

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR BOARD MEETING
1350 MAIN STREET
CAMBRIA, CA 93428
Thursday, October 3, 2024
6:00 p.m.

REGULAR MEETING OF THE SAN SIMEON COMMUNITY SERVICE DISTRICT
COUNCIL – MINUTES

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 Michael Donahue

Absent: None

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

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was held at 6:01 p.m.

4. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Director Donahue commented an item that could be placed on a future agenda and will be revisited when it comes to the portion of the meeting where the statement is appropriate.

i. FRM Operations Report –Representative Stated the Summary of October Activities.

PUBLIC COMMENT FOR THIS ITEM
- None

Director Donahue Inquired about the annual acre fee estimate for water pumping to evaluate the impact of the Highway One closure on the district and water loss.

FRM Representative Confirmed that current estimates are in gallons but will work on converting this data for the next report. Plans to include water loss information in future reports were also mentioned.

5. CONSENT AGENDA ITEMS (6:09 p.m.- 6:11 p.m.)

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

B. Review and Approval of October Disbursements Journal

PUBLIC COMMENT FOR THIS ITEM

- None

Director Diamond made a motion to approve consent agenda items A and B, Director Donahue seconds the motion

Vote was taken as follows:

AYES:Le, Diamond, Tiwana, Donahue

NOES:

ABSTAIN:

ABSENT:

6. BUSINESS ACTION ITEMS (6:11 p.m.-7:00 p.m.):

A. Review and Approval of the SSCSD FY 2022-2023 Audit Report.

Adam Geis (FRM Accounting/Auditor Representative) Presented a summary of the fiscal year 2022-2023 District Audit Report.

Chair Le Asked whether the unearned revenue is an actual figure or an estimate.

Director Diamond Inquired about how the unearned revenue could be utilized if it remains unearned.

Director Donahue Raised questions regarding long-term liabilities, specifically about the Hurlburt claim and the discrepancy between the legal amount and long-term liability figures.

PUBLIC COMMENT FOR THIS ITEM

- None

Chair Diamond made a motion to approve the SSCSD FY 2022-2023 Audit report.
Director Donahue seconded the motion.

Vote was taken as follows:

AYES: Le, Diamond, Tiwana, Donahue

NOES:

ABSTAIN:

ABSENT:

B. Discussion and Direction Regarding Hiring a Reorganization Coordinator or Assistant

Interim General Manager Reported a meeting with county representatives about the reorganization of dissolutions. The county has hired a third party to oversee this process, which the district will fund through the county. He emphasized that it is more appropriate for the county to manage this rather than the district hiring someone independently. The county expects the Request for Proposal (RFP) process to take about three months.

Director Tiwana Asked if there is written documentation of the meeting discussions with the county and expressed concern about the board not being informed or involved. She stressed the need for an advocate to represent the district's interests.

Director Donahue Supported the idea of having an individual advocate for the board's wishes.

Director Tiwana Voiced concerns about the Interim General Manager's ability to manage daily operations and the attention required for the dissolution process.

Interim General Manager Committed to providing more information on the topic by the next meeting.

Director Tiwana Expressed frustration with the current process.

Director Donahue Suggested taking action at this meeting to request an RFP for additional support.

Interim General Manager Expressed support for moving forward with this action.

Director Diamond Requested that details from the September 5, 2024, meeting with the county, including costs to the district and the selection of a member and chair for the reorganization committee, be shared with the board.

District Counsel Reminded the board that previous direction was given to hire assistance for the dissolution process. He suggested options for hiring someone to lead the district's dissolution efforts in coordination with the county.

Director Donahue Recalled that the hired person would be part of the reorganization committee.

District Counsel Presented various options for hiring someone to provide general assistance and support in the dissolution process.

PUBLIC COMMENT FOR THIS ITEM

- Hank Kruzick Urged the district to take a more aggressive role in the dissolution process. He requested that the dissolution committee meet biweekly to collaborate with the county and have a voice in decision-making.

Director Tiwana Motioned for SSCSD to seek a general assistant for the dissolution process, regardless of the county's agreement, and to hire administrative support for the Interim General Manager. She emphasized the need for prompt action, as previously approved by the board.

