

**Los Osos Community Services District  
Board of Directors  
Minutes of the Regular Meeting of August 4, 2016**

AGENDA ITEM	DISCUSSION OR ACTION
<b>1. CALL TO ORDER/FLAG SALUTE/ROLL CALL</b>	<p>President Ochylski called the meeting to order at 6:01 p.m. and Director Wright led the flag salute.</p> <p>Chuck Cesena, Director – Absent Lou Tornatzky, Director – Present Mike Wright, Director – Present Jon-Erik Storm, Vice President – Present Marshall Ochylski, President – Present</p> <p>The following Staff were present: Peter Kampa, Interim General Manager Roy Hanley, District Legal Counsel Ann Kudart, Administrative/Accounting Assistant III</p>
<b>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF CLOSED SESSION</b>	<p>President Ochylski announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code §54956.8)</u> Property: 2122 9<sup>th</sup> Street, Suites 102 and 106, Los Osos, CA Agency Negotiator: Peter Kampa, Interim General Manager Negotiating Parties: George Contento Under Negotiation: Terms of Lease</p> <p>B. <u>PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code §54957(b)(1))</u> Title: Interim General Manager</p>
<b>3. PUBLIC COMMENT</b>	<p>Public Comment – Julie Tacker supported moving forward on Item 2A, and opposed Mr. Kampa's performance.</p>
<b>4. ADJOURN TO CLOSED SESSION</b>	<p>The Board adjourned to Closed Session at 6:06 p.m.</p>
<b>5. RECONVENE TO OPEN SESSION</b>	<p>The Board reconvened to Open Session at 7:02 p.m.</p> <p>Directors Ochylski, Tornatzky, Storm, and Wright were present. Director Cesena was absent.</p> <p>The following Staff were present: Peter Kampa, Interim General Manager Roy Hanley, District Legal Counsel Margaret Falkner, Utility Compliance Technician III Ann Kudart, Administrative/Accounting Assistant III</p>
<b>6. REPORT OUT OF CLOSED SESSION MEETING</b>	<p>President Ochylski announced that there was no reportable action taken during the Board's closed session meeting.</p>
<b>7. PRESENTATIONS AND PUBLIC HEARINGS</b>	<p>None</p>
<b>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</b>	<p>Julie Tacker was disappointed that the "Previously Asked Questions" item was not on agendas. She commented on the Basin Management Committee; the District's bond rating suspension; and would like to see the District pursue restitution from the previous General Manager.</p> <p>Marguerite Bader, President of the League of Women Voters of San Luis Obispo, commented on the roles of the Civil Discourse Ambassadors and Observers.</p> <p>Richard Margetson commented on the upcoming 30<sup>th</sup> Anniversary Celebration of the South Bay Community Center to be held from noon to 6:00 p.m. on Saturday, August 13, 2016.</p> <p>Linde Owen commented on the importance of repurposing septic tanks and trucking in water to fill them.</p> <p>Lynette Tornatzky commented on the need for the water purveyors to take the lead in saving the basin and inquired as to how it will be accomplished.</p>

AGENDA ITEM	DISCUSSION
<p><b>9. ADMINISTRATIVE AND COMMITTEE REPORTS</b></p> <p><b>A. CAL FIRE Report</b></p> <p><b>B. Utilities Department Report</b></p> <p><b>C. Interim General Manager's Report</b></p> <p><b>D. Los Osos Community Advisory Council (LOCAC)</b></p> <p><b>E. Los Osos/Baywood Park Chamber of Commerce</b></p> <p><b>F. Parks and Recreation Subcommittee Report</b></p> <p><b>G. Basin Management Committee Meeting</b></p> <p><b>H. Directors Announcements of Direct and Committee Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars</b></p>	<p>Battalion Chief McEwen was out of the area. The June 2016 Fire Department Report was submitted in the agenda packet.</p> <p>Utility Compliance Technician Falkner gave a brief summary of the June 2016 activities of the Utilities Department as submitted in the agenda packet.</p> <p>Interim General Manager Kampa provided a summary of his report as submitted in the agenda packet. He reported on the status of the management objectives previously adopted; discussions with the County related to the recycled water sales and the transfer of Bayridge and Vista de Oro collection systems; the 8<sup>th</sup> Street well repairs; and that the District is meeting all compliance requirements with small Public Works contracts.</p> <p>None</p> <p>Jim Stanfill reported that the next mixer will be held at the new Starbucks on September 20<sup>th</sup>, the 1<sup>st</sup> Annual Festival de Osos and the 38<sup>th</sup> Annual Oktoberfest on October 30<sup>th</sup>.</p> <p>Director Tornatzky reported on the July 21<sup>st</sup> Parks and Recreation Committee meeting in which the Committee discussed their participation and logistics for a Community Needs Assessment Booth at the SBCC 30<sup>th</sup> Anniversary Celebration to be held on August 13, 2016.</p> <p>President Ochylski reported on the July 27<sup>th</sup> meeting discussion of the Committee's input into the Los Osos Community Plan; they discussed the Basin boundaries; heard a presentation by DTA on financial options but took no action; and had an update on the water conservation program; and discussed outreach to the contractors concerning repurposing and clean/seal the septic tanks.</p> <p>President Ochylski directed that Staff look into the availability and distribution mechanisms of the recycled water from 10<sup>th</sup> Street to all consumers within the Basin and if a non-profit could be setup to act as a distributor.</p> <p>None.</p>
<p><b>10. PUBLIC COMMENT ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA</b></p>	<p>President Ochylski pulled Item 11F for further discussion following Item 12.</p> <p>Public Comment – Julie Tacker, Linde Owen, Lynette Tornatzky, and Richard Margetson spoke.</p>
<p><b>11. CONSENT AGENDA</b></p> <p><b>A. Receive Administrative and Committee Reports</b></p> <p><b>B. Approve Meeting Minutes of July 7, 2016</b></p> <p><b>C. Receive Warrant Register for July 2016</b></p> <p><b>D. Not Used</b></p> <p><b>E. Approve 2016 Local Agency Biennial Notice Verifying Biennial Review of the District's Conflict of Interest Code</b></p> <p><b>F. Approve Task Order for Accounting Services</b></p>	<p>A motion was made by Vice President Storm to receive and file the Administrative and Committee Reports and to approve the items on the Consent Calendar with the exception of Item 11F. The motion was seconded by Director Wright and carried with the following vote:</p> <p>Ayes: Directors Storm, Wright, Tornatzky, Ochylski Nays: None Abstain: None Absent: Cesena</p>

