

CAYUCOS SANITARY DISTRICT
200 Ash Avenue
PO Box 333, Cayucos, CA 93430-0333
805-995-3290

GOVERNING BOARD
R. B. Enns, President
H. Fones, Vice-President
S. Lyon, Director
M. Foster, Director
D. Chivens, Director

SPECIAL MEETING MINUTES
Monday, April 2, 2012
12:00 p.m.

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 12:05 p.m.

Board members present: President Robert Enns, Vice-President Hal Fones, Directors Shirley Lyon, Michael Foster and Dan Chivens.

Staff present: District Manager Bill Callahan, District Counsel Tim Carmel and AST Anita Rebich

Visitors present: Dorothy Fones

2. PUBLIC COMMENTS

President Enns opened the meeting to Public Comments.

Dorothy Fones read and submitted for the record, a letter she wrote. In the letter she expressed concern for the numerous Closed Sessions the Board has held with continual "No actions taken" announcements. She further expressed disappointment in the way the Board has handled the resignation of District Manager Callahan, the lack of respect they have shown him and what a disservice it is to the District and staff.

Hearing no further comments Public Comments was closed.

3. ANNOUNCEMENT OF CLOSED SESSION ITEMS

AST Anita Rebich and visitor Dorothy Fones left the meeting. District Manager Callahan left the meeting a few minutes later.

A. PUBLIC EMPLOYMENT pursuant to Government Code Section 54957
Title: District Manager

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION pursuant to Government Code Section 54956.9(a)
Case: Robert Tennent v. Cayucos Sanitary District
Department of Fair Employment & Housing
Case No.: E201112G0548-00-pe/37AB205197

4. RECONVENE TO OPEN SESSION

President Enns reported there was no action taken in Closed Session.

5. DISCUSSION AND CONSIDERATION TO APPROVE CONSULTANT SERVICES AGREEMENT WITH PROJECT SERVICES, INC.

District Counsel Carmel explained the agreement presented is the standard agreement the Board has seen before and contains a consolidated job description to accommodate the Interim District Manager position. Carmel pointed out the agreement also calls for the same extensive insurance requirements as all other consultant services agreements have.

MOTION: 1st by Lyon, 2nd by Fones to approve the Consultant Services Agreement with Project Services, Inc.
VOTE 5-0

6. DISCUSSION AND CONSIDERATION TO MODIFY DISTRICT ORGANIZATIONAL STRUCTURE AND/OR EMPLOYEE DUTIES AND RESPONSIBILITIES

President Enns announced there would be no significant organizational restructure at this time and they were continuing to work on Agenda Item 3.B.

Vice President Fones commented that he felt the Board was on the wrong track looking back on the letter submitted and signed by current staff. His opinion is that the Board President was out of line on things he had done and said and we should let this item (3.B) be decided by the courts. Vice President Fones proceeded to read a letter addressed to the Board stating he is concerned about a possible lawsuit being filed for gift of public funds should this item go forward. Carmel responded that if you are paying someone for services, it's not a gift. Director Foster agreed with Fones and said the Board needed to take a long hard look at themselves to prevent these type of things from happening in the future. Foster inquired about setting term limits, and stated that other Board members could benefit from rotated duties. Carmel responded the Board cannot establish term limits because the Courts have determined the State of California has preempted the field.

Director Lyon said she didn't feel Callahan was pressured to quit as was stated in Vice President Fones letter, but she did feel the Board should have been brought in on the prior to a lawsuit.

President Enns conveyed that the Board's hands are tied when it comes to talking with staff prior to decisions being announced, assumptions will be made by those outside the Board, that's just the way it is. The Board asked Callahan if he would elaborate on his decision to resign. Callahan stated he felt the Board was not being honest with him and was working behind his back. He also stated that President Enns had been independently negotiating with Frank Cunningham to replace him as District Manager.

Dorothy Fones asked why Callahan was excluded from closed session if there was no problem with him. Carmel responded that it's the Board's discretion to include or exclude the District Manager from closed session.

7. ADJOURNMENT

The meeting adjourned at 1:16 p.m.

Minutes recorded by: _____
Anita Rebich, Administrative Services Tech