



SAN MIGUEL COMMUNITY SERVICES DISTRICT BOARD OF DIRECTOR & GROUNDWATER SUSTAINABILITY AGENCY

Rod Smiley, President Raynette Gregory, Vice-President
Berkley Baker, Director Anthony Kalvans, Director Owen Davis, Director

**REGULAR BOARD OF DIRECTORS & GROUNDWATER SUSTAINABILITY AGENCY
MINUTES**

**6:00 P.M. Opened Session
SMCSD Boardroom 02-22-2024**

- 1. **Call to Order:**
At: 6:05 P.M.
- 2. **Roll Call:** *Rod Smiley, Raynette Gregory, Anthony Kalvans, Owen Davis, Berkley Baker*
- 3. **Approval of Regular Meeting Agenda:**

Motion By: Anthony Kalvans

Second By: Berkley Baker

Motion: To Approve regular meeting agenda for 2-22-2024

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			

- 4. **Pledge of Allegiance:**
Lead by Director Kalvans
- 5. **Public Comment and Communications for items not on the agenda:**
Greg Grewal Creston resident spoke that the Paso Subbasin water year 2023 draft Annual Report was posted, and would like the San Miguel Board to review. link: [Public Draft Paso Robles Subbasin Water Year 2023 Annual Report](#)
- 6. **Special Presentations/Public Hearings/Other:**
None
- 7. **Non- District Reports:**

1. San Luis Obispo County Organizations

Verbal/Report

Deputy Strobridge with the San Luis Obispo County Sheriff Department north station spoke and gave statistics for January 2024, with San Miguel increasing calls for service by 9% from January 2023.

Board Comment: None

Public Comment: None

2. Community Service Organizations

Verbal

Scott Young from the San Miguel Firefighter's Association (SMFA) updated the Board that the SMFA was able to get some additional gym equipment for the firefighter's and are planning for the Sagebrush Day's Parade on April 20th.

Raynette Gregory from Locatelli Winery spoke about a fundraiser for earthquake repair at the San Miguel Mission on June 1st, 2024, event tickets will be sold on Eventbright. Pleasant Valley Wine Trail is having an event "Twilight Tastings" on May 17th to benefit the Paso Youth Arts event tickets are on Eventbright.

Board Comment: None

Public Comment: None

3. Camp Roberts—Army National Guard

Verbal

None

8. Staff & Committee Reports - Receive & File:

1. General Manager

Receive report

General Manager Kelly Dodds explained that there are two Board Seats available for California Special Districts Association (CSDA) Coastal Network Seat and Special District Risk Management Authority (SDRMA). Information on the election will be e-mailed out, but if any Director would like to discuss please contact the Board Clerk or General Manager.

Board Comment: None

Public Comment: None

2. District Counsel

Receive verbal report

Item presented by District General Counsel Tom Hallinan from White Brenner with nothing to report.

Board Comment: None

Public Comment: Greg Grewal spoke about the ongoing Steinbeck litigation.

3. District Utilities

Receive and file

Item present by General Manager Kelly Dodds with report submitted as written and updated the Board that the San Lawrence Terrace (SLT) has been repaired, the testing and disinfection will be next. Mr. Dodds explained that the Utilities Department has repaired a water line on 11th and K Street and repaired a manhole on Mission Street.

Board Comment: Director Davis explained that he read that a tank has been repaired, and

asked if it was the SLT tank. Discussion ensued, General Manager Kelly Dodds asked for clarification. Director Davis explained he was talking about was an inspection for one-thousand and that turned into inspection and repair for twenty-five thousand but expressed that he was not sure.

General Manager Kelly Dodds explained that there were two different inspections; one was for the .65 million gallon tank and that was for inspection, plans, and specifications for the re-coating of that tank, and the repair of the damaged sections. There was also an inspection for the 50,000 thousand gallon tank, and was only an inspection. General Manager Kelly Dodds asked Director Davis to contact him when he had more information on what he saw in the Board Packet and that they could then discuss.

Director Gregory discussed the Utility accounts that are in arrears and expressed that it was very low. General Manager Kelly Dodds explained that it is at the time of the report and it's always a moving target.

Public Comment: None

4. **Fire Chief Report**

Receive and File

Item was presented by Fire Chief Scott Young with report submitted as written.

