



April 18, 2019

TO: LOCSO Board of Directors
FROM: Ann Kudart, Administrative Services Manager
SUBJECT: **Agenda Item 11B – 5/2/2019 Board Meeting**
Approve Prior Meeting Minutes

President
Marshall E. Ochylski

Vice President
Charles L. Cesena

Directors
Matthew D. Fourcroy
Vicki L. Milledge
Christine M. Womack

General Manager
Renee Osborne

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
Greg Huang

DESCRIPTION

Attached are the minutes of the Board of Directors meeting held April 4, 2019 your approval.

STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

Motion: I move that the Board approve the minutes of the Board of Directors meeting held April 4, 2019.

Attachment

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**Los Osos Community Services District
DRAFT Minutes of the Regular Meeting of April 4, 2019**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER/FLAG SALUTE/SILENT OBSERVANCE/ROLL CALL</p>	<p>President Ochylski called the meeting to order at 6:06 p.m., led the flag salute, and asked for a moment of silent observance.</p> <p>Roll Call: Matthew Fourcroy, Director – Present Vicki Milledge, Director – Present Christine Womack, Director – Present Chuck Cesena, Vice President – Present Marshall Ochylski, President – Present</p> <p>The following staff was present: Renee Osborne, General Manager Roy Hanley, District Counsel Jose Acosta, Utility Systems Manager Ann Kudart, Administrative Services Manager</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS</p> <p>3. PUBLIC COMMENT</p> <p>4. ADJOURN TO CLOSED SESSION</p>	<p>Legal Counsel Hanley announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>CONFERENCE WITH LABOR NEGOTIATORS [Government Code §54957.6]</u> Agency designated representatives: General Manager Osborne, Utility Systems Manager Acosta, District Counsel Roy Hanley Employee designated representative: San Luis Obispo County Employees' Association (SLOCEA)</p> <p>B. <u>PUBLIC EMPLOYMENT [Government Code §54957 (b)(1)]</u> Title: District Legal Counsel</p> <p>C. <u>PUBLIC EMPLOYMENT [Government Code §54957 (b)(1)]</u> Title: General Manager</p> <p>Public Comment – Julie Tacker commented on Item 2B and Item 2C blaming both Legal Counsel and General Manager for the director compensation issues.</p> <p>The Board adjourned to Closed Session at 6:11 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION</p> <p>6. REPORT OUT OF CLOSED SESSION MEETING</p>	<p>The Board reconvened to Open Session at 7:08 p.m. and Vice President Cesena led the flag salute.</p> <p>The following Directors were present: Matthew Fourcroy, Director Vicki Milledge, Director Christine Womack, Director Charles Cesena, Vice President Marshall Ochylski, President</p> <p>The following staff was present: Renee Osborne, General Manager Roy Hanley, District Counsel George Huang, Battalion Chief Jose Acosta, Utility Systems Manager Ann Kudart, Administrative Services Manager</p> <p>President Ochylski reported that there was no reportable action taken in Closed Session.</p>
<p>7. PRESENTATIONS</p>	<p>None</p>
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Julie Tacker voiced her appreciation regarding the savings to ratepayers due to the recent bond refinancing but disagreed with comments in Director Womack's Letter to the Editor in the Estero Bay News; and, commented on the directors' compensation.</p> <p>Betty Winholtz commented on the proposed Morro Bay sewer, its impact on Los Osos during construction, and encouraged the Board to stand up for their community.</p>
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. Fire Department Report</p>	<p>Chief Huang provided a summary of the Chief's Report for March 2019 as submitted in the agenda packet, reporting that the Station responded to 72 calls and was called to cover or respond to emergencies 4 times; continued conducting the yearly safety inspections of local businesses and that to date have completed 40 inspections; and, reported on various special programs and projects and training programs completed by Station 15-South Bay staff.</p>

