana commented.

(38:20) Julie Tacker commented.

(40:30) Michael Hanchett commented.

(42:25) Sherry Brajich commented.

(43:40) Jeff Minnery commented that policy & procedures manual contained language that limited the District's ability to easily renew the contract.

(46:00) Paul Panchal commented.

(46:20) Vice-Chairperson Giacoletti responded to the comment that separating the services being provided would increase objectivity, stating that this would increase a loss of cohesiveness. but result in the loss of cohesiveness. Director de la Rosa commented that the way things has been done that the District should allow a year. Chairperson Kellas commented that the current contract allowed the District to terminate the contract

with a 30-day notice. She further stated that the employees of GES were young and had families to support. She further stated that GES had been successful running the District.
(49:10) Al Barreto commented.

(49:49) A motion was made to direct counsel to amend page 12 Item XA, to San Simeon CSD must give 1 year notice of termination without cause and renew the amended contract for one year.

2nd: Vice-Chairperson Giacoletti

(50:10) Jeff Minnery commented that the Board could not unilaterally extend the contract without GES agreeing to participate in the contract negotiations.

(51:30) The motion was rephrased to direct counsel to amend page 12 Item XA, to San Simeon CSD must give 1 year notice of termination without cause and make an offer to extend the amended contract for the period of one year.

(52:05) District Counsel was directed to bring back the policy so that it matched the action that the Board was taking.

(52:44) The motion was rephrased a third time to direct counsel to amend page 12 Item XA, to San Simeon CSD must give 1 year notice of termination without cause and make an offer to extend the amended contract for the period of one year and also to address the policy and procedures manual in reference to this.

Motion: Chairperson Kellas

2nd: Director de la Rosa

Vote: 3/0

Absent: Donahue

Roll Call:

Kellas: Yes

Giacoletti: Yes

de la Rosa: Yes

D. DISCUSSION, REVIEW AND APPROVAL OF DRAFT FINANCIAL POLICY / RESERVE FUND BALANCES.

(54:00)

Chairperson Kellas introduced the item.

Michael Hanchett spoke and suggested that legal counsel should review these policies for approval. He further discussed various aspects of the draft policies.

Public Comment –

(1:06:10) Julie Tacker commented.

(1:08:55) Henry Krzciuk commented.

(1:12:20) A motion was made to approve the draft financial policy/reserve fund balance subject to legal review.

Motion: Chairperson Kellas
2nd: Director de la Rosa
Vote: 3/0
Absent: Donahue

Roll Call:
Kellas: Yes Giacoletti: Yes de la Rosa: Yes

3. PUBLIC HEARING:

A. FIRST READING AND INTRODUCTION OF ORDINANCE NO. 124 OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT TO ADOPT AND MODIFY THE WATER MORATORIUM. (1:13:20)

Chairperson Kellas introduced the item and formally opened the hearing.

(1:20:10) There was further discussion between the Board members and District Counsel related to this matter.

Public Comment –

(1:25:50) Henry Krzciuk commented.
(1:30:10) Karina Tiwana commented.
(1:33:40) Julie Tacker commented.

(1:39:00) Chairperson Kellas and Jeff Minnery discussed the procedures related to adopting an Ordinance.

(1:41:10) Sherry Brajich commented.
(1:44:50) Michael Hanchett commented.

(1:47:32) There was further discussion between the Board and District Counsel.

(1:49:02) A motion was made that it was recommended that the Board introduce Ordinance No. 124 an Ordinance amending and modifying the moratorium of issuance of water connections within the boundaries of the District, waive the first reading of the Ordinance follow a reading of the title in full and set a public hearing on October 11, 2022.

Chairperson Kellas directed Jeff Minnery to read the Ordinance title in full.

Motion: Chairperson Kellas
2nd: Director de la Rosa
Vote: 2/0
No's: Giacoletti
Absent: Donahue

Roll Call:
Kellas: Yes Giacoletti: Yes de la Rosa: Yes

4. **BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS** – None.
5. **ADJOURNMENT @ 6:52 PM**