Board Comment: Director Kalvans asked about a weather-related emergency incident call out and asked if that would qualify for cost recovery? Fire Chief Young explained that yes, it did.

Director Kalvans asked for an update on the Temporary Housing Unit (THU). Fire Chief Scott Young explained that he is working with a local architect, and on the fourth review with San Luis Obispo County Planning Department. Discussion ensued about the curb and gutter waiver.

Director Kalvans thanked Chief Young for his diligence with the San Luis Obispo County Planning Department and discussed the San Miguel community plan.

Director Davis discussed the lease for the property that the THU will be on. Director Davis explained that he would like to have the lease to be for a longer term, and in writing. Fire Chief Young explained that the lease is in writing and when dirt is moved, he will reengage with the property owner.

Public Comment: None

9. **Consent Calendar:**

None

10. **Board Action Items:**

1. **Monthly Financial Reports for January 2024 (Recommend receive and file by Board consensus)**

Please *Review, Receive and File* the January 2024 SMCSO Financial Reports.

Item was presented by Financial Officer Michelle Hido voiced that the January Financials where on pages 27-71. Mrs. Hido explained the chart on page 31, with the District being at 59% complete for this fiscal year. Discussion ensued about the Budget process that will start in April for the Fiscal Year 2024-25. Financial Officer Michelle Hido spoke about the District's reserves and the District's Reserve Policy.

Board Comment: Director Smiley voiced that there is a requirement that the District is supposed to keep in reserves? Financial Officer Michelle Hido explained that the District

has a policy for Capital Reserves and Operating Reserves.

Director Baker asked about a 1.2 million Wastewater Grant in the revenue chart, and Mrs. Hido explained that is the total of grants that are anticipated. General Manager Kelly Dodds explained that the Grant that is being discussed is related to the Wastewater Treatment Facility and is a grant that was awarded but is a reimbursable grant. Discussion ensued on that grant.

Director Gregory asked about the IT support, and the monthly cost. Discussion ensued about what the District is getting from the contracted IT company.

Director Kalvans asked for an estimate cost savings on the District's insurance because Director Baker participated in the Special District Leadership Academy Conference (SDLF) held in San Luis Obispo February 4th-7th. Financial Officer Michelle Hido explained that an estimate of around three-thousand dollars off the District's insurance cost. Director Davis voiced that he is worried that the County will give District problems because of the plan to put a public office building up at the Wastewater Treatment Facility. General Manager Kelly Dodds asked why Director Davis would be worried about the County and the proposed office building. Director Davis explained that his worry was because it is a wastewater facility. General Manager Kelly Dodds explained that the office building at the Wastewater Treatment Facility has already been discussed with San Luis Obispo County Planning, and that other agencies have office buildings at treatment facilities. Discussion ensued about the controlled facility.

Public Comment: Dan Hido, San Miguel resident spoke about the IT services.

Consensus of the Board of Directors is to receive and file January 2024 Financials

2. Establish the dates for applications and sales of "Safe and Sane" fireworks, for the 2024 calendar year by RESOLUTION 2024-07 (Review and approve by 3/5 vote)

Staff recommends that the Board of Directors adopt RESOLUTION 2024-07, establishing the dates for applications and sales duration of "Safe and Sane" fireworks can be sold during the 2024 calendar year.

Item presented by Fire Chief Scott Young recommending that the Board pass proposed resolution establishing dates for sales and use of Safe and Sane Fireworks. The dates proposed for the sale of fireworks are 12:00 pm Monday, July 1st through 11:59 pm Thursday, July 4th for the 2024 calendar year only. Application period to apply to sell is 8:30 AM Wednesday, May 1st through 4:30 PM Friday, May 31st for the 2024 calendar year only.

Board Comment: Director Davis voiced that he is opposed to Safe and Sane Fireworks in San Miguel and gave his opinion that the sale of Safe and Sane fireworks makes it okay to have illegal fireworks.

Director Kalvans voiced that in his opinion the sale of Safe and Sane fireworks helps deter illegal fireworks and thinks that there are options to explore for dealing with illegal fireworks.

