

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
MINUTES OF REGULAR MEETING  
April 11th, 2017**

**1. CALL TO ORDER**

President Pete Kelley called the regular meeting of the Board of Directors of the Avila Beach Community Services District, to order at 7:03 p.m. on the above date, in the Avila Beach Civic Center.

**2. ROLL CALL**

Board Members Present:

Pete Kelley  
Lynn Helenius  
Eric DeWeese  
Ken San Filippo  
Ara Najarian

Staff Present:

Brad Hagemann, General Manager and District Engineer  
Kristi Dibbern, Accounting Clerk

Absent:

Carinna Butler, Operations Manager FRM

**3. PUBLIC COMMENTS**

Ken San Filippo announced he was moving out of the District and therefore he could no longer serve on the Community Services District Board of Directors.

**4. INFORMATION AND DISCUSSION ITEMS**

**A. County Reports**

**1. SLO Sheriff:**

Sheriff Voge introduced himself as the new commander representing the San Luis County Sheriff's Office. He reported 50% of calls for service this month were at Pirate's Cove. Sheriff Voge announced the new Community Action Team (CAT) program for San Luis County. CAT handles issues regarding our transient and homeless population. The direct line to Sheriff Voge is 781-4630. Please contact him if you have questions or concerns.

**2. Cal Fire Report:**

Cal Fire Battalion Chief Paul Lee reported 54 calls for service this month. Twenty eight of those calls were for medical assistance. Chief Lee reported that Chief Campos is being promoted to the North Coast, and will be leaving a vacancy at Station 62. The vegetation teams are working on Davis Canyon opening the fire road creating firebreaks. CAL Fire is looking for funding for Cave Landing to create another fuel break. Chief Lee reported that fire season begins May 15<sup>th</sup>, all stations are fully staffed and five additional engines are available for response. Weed Abatement is around the corner beginning in mid- May. Please abate weeds around your property.

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

GM Hagemann reminded the Board members to complete their ethics training. The California Special District's Association (CSDA) training office has created individual logins and passwords for each board member and sent them an email with instructions. Emily Cha from CSDA sent the Directors an email in late January that provided them a login and password to access the free training webinars. Directors that have not completed their training should check their email for further instructions. Certificates of completion should be turned into the District office for our official files.

GM Hagemann also reported Heritage Oaks is changing ownership to Pacific Premier Bank.

**5. CONSENT ITEMS**

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

- A. Minutes of March 14<sup>th</sup>, 2017 Regular Meeting
- B. Monthly Financial Review
- C. General Manager and District Engineer Report
- D. Capital Projects Status Report
- E. Water and Wastewater Superintendent Report

The Directors had a question on the General Managers report regarding an update on the Public Records Request(s) related to John Wallace/Wallace Group allegations at South County Sanitary District. Staff provided a quick summary of the written report.

Director San Filippo made the motion to adopt the consent items. Director Helenius seconded the motion and it passed with a roll call vote 5-0.

AYES: Ken San Filippo  
Lynn Helenius  
Eric DeWeese  
Pete Kelley  
Ara Najarian

NOES: None

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

None

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

**A. Results of Water Tank Cleaning and Inspection Reports**

(Action Required: Receive Report provide direction to staff)

GM Hagemann reported that ATS conducted the water tank cleaning and inspection on February 22<sup>nd</sup> & 23<sup>rd</sup>, 2017. Photos of the inspection were circulated to the Directors and interested public members. Hagemann summarized the highlights of inspection reports and noted that Tank #1 (big tank) was last inspected in Nov 2009. ATS removed a light sediment level and completed an interior and exterior inspection. The ATS noted the tank is in good overall condition but recommends spot repair of exterior and interior corrosion, cracking and peeling of paint. Staff will work with the inspector to develop a scope of work for tank repairs, include a project on FY 2017/18 CIP and solicit quotes from qualified contractors. Tank #2 was last inspected in June 2010. The 2010 Report finding was similar to 2017 findings. However, apparently no repairs were completed after the 2010 inspection. The inspector noted that Tank #2 is in worse condition than Tank #1 and provided a lengthy list of recommendations. Staff will work with the inspector to develop a project scope of work and cost estimate. Staff will include this project on the FY 2017/18 Capital Improvement Program.

