MINUTES OF REGULAR BOARD OF DIRECTORS MEETING
Avila Beach Community Services District
Tuesday, May 13th, 2025
1:00 P.M.

1. CALL TO ORDER

President Kelley called the meeting of the Board of Directors of the Avila Beach Community Services District, to order at 1:00 P.M. on the above date, in the Avila Beach Community Services District Building, 100 San Luis Street, Avila Beach, California.

2. ROLL CALL

Board Members Present	Pete Kelley Howie Kennett Kristin Berry Ara Najarian
Board Members Present via Zoom:	None
Board Members Absent:	John Janowicz
Staff Present:	Brad Hagemann, General Manager Kristi Dibbern, Office Manager
Operations:	Shawn Powell, Chief Plant Operator
Legal Counsel via Zoom:	Craig Parton from Price, Postal, & Parma

3. PUBLIC COMMENTS - None

4. INFORMATION AND DISCUSSION ITEMS

A. County Reports

Sheriff's Report: The Sheriff's report was given by Kristi Dibbern who read the statistics report provided by the sheriff's office. Thirty-eight calls for service were reported during the month of April. Two assault and battery, 5 disturbances, 1 theft, 1 vandalism, 8 suspicious circumstances, 7 enforcement stops, and 14 preventative patrol stops were reported.

Cal Fire: Chief Paul Lee was not present at the Board meeting due to a scheduling conflict. **No Report.**

5. PUBLIC COMMENT ON CLOSED SESSION ITEM

None.

6. CLOSED SESSION

The Board convened to closed session at 1:10 PM to discuss the following items:
A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2). Number of cases: One.

REPORT ON CLOSED SESSION/ANNOUNCEMENT OF ACTION, IF ANY, TAKEN IN CLOSED SESSION

The Board returned to the regular session at 1:55 PM. No reportable action was taken by the Board of Directors during the closed session.

7. CONSENT ITEMS:

After Board discussion and no public comment, Director Berry made a motion to approve the Consent Items. Director Najarian seconded the motion, and it passed with a roll call vote 4-0.

AYES	Kristin Berry
	Ara Najarian
	Howie Kennett
	Pete Kelley
NOES:	None
ABSENT:	John Janowicz

8. PULLED CONSENT ITEMS. None.

9. BUSINESS ITEMS:

9A. PUBLIC HEARING REGARDING ADOPTION OF THE FY 2025/26 ANNUAL BUDGET

OPEN PUBLIC HEARING: 2:00 pm
No public comment.

CLOSED PUBLIC HEARING: 2:01pm

9A. Consider Adoption of Resolution No. 2025-03 Appropriations Limitations. Director Najarian made a motion to adopt Resolution No. 2025-03. Director Berry seconded the motion, and it passed with a roll call vote 4-0.

AYES:	Ara Najarian
	Howie Kennett
	Kristin Berry
	Pete Kelley
NOES:	None
ABSENT:	John Janowicz

9A. Consider Adoption of FY 2025/26 Budget & Resolution No. 2025-04
GM Hagemann summarized the Final Draft of the FY 2025/26 budget. The Board agreed to adopt the draft budget with no rate increase to water and sewer customers. Director Najarian made a motion to adopt Resolution No. 2025-04. Director Berry seconded the motion, and it passed with a roll call vote 4-0.

AYES:	Ara Najarian

Howie Kennett
Kristin Berry
Pete Kelley

NOES: None

ABSENT: John Janowicz

9B: District General Counsel Contract Review.

GM Hagemann summarized the Staff Report noting that the District retained Price, Postel and Parma (PPP), LLP as their General Counsel in January 2021. The Legal Services Agreement with PPP, includes a clause that stated, "the hourly rates for legal services referenced above, shall be subject to a 3% annual increase." PPP has never increased their fees since January of 2021.

In April 2025, PPP proposed a 6% increase in their fees effective June 1, 2025. The Board agreed that PPP has been providing good legal counsel services to the District over the past four plus years and concurred with their proposed rate increase. Director Kennett made a motion to approve the legal counsel's proposed rate increase. Director Najarian seconded the motion, and it passed with a roll call vote 4-0.

AYES: Howie Kennett
Ara Najarian
Kristin Berry
Pete Kelley

NOES: None

ABSENT: John Janowicz

9C: Consider Awarding a Professional Services Contract for the installation of water meters. GM Hagemann summarized the Staff Report and recommended the Board award a professional services contract to Grace Environmental to assist staff with the installation of water meters. Director Berry made a motion to approve the bid. Director Najarian seconded the motion, and it passed with a roll call vote 4-0.

AYES: Kristin Berry
Ara Najarian
Howie Kennett
Pete Kelley

NOES: None

ABSENT: John Janowicz

9D: Avila Valley Regional Wastewater Alternative Analysis. GM Hagemann provided a summary of the Avila Valley Regional Wastewater Alternatives Analysis prepared for the San Miguelito Mutual Water Company (SMMWC); and recommended the Board form an Ad Hoc Subcommittee for the project. Directors Kelley & Janowicz agreed to serve on the Ad Hoc Committee with Director Berry to serve as an alternate. A motion was made by Director Najarian seconded by Director Kennett and passed with a roll call vote 4-0.

AYES:	Ara Najarian
	Howie Kennett
	Kristin Berry
	Pete Kelley
NOES:	None
ABSENT:	John Janowicz

Staff reminded the Board that The NEXT MEETING will be held on Tuesday, June 24th, 2025, at 1:00PM.

ADJOURNMENT: The meeting was adjourned at approximately 2:52 PM.

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

Respectfully submitted,

Brad Hagemann, PE
General Manager