Public Comment: None

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Approve Resolution 2024-07

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			

Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		

3. Review and approve firework permit fees for 2024 calendar year by RESOLUTION 2024-08 (Review and approve by 3/5 vote)

Review and approve RESOLUTION 2024-08 establishing "Safe and Sane" firework permit fees

Item presented by Fire Chief Scott Young recommending that the Board pass the proposed resolution approving firework permit fees for calendar year 2024. Fire Chief Young explained that the fee is for each permit that is approved. Fire Chief Scott Young explained that the Permit Fees are collected to assure adequate emergency response personnel are available throughout the sales duration. The fees collected offset the District's cost for Fire Department personnel. Fees are based on the current Firefighter Stand-By Pay rate.

Board Comment: Director Baker asked what the Permit Fee cost was last year. Fire Chief Young voiced that it was eighteen hundred and fifty dollars (\$1,850.00) and the increase was due to minimum wage going up, and that there are only three permits available. Discussion ensued about cost.

Director Gregory asked if it was a comparable cost to other cities' fees. Fire Chief Young explained that the cost is to cover the cost for emergency response personnel, and that Templeton and Five Cities are the only other places that he knows that sell Safe and Sane fireworks.

Director Smiley voiced that he is upset that there is nothing that can be done about illegal fireworks.

Public Comment: Greg Grewal Creston resident gave his opinion that Safe & Sane fireworks are to cover up illegal fireworks and spoke about California insurance companies.

Board Comment: Director Gregory voiced that Safe and Sane are the responsible option, but understands the points being made.

Chief Young voiced that over the years there has been no emergency issues with Safe and Sane fireworks.

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Approve Resolution 2024-08

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis		X		

4. Mission Street Landscape irrigation replacement budget adjustment by RESOLUTION 2024-06 (Review and approve by 3/5 vote)

Review and approve Resolution 2024-06 authorizing a budget adjustment for irrigation replacement along Mission Street from 11th Street to 14th Street.

Item was presented by General Manager Kelly Dodds explaining that he is asking to replace the irrigation in all three sections of Mission Street from 11th Street to 14th Street. The current schedule 120 pipe will be replaced, and water loss and tree collars were discussed.

Board Comment: Director Gregory asked about the concrete replacement, and where it will be replaced. Discussion ensued about concrete.

Director Baker asked about the water loss, and how much that is costing the Lighting Department.

Director Kalvans asked about the budget cost for leaks, and asked if he was correct that along 12th & 14th Street, no tree collars were put in. General Manager Kelly Dodds voiced that he was correct and discussed stamped concrete.

Director Davis discussed the removal of concrete and the cost, voicing that he does not think it needs replacing. Discussion on testing for leaks, trees and pavers ensued.

Director Gregory explained that she would like the hollyhocks be cut back for safety reasons.

Director Smiley voiced his frustration on the schedule 120 pipes in his housing development, and explained that the trees are buckling up the sidewalks. Director Smiley gave his opinion that you cannot dig under the concrete, and getting someone to work on it is very expensive.

Director Kalvans explained that he has spoken with the General Manager about contacting Upper Salinas-Las Tablas Resource Conservation District (US-LT RCD) about figuring out a plan that would be appropriate for our downtown corridor for soil and tree management. Discussion on contractors and developments ensued.

Public Comment: Greg Grewal Creston resident spoke about his experience with irrigation and ideas that might work better for the District's landscaping.

Dan Hido San Miguel resident spoke about the water loss and the small amount of time it would take to recoup the pipe replacement cost.

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Approve Resolution 2024-06

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Berkley Baker		X		
Owen Davis		X		

5. Continue discussion regarding water and sewer services crossing parcel lines.(Discuss and provide direction to Staff)

Continue discussing District responsibility and property owner responsibility

Item was presented by General Manager Kelly Dodds asking for direction from the Board of Directors and explained the options and background.

Board Comment: Director Baker voiced that his opinion is that the meter should be on the property that it services and felt that having the meter in the alley was not the correct place for the District to have put the meter when it was updated.

General Manager Kelly Dodds explained that until two years ago there was no water main on 11th Street. Discussion on current standards ensued.

Director Gregory voiced her concern with a policy change, and the cost of those changes. General Manager Kelly Dodds explained that changing the policy could have unknown costs to the District, but could be evaluated case by case.

Director Gregory voiced that she was not in favor of a policy change due to the unknown cost to the District, and explained that the reason this is being addressed is because water was allegedly being stolen. Discussion on past district water history was discussed.

Director Kalvans voiced that if the District does propose a policy change it should be focused on only new water main sections that the District installs, then replace the service lines at that time. Director Kalvans voiced that he would like to look into what could be done when people sell their properties.