**B. Update of District By-Laws**

(Action Required: Consider Adoption of Resolution No. 2017-01, Updating the District By-Laws)

GM Hagemann explained the annual review of the District By-Laws should reflect any new legal requirements or proposed operational changes. The Board reviewed the By-Laws at the March 14, 2017, Board meeting and legal counsel suggested some changes to Section 2.8. No other changes to the By-Laws were recommended. Resolution 2017-01 updates the District By-Laws.

President Kelley made the motion to adopt Resolution No. 2017-01 updating the District By-Laws. Director Najarian seconded the motion and it passed with a roll call vote 5-0.

AYES:           Pete Kelley  
                  Ara Najarian  
                  Ken San Filippo  
                  Eric DeWeese  
                  Lynn Helenius

NOES: None

**C. Former Fire Station Tenant Lease Agreement**

(Action Required: Receive Report and Provide Direction to Staff)

GM Hagemann summarized the Staff Report stating that the District owns the fire station building located at 100 San Luis Street, Avila Beach. As discussed in the March 14<sup>th</sup>, 2017, meeting the lease with the current occupants, Vizdom Software ends on 12/31/2017. In addition, the District's lease with Avila Beach Civic Association at the current office location expires 9/30/2017. GM Hagemann commented that due to the timing of the existing leases, now is opportune time to make change (if the Board desires to make a change) and added that the current lease rate may be below market rate, but comparable properties are hard to find. Hagemann also noted that Vizdom would like to go to a shorter term lease (year to year) and lower the rent increase factor.

President Kelley, GM Hagemann and Kristi Dibbern did a walk-through of the Fire Station on March 17<sup>th</sup>. They reported that the building is in good condition. During the walk-through, Vizdom representative Mike Lacey provided a building floor plan that showed the teneant improvements they had made over the last 12 years. The Directors discussed the feasibility of moving the District Office to the former Fire Station and noted the facility would address a number of deficiencies of the existing District office space. After some discussion, the Board referred the item to the Facilities Committee for further evaluation and a recommendation. Facilities Committee will meet and report back to the Board at the next Board meeting.

**D. Request for Consideration of Reducing Water and Sewer Monthly Fees Due to Injury**

(Action Required: Receive Report and Provide Direction to Staff)

GM Hagemann summarized a request from Mr. Chris Beard for consideration of a reduction of his water and sewer utility bills for about 4 months due to an injury to his foot. Staff recommended the Board offer a 12 month repayment period (with no fees or interest) for the \$440 that occurred while Mr. Beard was out of the house. Director San Filippo made a motion to have a written agreement with Mr. Beard stating he would repay the outstanding balance within a 12 month period in addition to staying current with his monthly bill. Director DeWeese seconded the motion and it passed with a roll call vote 5-0.

AYES: Ken San Filippo  
Lynn Helenius  
Pete Kelley  
Eric DeWeese  
Ara Najarian

NOES: None

ABSENT: None

**8. COMMUNICATIONS:**

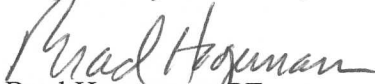
The Directors directed the GM to consult with Legal Counsel Mike Seitz regarding the length of time Director San Filippo could remain on the Board after moving out of the District and provide a report on the process for filling the vacancy at the next . A count was taken to confirm a quorum for the May 9<sup>th</sup> meeting. And dates will be announced for a Finance Committee Meeting in the next 3 weeks.

**ADJOURNMENT: The meeting was adjourned at 8:25 p.m.**

**The next regular meeting of the Avila Beach Community Services District is scheduled for Tuesday, May 9th, 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