AGENDA ITEM	DISCUSSION
<p><b>12. GENERAL ACTION ITEMS</b></p> <p><b>A. Adopt Resolution Authorizing Extension of Contract with Kampa Community Solutions to a Specified Termination Date and Authorize Recruitment for General Manager Services</b></p>	<p>Interim General Manager Kampa recused himself and left the dais.</p> <p>District Counsel Hanley gave a brief summary of the two items in the report as submitted with the agenda packet.</p> <p>Public Comment – Julie Tacker does not support extending Mr. Kampa’s contract.</p> <p>Lynette Tornatzky supported Mr. Kampa as the District’s General Manager.</p> <p>Linde Owen voiced her opposition of Mr. Kampa as the District General Manager.</p> <p>Richard Margetson commented on his concerns in finding the right General Manager for the District and does not support Mr. Kampa; and the need for a smooth transition of a new GM.</p> <p><b>A motion was made by Vice President Storm that the Board authorize General Counsel to execute and circulate a Request for Proposals for General Manager Services, after it has been edited and finalized by the Ad Hoc Committee, to include a specification that it is at least half time, and responses should be addressed to Counsel within 30 days of publication; and further moved that the Board adopt Resolution 2016-31 and direct General Counsel to issue a formal notice of extension of the Agreement for Consultant Services with Kampa Community Solutions, LLC., with a termination date of September 30, 2016. The motion was seconded by Director Tornatzky.</b></p> <p><b>The motion to execute and circulate a Request for Proposals for General Manager Services carried with the following vote:</b>  <b>Ayes: Directors Storm, Wright, Ochylski</b>  <b>Nays: Tornatzky</b>  <b>Abstain: None</b>  <b>Absent: Cesena</b></p> <p><b>The motion to adopt Resolution 2016-31 extending the agreement through September 30, 2016 carried with the following vote:</b>  <b>Ayes: Directors Storm, Tornatzky, Ochylski</b>  <b>Nays: Wright</b>  <b>Abstain: None</b>  <b>Absent: Cesena</b></p> <p>Mr. Kampa returned to the dais.</p>
<p><b>SPECIAL MEETING ITEM</b></p> <p><b>1B. Approve Contract Extension with Moss, Levy &amp; Hartzheim to Provide Audit Services for the Fiscal Year June 30, 2016</b></p>	<p>Interim General Manager Kampa provided a summary of the item.</p> <p>Public Comment – Julie Tacker supported extending the contract with the current auditor.</p> <p><b>A motion was made by Director Wright to adopt Resolution 2016-32 approving engagement of Moss, Levy and Hartzheim, LLP for completion of the 2015/16 fiscal year audit. The motion was seconded by Director Tornatzky and carried with the following vote:</b></p> <p><b>Ayes: Directors Wright, Tornatzky, Storm, Ochylski</b>  <b>Nays: None</b>  <b>Abstain: None</b>  <b>Absent: Cesena</b></p>
<p><b>13. DISCUSSION OF PULLED CONSENT ITEM</b></p> <p><b>IIF. Approve Task Order for Accounting Services</b></p>	<p>Interim General Manager Kampa provided a summary of the item as submitted with the agenda packet.</p> <p>Public Comment – Julie Tacker supported contracting with a local accounting service.</p> <p>Lynette Tornatzky supported continuing the contract with Warmerdam CPA services.</p> <p>Richard Margetson commented on the need for a staff accountant and supported hiring locally.</p> <p><b>A motion was made by Vice President Storm that the Board approve the task order for the completion of District accounting work with Warmerdam CPA Group. The motion was seconded by Director Wright and carried with the following vote:</b></p>

AGENDA ITEM	DISCUSSION
<p>13. DISCUSSION OF PULLED CONSENT ITEM (continued)</p> <p>IIF. Approve Task Order for Accounting Services</p>	<p>Ayes: Directors Storm, Wright, Tornatzky, Ochylski            Nays: None            Abstain: None            Absent: Cesena</p>
<p>14. FUTURE AGENDA ITEMS</p>	<p>President Ochylski requested an item authorizing the Board to sign a letter to the County concerning the interest rate reduction on the sewer bonds.</p> <p>Vice President Storm requested a resolution in support of renaming the Los Osos peak.</p> <p>Director Wright requested an update on the status of school recycled water.</p> <p>President Ochylski requested an update on easements and that BCA performance contract be placed on the upcoming UAC agenda for Committee recommendation to the Board.</p>
<p>15. CLOSING BOARD COMMENTS</p>	<p>Director Tornatzky expressed his thoughts on the positive outcome of tonight's meeting.</p> <p>Director Wright announced the South Bay Community Center's 30<sup>th</sup> Anniversary Celebration to be held on Saturday, August 13<sup>th</sup>.</p> <p>President Ochylski announced the upcoming ECOSLO cleanup event on September 17<sup>th</sup>.</p>
<p>16. ADJOURNMENT</p>	<p>The meeting adjourned at 9:03 p.m.</p>