

CAMBRIA COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING MINUTES
Wednesday, August 31, 2022 2:00 PM

1. OPENING

A. Call to Order

President Howell called the meeting to order at 1:05 p.m.

B. Pledge of Allegiance

President Howell led the Pledge of Allegiance.

C. Establishment of Quorum

A quorum was established.

Directors present via Zoom: Karen Dean, Harry Farmer, Tom Gray, Donn Howell, and Cindy Steidel

Staff present via Zoom: General Manager John F. Weigold IV, District Counsel Timothy Carmel, Fire Chief Michael Burkey, Administrative Department Manager Pamela Duffield, Finance Manager Denise Fritz, Utilities Department Manager/District Engineer Ray Dienzo, Program Manager Melissa Bland, Facilities and Resources Manager Carlos Mendoza, and Board Secretary Leah Reedall

Consultants present: Rick Brandis, Brandis Tallman (Oppenheimer & Co.); Nick Burke, PG&E; Michael Garcia, Oppenheimer & Co.; Alex Handler, Bartle Wells Associates; Brent Patera, Southland Energy; Kenneth Robinson, Southland Energy; Albert Reyes, Kutak Rock (by telephone)

D. PRESIDENT'S REPORT

There was no President's Report.

2. PUBLIC COMMENT ON AGENDA ITEMS

Addressed with each item.

3. REGULAR BUSINESS

- A.** Discussion and Consideration of Adoption of Resolution 60-2022 Authorizing the Issuance of Wastewater Revenue Certificates of Participation, Series 2022A and Authorizing Execution of Legal Documents by Officers of the District with Approval of District Counsel.

General Manager Weigold introduced the item and provided a brief summary before turning it over to Vice President Dean, noting that this financing project has involved a 3-year undertaking with review by various CCSD Board committees, including the Resources & Infrastructure Committee and the Finance Committee, and is driven by compliance with the Regional Water Quality Control Board regulations. Additional input was provided by Director Steidel, Alex Handler, Rick Brandis, and Albert Reyes.

Alex Handler of Bartle Wells shared a presentation on the project. His presentation will be included in these meeting minutes.

Discussion ensued between the Board and consultants, attorneys and stakeholders further clarifying terms for repayment of the debt, projection of net revenue over debt service, who can purchase and who typically purchase certificates of participation, and the trustee's role. Potential investors can contact Rick Brandis in the San Francisco office of Oppenheimer to purchase certificates in \$5,000 denominations.

The ad hoc committee (Dean, Steidel) presented their recommendations which are attached to and incorporated into these minutes by reference. Pursuant to the Bylaws of the CCSD Board of Directors, President Howell directed the ad hoc committee to continue in their expanded role as laid out in their recommendation.

Public Comment:

Tina Dickason

Crosby Swartz

Laura Swartz

Christine Heinrichs

Mike Lyons

Elizabeth Bettenhausen

District Consultant Alex Handler addressed the questions raised during public comments. Discussion ensued regarding potential competition among service providers, the associated covenant prohibiting competition, and the reasons for it.

Director Gray moved to adopt Adoption of Resolution 60-2022 Authorizing the Issuance of Wastewater Revenue Certificates of Participation, Series 2022A and Authorizing Execution of Legal Documents by Officers of the District with Approval of District Counsel.

Director Steidel seconded the motion.

Debate ensued with comments by Director Farmer.

President Howell called for a break until 4:15 p.m.

Motion Passed Unanimously Ayes-5 (Gray, Steidel, Dean, Farmer, Howell); Nays-0;

B. Discussion and Consideration of Adoption of Resolution 61-2022
Approving a Revised Debt Management Policy and Disclosure Policies and
Procedures.

General Manager Weigold introduced the item and provided a brief summary. Alex Handler and Albert Reyes provided further explanation, including that revisions to the Resolution and policy were made in order to comply with Government Code Section 8855 which added requirements upon public agencies relating to debt service.

Public Comment:

Mike Lyons

Tina Dickason

Karen Pearson

In response to public comment, attorney Albert Reyes stated that it was his opinion that a member of the community who invested in the bonds and later ran for office on the CCSD Board would have no conflict of interest. District Counsel Tim Carmel concurred.

Director Steidel moved to Adopt Resolution 61-2022 Approving a Revised Debt Management Policy and Disclosure Policies and Procedures.

Director Gray seconded the motion.

Motion Passed Unanimously Ayes-5 (Steidel, Gray, Dean, Farmer, Howell); Nays-0;

C. Discussion and Consideration of Pacific Gas & Electric (PG&E)
Work Order for Implementation of the Sustainable Solutions
Turnkey (SST) Project.

General Manager Weigold introduced the item and provided a brief summary.

Public Comment

Crosby Swartz

Christine Heinrichs

Nick Burke with PG&E and Brent Patera with Southland Energy responded to questions presented during public comment.

Vice President Dean moved to approve the work order for implementation of the Sustainable Solutions Turnkey (SST) Project and authorize the General Manager to sign the letter of intent.

Director Gray seconded the motion.

Motion Passed Unanimously Ayes-5 (Dean, Gray, Farmer, Steidel, Howell); Nays-0;

Members of the Board expressed their thanks to the dedicated staff, consultants, and all involved on this extraordinary undertaking.

4. ADJOURN

President Howell adjourned the meeting at 4:47 p.m.

For further detail on the CCSD meeting, please visit the District's website to review the meeting recording or visit SLO-Span's website: <https://slo-span.org/static/meetings-CCSD.php>. CCSD written comments can be reviewed on the District's meeting webpage.