

Keith Hadick, President (Division 3)
Vacant, Vice President (Division 1)
Casey Conrad, Treasurer (Division 6)
Andrew Adam, Secretary (Division 2)
Gerald Mahoney, Director (Division 4)
Vacant, Director (Division 5)
Randy Sharer, Director (Division 7)



SANTA MARIA VALLEY WATER CONSERVATION DISTRICT

SPECIAL MEETING MINUTES – June 22, 2023

District Office
2255 S. Broadway, Ste. 8E
Santa Maria, California

CALL TO ORDER: With a quorum present, the meeting was called to order at 6:33 PM.

ROLL CALL: Present were Directors Hadick, Conrad, Mahoney, Sharer, and Adam.

PLEDGE OF ALLEGIANCE: President Hadick led the Pledge of Allegiance.

It was motioned and seconded to correct agenda, by Director Sharer and Hadick: 5-0-0-2 (Correct Action Items, Reso #)

CONVENE TO OPEN SESSION

ADDITIONS TO THE AGENDA DIRECTOR ADAM: Place Project Manager/Supervisor Discussion on next agenda with specific reference to consideration of retaining Robert Neuman of MNS

APPROVAL OF AGENDA

Recommended Action: Motion to approve Agenda as published.

PUBLIC COMMENT: None

OLD BUSINESS

ACTION ITEMS

Synergy Billing: transfer Synergy invoices to new third-party monitor:
Director Adam and Conrad:

Director Conrad: send billing to MSL for reimbursement under their contract? [Yes]; best method of contact is email.

It was motioned and seconded by Director Sharer and Adam to delegate review of the Synergy billing and correlation of invoice amounts and tasks done, to Finance Committee, to be brought back to the Board of Directors for final review and approval: motion carried 5-0-0-2

Engineering Firm: It was moved and seconded by Director Adam and Sharer to adopt/approve MNS for one additional year, then go out to RFP after 1 year: motioned failed 3-2-0-2

Director Conrad: agree on going out to RFP, but think it is premature to simply have MNS on for a year, even with their institutional knowledge; have concerns with MNS discharging their duties in the past; not in favor of a year-long contract.

Director Sharer: TMA has money programmed for some projects; of same opinion as last week; sympathize with Director Adam, but want to see what Horne is going to produce before bringing on another third party, if the Board makes the commitment to retain them; want to see their work product first, then be ready to pivot another third party if needed at that time; did not see anything technical that would necessitate an engineering review of Horne agreement

Director Mahoney: in favor of having MNS “on retainer” but not on site every day.

Director Hadick: agree with Director Sharer, did not see anything of a sufficiently technical nature to require or warrant engineering review

Director Adam: peculiarities of CalOES and California law still support his idea of having review by a technical expert like Mr. Neuman at MNS; to have that person available to explain things; counsel messed up in not explaining that things could cost the District.

Director Sharer: understand concerns from Director Adam; “talking out loud” how about having a local engineer review the initial product of Horne to get a “feel” for the product; may need to wait until consideration of the Horne contract, and that will help to shake out concerns and how they might be addressed in terms of assuaging Director Adam concerns.

Director Conard: who is “the engineer” mentioned by Director Adam?

Have Engineering Firm item appear next time.

DIRECTOR & STAFF REPORTS

Director Reports:

Director Hadick had candidate information sheet for CSDA elections; Director Hadick will send out for review by Directors; due by July 10

Agenda: consideration of candidates for CSDA office

District Counsel Report- None

NEW BUSINESS

ACTION ITEMS

Agreement with Horne, LLP for Oversight Services Pursuant to RFP 23-03: District Counsel presents contract and key points of negotiation/revision.

Director Conrad: Does the agreement run for one year and then terminate unless option to extend exercised? Yes.

Director Adam: Where did \$4m NTE come from? Horne
Horne rep Mr. Huck responds

Director Mahoney: How does payment/reimbursement work?
Horne rep responds

Director Adam: Why not have a contingent contract? if the money is out there and the contractor “believes” in it, then they will put their money up for it first.

Horne: These contracts are not eligible for FEMA; a contingency contract will disqualify you because it looks like the work has a financial incentive, not a need.

Director Conard: Agree; was in a meeting where this was stated.

Director Adam: There should be a way to make it work, to put up the money first, otherwise it is too speculative.

Director Mahoney: Estimate for how much it would cost to start the grant/reimbursement sources.

Director Sharer: Where does Horne go from here if approved?

Horne: Project management first to see what has taken place already; update documents as needed; identifying everything; how much money is being spent (will be spent?); then working with CalOES/FEMA to see what can be reimbursed.

Director Adam: Concerned about District being liable for up to \$4m

Director Sharer: Estimate on how long and how much might be found in first couple of months.

Horne: We don't know your current status of applications to FEMA; would need to know that for an estimate, but can give averages based on historical work; **FEMA is your primary source of funding**; there are advances (of reimbursement) and expedited/non-expedited projects; with expedited projects + advances, you get the money quickly and ahead of time to pay; if you have a project now (which the District does ~\$14m), you have money obligated and money immediately available for costs incurred so far

Horne: Cannot anticipate what FEMA will or will not do, and how much.

Director Sharer: Within 3 months, we should have an idea of what things will look like and what needs to be done, and possible funding?

Horne: yes, we'll know in 90 days where things are and "max" should be \$100k to get to that point; we will submit a work plan to show the value we are providing in showing work and funding.

It was motioned and seconded by Director Hadick and Sharer to authorize execution of agreement: motion carried 4-1-0-3

FINANCIAL ACTION ITEMS AND REPORTS

Resolution 23-04

It was motioned and seconded by Director Adam and Conrad to direct District Counsel to revise Resolution 23-04 to increase assessment estimate to \$ 800k: motion carried 5-0-0-2

REPORTS AND INFORMATION

CONSENT CALENDAR– It was motioned and seconded to approve minutes by Director Sharer and Adam: motion carried 5-0-0-2

ADJOURNMENT - It was moved and seconded by Director Hadick and Mahoney to adjourn at 9:48 PM: motion carried 5-0-0-2

Minutes approved on_____

Keith Hadick, President

Submitted by Jaamon Frazier