

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
MINUTES OF REGULAR MEETING  
September 12th, 2017**

**1. CALL TO ORDER**

Vice President Lynn Helenius called the regular meeting of the Board of Directors of the Avila Beach Community Services District, to order at 7:00 p.m. on the above date, in the Avila Beach Civic Center. Vice President Helenius presided over the meeting in President Pete Kelley's absence.

Board Members Present:                   Lynn Helenius  
  Eric DeWeese  
  Kristin Berry  
  Ara Najarian

Board Members Absent:                 Pete Kelley

Staff Present:                             Brad Hagemann, General Manager and District Engineer  
  Kristi Dibbern, Accounting Clerk  
  Carinna Butler, Operations Manager FRM

**3. PUBLIC COMMENTS**

**4. INFORMATION AND DISCUSSION ITEMS**

**A. County Reports**

**1. SLO Sheriff:**

Sheriff Scotto reported 61 calls for service including forty-eight calls for medical assistance. Eight suspicious acts and two Best Buy credit card frauds were investigated. Nine thefts to vehicles and three cruelty to animal calls were reported. The cruelty to animals calls were regarding dogs in parked cars and turned out to be non-issues.

A wallet was stolen from a locker at Sycamore Springs as well as a purse and keys that were unattended on the beach. A toddler at Private's Cove was reported as being left unattended. The parent was growing marijuana plants in her RV and was currently on probation for child endangerment and neglect.

**2. Cal Fire Report:**

Cal Fire Battalion Chief Paul Lee reported forty one calls for service this month. Eighteen were for medical aid. One fire occurred in the Barren Canyon area. An electricity malfunction in the garage caused damage to the home. Four fires in the County were caused by lightening this month. The fire lane on Cave Landing Road clearing project will be completed at the end of fall. This will increase access for

emergency vehicles. Chief Lee reported that the emergency response teams are spending a considerable amount of time, resources and effort on abandoned kayaks at sea. He mentioned that identification stickers on the side of the boats would help tremendously. CalFire recommends that kayak owners place their name and phone number on the kayak. This would help emergency response teams make contact when they find an abandoned boat. Anne Brown asked for an update on the SRA (State Responsibility Area). Chief Lee reported that the state has suspended the program for 4 years and he does not anticipate the state will reinstate the program.

### **B. Reports on Conferences, Meetings and General Communications**

Three Directors and one staff member attended the California Special District Association workshop on the Brown Act hosted by Port San Luis. All commented that the speaker was very knowledgeable and informative regarding Brown Act Practices.

## **5. CONSENT ITEMS**

**Vice President Helenius introduced the consent items and inquired if any member of the Board or public member wished to address any items.**

- A. Amended Version of the Minutes of June 13<sup>th</sup>, 2017 Regular Meeting
- B. Minutes from August 8th, 2017 Regular Meeting
- C. Monthly Financial Review for August
- D. General Manager and District Engineer Report
- E. Water and Wastewater Superintendent Report August Report

GM Hagemann offered a few clarifying comments on the GM Report and the June 13, amended minutes, but no items were pulled of the Consent Calendar.

Director DeWeese made the motion to adopt the consent items. Director Najarian seconded the motion and it passed with a roll call vote 4-0.

AYES: Eric DeWeese  
Ara Najarian  
Kristin Berry  
Lynn Helenius

NOES: None

ABSENT: Pete Kelley

## **6. DISCUSSION OF PULLED CONSENT ITEMS.**

None

7. **BUSINESS ITEMS:** Items where Board action is called for.

A. **Consider Adoption of District Financial Reserve Policy**

GM Hagemann introduced the item by reminding the Board that staff presented a Reserve Policy and associated Resolution for establishing Reserve fund types and funding levels at the August 2017 Board meeting. The Board adopted a Resolution establishing the Reserve fund types, but referred the target funding levels back to Finance Committee for further review and a recommendation. The Committee met on Aug 17 with staff and consultant Clayton Tuckfield. Based on the information from that meeting the Committee recommends the Target funding levels as shown on Exhibit A.

Director Helenius commented that she was impressed with Mr. Tuckfield's presentation to the Committee and it helped her better understand the purpose of a Reserve Fund Policy. She concluded a Reserve Fund Policy was a good business practice for Special Districts. After further Board discussion and an opportunity for public comment, Director Najarian made a motion to adopt amended Resolution No. 2017-09. Director DeWeese seconded the motion and it passed with a roll call vote 4-0.

AYES: Ara Najarian  
Eric DeWeese  
Lynn Helenius  
Kristin Berry

NOES: None

ABSENT: Pete Kelley

**B. Water Valve Replacement Project Status Report.** GM Hagemann reported the project is approximately 95% complete and that the project included three change orders totaling just over \$30,000. The change order were related to conditions that were unknown to the design engineer, a line break that was not related to the project and the decision to add an additional valve cluster to the scope of the project. The project did cause minor service disruptions to a limited amount of customers, but staff and the contractor worked hard to notify customers and minimize the project impacts. GM Hagemann thanked FRM for their support on the project. Hagemann noted that the project included a relatively high amount of change orders and referred to the Staff Report for details. Director Najarian asked if there was a standard for the amount or cost of change orders on a project. Hagemann responded that for underground

projects like this one, change orders are more typical because the design engineer and implementing agency have to assume some of the field conditions.

Anne Brown, asked if the Board needed to make a motion to accept GM Hagemann's actions approving the change orders. The Board concluded that they agreed with the change orders and that they did not need to adopt a motion to approve the work that was already completed. However, the Board directed staff to review the District's Purchasing Policy and bring back any recommendations that would address change order approval levels and protocol.

Vice President Helenius asked if there is a formal valve exercise program to insure the District properly maintains the water valves. Hagemann responded that the current operations contract requires that FRM exercise the valves on an annual basis. Anne Brown asked what else needs to be done to complete the project. GM Hagemann replied that a little more concrete needs to be poured and the contractor needs to cleanup and dispose of the old pipes.

**C. Update Banking Accounts to Reflect New Board Members and Pacific Premier's purchase of Heritage Oaks Bank.**

GM Hagemann explained Pacific Premier Bank has purchased Heritage Oaks Bank. Pacific Premiere requires the Board to adopt a Resolution (No. 2017-10) and have each Board member sign the letter updating the Authorized Signatories on Banking Accounts and removing previous Board members.

Director DeWeese made the motion to adopt Resolution No. 2017-10. Director Helenius seconded the motion and it passed with a roll call vote 4-0.

AYES: Eric DeWeese  
Kristin Berry  
Lynn Helenius  
Ara Najarian

NOES: None

ABSENT: Pete Kelley


**8. COMMUNICATIONS:**

**ADJOURNMENT: The meeting was adjourned at 8:30 p.m.**

**The next regular meeting of the Avila Beach Community Services District is scheduled for Tuesday, Oct 10th, 2017 at 7:00 pm.**

These minutes are not official nor a permanent part of the records until approved by the Board of Directors at their next meeting.

Respectfully submitted,



Brad Hagemann, PE  
General Manager