Director Davis explained that he personally went and looked at Mr. Patterson's situation, and still needs clarification on why the meter on the side of his house was not used. Director Davis asked what that meter was hooked up to and thought that it would be the best place for Mr. Patterson's water meter. Discussion ensued.

Director Smiley voiced that his opinion is to correct the problem for Mr. Patterson, and to work on a policy to deal with this kind of issue in the future.

Public Comment: Greg Grewal Creston resident spoke about the District liability on the water service line.

Brandon Patterson San Miguel resident voiced that he was the property owner. Mr. Patterson voiced that he wanted to make sure that the Board of Directors understood that if something happens to the service line that runs through his neighbors property, he was told that he would be liable for any damages. Mr. Patterson voiced that he did not want his service line to be on his neighbors property.

Motion By: Rod Smiley

Second By: Owen Davis

Motion: To Approve Direct staff to replace the water service line at 1097 Mission Street

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Rod Smiley	X			
Anthony Kalvans	X			
Owen Davis	X			

Adjourn to the San Miguel Community Services District Groundwater Sustainability Agency (GSA):

At 7:49 P.M.

11. GSA Board Action Items:

1. Paso Basin Cooperative Committee (PBCC) draft budget (Discuss and provide direction to Staff)

INFORMATIONAL ONLY

Discuss the draft PBCC budget as discussed in the February 7th 2024 PBCC meeting.

Provide direction to staff as appropriate.

Item presented by General Manager Kelly Dodds explaining that this item is informational

only. During the February 7th, 2024, Paso Robles Cooperative Committee (PBCC) meeting the PBCC Board discussed a Draft budget for the PBCC. The Draft budget is presented for discussion.

Board Comment: Director Baker/PBCC Board member voiced that he was at the meeting and discussed the budget. Director Baker voiced that he thinks these expenses are just the beginning, and feels that the question is why the CSD should stay in this PBCC. Director Baker explained that he would like to have a cost benefit analysis, and asked what fund department was paying for all this.

General Manager Kelly Dodds explained that the funding comes from the Water fund. Discussion ensued about the PBCC budget and how it would look for the District moving forward outside the PBCC.

Director Baker explained that he doesn't know how this budget could benefit San Miguel. General Manager Kelly Dodds discussed the items on the PBCC budget and what the cost might become.

Director Gregory voiced her concern on where this all is going in the future and discussed how the voting was at the PBCC.

Discussion ensued about agendaizing a discussion on removing San Miguel from the PBCC, and the obligations of the GSA's.

Director Kalvans spoke on the history of the GSA's and felt that it might be best to stay in the PBCC.

Director Kalvans voiced that he would like to get more information on the 3% of this budget and clarification on how the voting power works.

Director Davis voiced that he is collecting information and that there is a lot to discuss.

Public Comment: Greg Grewal Creston resident spoke about the Estrella-El-Pomar Creston water district (EPC) and Shandon San-Juan water district and how the Sustainable Groundwater Management Act (SGMA) was supposed to benefit the Basin not individuals. *Consensus of the Board is to get more information on votes, and how the proposed budget would be a benefit to San Miguel.*

Reconvene to the San Miguel Community Services District Board of Directors:

At: 8:19 PM

12. Board Comment:

Director Davis expressed that he would like to discuss how the landscaping project will be preformed, and spoke about cost.

Director Kalvans voiced that he would like to have the San Miguel Fire Department and the Sheriff Department work together to find long-term funding to be used to fight illegal fireworks and general safety. Supported by Director Smiley

Director Kalvans voiced that he still would like staff to start an Policy or Ordinance for the Water and Sewer connections that cross parcel lines. Supported by Director Smiley

Director Kalvans would like staff to work with Upper Salinas-Las Tables Resource Conservation District (US-LT RCD) for the landscaping master plan.

13. Adjourn to Closed Session/Closed Session Agenda:

Public Comment: None

8:26 P.M.

1. CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code, § 54957.6)

Agency designated representatives: District General Manager and General Counsel

Unrepresented employee: Board Clerk/Account Clerk Manager
Discussion

2.

CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code, § 54957.6)

Agency designated representatives: District General Manager and General Counsel

Employee Organization: San Miguel Employees' Association

Discussion

14. Report out of Closed Session:

No reportable action

15. Adjournment to Next Regular Meeting:

At: 9:21