AGENDA ITEM	DISCUSSION
B. Sheriff Department Report	Commander Manuele, Sheriff's Coast Station, provided a report of Sheriff Department activities for the month of March 2019 with 620 calls for service, an increase over last year of approximately 14%. He reported that Coast Station had 2,053 calls for service up 24% due to a significant increase in vandalisms.
C. Utilities Department Report	Utility Systems Manager Acosta provided a summary of the February 2019 activities of the Utilities Department as submitted in the agenda packet, reporting that residential water usage was 49.4 gallons per person per day, a decrease from 60.7 gallons this same time last year. He reported on the production and runtime hours by well site, water billing information, Utilities Department operations and maintenance including beginning the valve exercising program using the newly purchased valve exercising machine and freeing up two valves that were previously non-operational and that crews changed out 36 residential meter replacements, reported on the water distribution and treatments, and on the rainfall totals.
D. General Manager Report	General Manager Osborne provided a summary of the GM's activities for March 2019 as submitted with the agenda packet reporting that staff has been working on the draft 2019/2020 Budget and that a rough draft of Water and Drainage budgets were submitted to UAC for their review; that staff continued working on getting bids for large asset items; that staff turned in the first set of forms to the consulting firm preparing the Countywide Local Hazard Mitigation Plan and it will be provided to ESAC for their review; that the District's grant submittal for 8 th Street Well Project was submitted for the Prop 1 Grant; that Supervisor Gibson's office reported that the Habitat Conservation Plan would be going out for review by Ventura Fish and Wildlife in April; and, reported on the 2019 Water Conservation Campaign.
E. Los Osos Community Advisory Council Report	LOCAC Secretary Lynette Tornatzky reported that the March 28 th meeting was canceled due to lack of any Land Use projects and that the next meeting would be held April 25 th .
F. Los Osos/Baywood Park Chamber of Commerce Report	Chamber of Commerce Secretary Lynette Tornatzky provided an update of the March 14 th Business Expo and Water Conservation Contest. Chamber President Marshall Ochylski announced the upcoming March 20 th Chamber Mixer at Carstairs Energy on Bayview Heights Drive at 5:30 p.m.
G. Los Osos Focus Group of the Fire Safe Council Report	Tom Wright reported that the next meeting would be held Thursday, April 18 th ; announced a new website for Los Osos Fire Awareness; that the recent Cabrillo Heights Neighborhood Kickoff meeting was a success; and, that important evacuation information is listed in the PG&E calendar.
H. Utilities Advisory Committee Report	Committee Chairperson Cesena provided a summary of the March 20 th UAC meeting in which President Ochylski provided the annual Brown Act Guidelines training; UAC heard a Basin Management Committee meeting update; heard a Utilities Department update; discussion regarding the Water Shortage Contingency Plan and Title 2 language updates; reviewed the Capital Improvements List; reviewed the draft budgets; and, the next meeting will be held April 17 th .
I. Emergency Services Committee Report	Committee Chairperson Milledge provided a summary of the March 22 nd ESAC meeting in which President Ochylski provided Brown Act training to the committee; discussion regarding the Fire budget to the ESAC Work Plan and that the Chief will make the final decision; and, that ESAC reviewed the 2018 Work Plan and updated it for 2019.
J. Parks and Recreation Advisory Committee Report	Committee Chairperson Fourcroy provided a summary of the April 2 nd Parks and Recreation meeting reporting that the Committee received Brown Act training; discussed three potential properties for Pocket Parks and that he would be appointing a Pocket Parks subcommittee and a Dog Park subcommittee; that members of the committee would attend the April 9 th Board of Sups meeting to request reimbursement for costs incurred from the Rubber Chip Removal Project; heard an update regarding the HCP; and, that future Parks and Recreation Committee meetings would be held on the third Tuesday of the month with the next meeting scheduled to be held Tuesday, May 21 st . President Ochylski requested that the issue of reimbursement for expenses from the Rubber Chip Removal Project be agendized for discussion at the Board's May meeting and no one attend the Board of Supervisors meeting until after Board discussion at their May 2 nd meeting.
K. Finance Advisory Committee Report	Chairperson provided a summary of the April 1 st meeting reporting that the Committee received Brown Act training; approved the minutes; recommended Board approval of the Warrant Register; recommended clarification regarding the Financial Report and that the Board pull the item until specific questions are addressed; discussed reinvestment of LAIF funds recommending the item be pulled for additional information; and, discussed approval regarding the money market account at Pacific Bank.