District Counsel Confirmed that the board's direction was to move forward with hiring an assistant focused on dissolution-specific duties.

Director Donahue Suggested that the reorganization committee should meet regularly with the county.

Interim General Manager Stated he can issue an RFP to hire an assistant.

Director Diamond Expressed support for working with RGS.

Director Donahue Recommended seeking direction from the county regarding potential collaborators.

Interim General Manager Noted that RGS would not continue its contract unless involved in the dissolution process, leading him to decide against renewing it.

Director Tiwana Stated she was unaware of this stipulation and requested it be recorded.

District Counsel Indicated RGS is interested in assisting, provided the district specifies its needs. RGS could potentially fill both administrative and dissolution roles.

Director Donahue Opposed exploring RGS as an option.

Director Tiwana made a motion for District Counsel to negotiate with RGS to hire them as (A) an assistant to the Interim General Manager for general duties, and (B) to serve as the San Simeon representative for the reorganization, if necessary.

Director Diamond seconded the motion.

Vote was taken as follows:

AYES: Le, Diamond, Tiwana,

NOES: Donahue

ABSTAIN:

ABSENT:

7. DISTRICT STAFF & COMMITTEE REPORTS (7:00 p.m.-7:15 p.m.)

A. STAFF REPORTS:

i. FRM Operations Report – Previously stated during the section for public comment

ii. Interim General Manager's Report

Interim General Manager Provided a summary of October activities, including updates on Padre permits for log removal, estimated costs for the total reconstruction of the pipe bridge, and recommendations from Ashley Vance Engineering to replace the pipe bridge entirely. He also discussed grant opportunities he has explored and mentioned that the CCC has mandated the repair or replacement of the Pico stairway.

Director Tiwana Suggested escalating the request to the State Park to District Counsel for further action.

Interim General Manager Noted that payments have been sporadic, with inconsistent communication from the State Park.

District Counsel Agreed to collaborate with the Interim General Manager to request payment, and if unsuccessful, the matter will be brought to closed session for further consideration.

Director Donahue Expressed interest in discussing the demolition of the stairway with Ashley Vance Engineering and exploring alternative construction options that are handicapped accessible.

Interim General Manager Committed to bringing this matter to Ashley Vance's attention.

District Counsel Recommended against taking action or further discussing the topic, as it is not formally agendaized. Suggested that it be moved to the next agenda for inclusion.

iii. District Financial Summary – Interim General Manager did not provide a summary of October Financials.

Director Diamond Inquired about who drafted the balance sheets for July and August.

Interim General Manager Responded that Kathy was responsible for the balance sheets, and Adam Geis from FRM reviewed and approved the statements. He also noted that he has requested the FRM representative to review the financials and the 2023-2024 audit with the board.

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

i. Reorganization Committee Report - No report stated

Director Diamond Announced she will temporarily take on the role of coordinating and setting up a meeting.

Director Tiwana Suggested that the meeting be scheduled immediately.

Director Diamond scheduled the reorganization committee meeting for 2:00 p.m. on October 11, 2024.

PUBLIC COMMENT FOR THIS ITEM

- None

8. NON-DISTRICT REPORTS (7:15 p.m. - 7:16 p.m.):

A. Sheriff's Report – Not present at the meeting to state a report

PUBLIC COMMENT FOR THIS ITEM

- None

9. CLOSED SESSION (7:16 p.m. - 8:35 p.m.)

PUBLIC COMMENT FOR THIS ITEM

- None

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. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov. Code, § 54957(b)(1))

Title: Interim General Manager

C. 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 that direction has been provided to staff regarding all closed session items

D. RECONVENE AND REPORT OUT OF CLOSED SESSION

E. BOARD COMMENTS:

PUBLIC COMMENT OPEN TO FUTURE AGENDA ITEMS

- Director Donahue Requested to consider the purchase of dog waste receptacles as an addition to the agenda.

10. ADJOURNMENT (8:37 p.m.):

The Regular Meeting of the San Simeon Community Service District adjourned at 8:37 p.m.