AGENDA ITEM	DISCUSSION
<p>L. Ad Hoc Committee Report Regarding the District's Social Media Plan</p> <p>M. Appointment by Director Womack to fill a Vacancy on the Utilities Advisory Committee</p> <p>N. Directors Announcements of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars</p> <p>O. Response to Previously Asked Questions</p>	<p>Director Fourcroy provided a summary regarding the District's Social Media Plan to provide monthly community updates; proposed utilizing one application to handle different social media platforms using Mail Chimp; and, requested \$700 for initial setup and three months of publication and staff training.</p> <p>Director Womack appointed James Bishop to the vacant position on the Utilities Advisory Committee.</p> <p>President Ochylski reported that the Basin Management Committee met March 20th and approved the budget; heard a report regarding the Basin Plan Metric Trends Review; discussed a Joint Powers Authority between the various parties to the Basin Management Committee; considered the qualifications for the BMC Executive Director; and, heard an update regarding the status of the Recycled Water Contracts with the agricultural properties.</p> <p>President Ochylski directed that clarification regarding the Director's Compensation be agendized for discussion at the Board's May 2nd meeting.</p>
<p>10. PUBLIC COMMENT ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA</p>	<p>President Ochylski pulled Consent Items 11D and 11E to be brought back at the May 2nd meeting and at the request of Vice President Cesena pulled Item 11F for separate consideration.</p> <p>Public Comment – Julie Tacker commented on the District's occupancy form on the website; commented that it is a Board decision to decide if ESAC reviews the budget and not the Chief; that wastewater project assets benefit the Prohibition Zone only; and, that Parks and Rec funds should not be drawn down until we know the status of the Habitat Conservation Plan.</p> <p>Richard Margetson reminded the Board of the upcoming Joint FAC/UAC meeting with the Water Rate Group on April 23rd; welcomed new UAC Member Bishop; and, strongly opposed the Fire budget not being added to the ESAC Work Plan.</p>
<p>11. CONSENT AGENDA</p> <p>A. Receive Administrative and Committee Reports</p> <p>B. Approve Meeting Minutes of March 7, 2019</p> <p>C. Approve Warrant Register for February 22, 2019 through March 22, 2019</p> <p>D. Receive Financial Reports for the Period Ending February 28, 2019</p> <p>E. Designate Local Agency Investment Fund (LAIF) as the Drainage and Parks and Recreation Reserve Account</p> <p>F. Adopt Resolution Establishing Money Market Account at Pacific Premier Bank and Approve the Transfer of the Water Certificate of Deposit into the Newly Established Account</p> <p>G. Approve 2019 Emergency Services Advisory Committee (ESAC) Work Plan</p>	<p>A motion was made by Director Womack that the Board receive and file the Administrative and Committee Reports and approve the Consent Agenda with the exception of Items 11D, 11E, and 11F. The motion was seconded by Director Milledge and carried with the following vote:</p> <p>Ayes: Directors Womack, Milledge, Fourcroy, Cesena, Ochylski Nays: Director Cesena on Item 11G Abstain: None Absent: None</p>
<p>12. GENERAL ACTION ITEMS</p>	<p>None</p>

AGENDA ITEM	DISCUSSION
<p>13. DISCUSSION OF PULLED CONSENT ITEMS</p> <p>11F. Adopt Resolution Establishing Money Market Account at Pacific Premier Bank and Approve the Transfer of the Water Certificate of Deposit into the Newly Established Account</p>	<p>President Ochylski reported that FAC discussed this item recommending that the Water CD at Pacific Premier be rolled over into a Money Market Account in order to receive a better interest rate.</p> <p>Public Comment – Richard Margetson commented on the risks, that the rates probably won't hold, and voiced his concerns regarding the District moving all its money out of Los Osos.</p> <p>A motion was made by Director Fourcroy that the Board adopt Resolution 2019-11 to establish a money market account at Pacific Premier Bank for the Water Fund, roll over the CD, and move \$1,000,000 from the Water money market account at Rabobank into the new money market account at Pacific Premier Bank. The motion was seconded by Director Womack and carried with the following vote:</p> <p>Ayes: Directors Fourcroy, Womack, Milledge, Ochylski Nays: Director Cesena Abstain: None Absent: None</p>
<p>14. FUTURE AGENDA ITEMS</p>	<p>President Ochylski directed that the following be agendaized for discussion at the Board's May 2nd meeting:</p> <ul style="list-style-type: none"> • issue regarding reimbursement for costs incurred during the Rubber Chip Removal Project • discussion and approval of expenditures regarding the District's new social media plan • discussion and clarification regarding Director's Compensation
<p>15. CLOSING BOARD COMMENTS</p>	<p>President Ochylski announced the upcoming Special Joint FAC/UAC meeting to discuss water rates to be held Tuesday, April 23rd at 5:00 p.m.</p>
<p>16. ADJOURNMENT</p>	<p>The meeting adjourned at 8:34 p.m.</p>