

**Los Osos Community Services District
Board of Directors
Minutes of the Regular Meeting of March 3, 2016**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER/FLAG SALUTE/ROLL CALL</p>	<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 – Present 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: Ann Kudart, Administrative/Accounting Assistant III</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF CLOSED SESSION</p> <p>3. PUBLIC COMMENT</p> <p>4. ADJOURN TO CLOSED SESSION</p>	<p>President Ochylski announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>EXISTING LITIGATION (Government Code §54956.9(a))</u> Conference with Legal Counsel Regarding Existing Litigation (Formally initiated): - <i>In re Los Osos Community Services District (ND-06-10548)</i> United States Bankruptcy Court Central District of California, Northern Division</p> <p>B. <u>REAL PROPERTY MATTERS (Government Code §54956.8)</u> Conference with Real Property Negotiator Property: 2122 9th Street, Los Osos, CA</p> <p>Public Comment – None</p> <p>The Board adjourned to Closed Session at 6:02 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION</p>	<p>The Board reconvened to Open Session at 7:00 p.m. and Director Tornatzky led the flag salute.</p> <p><u>Roll Call:</u> Chuck Cesena, Director – Present 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 Michael Seitz, District Legal Counsel Tom McEwen, Battalion Chief Ann Kudart, Administrative/Accounting Assistant III</p>
<p>6 REPORT OUT OF CLOSED SESSION MEETING</p> <p>7. NOT USED</p>	<p>District Legal Counsel Seitz reported that in regards to Item 2A the Board gave direction but took no reportable action. In regards to Item 2B the Board heard a report from the Ad Hoc committee, gave direction to staff but took no reportable action.</p> <p>President Ochylski introduced the District's new Interim General Manager, Peter Kampa.</p>
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Julie Tacker commented on Mr. Seitz's legal bills believing that the charges are erroneous and requested an analysis of the bills.</p> <p>Keith Wimer requested that the Basin Management Committee meeting report be a separate item on future agendas and that he supported those meetings being videotaped. He requested that water conservation be agendized at the next Basin Management Committee meeting and asked if that committee recently held a private meeting.</p> <p>Sandra Hedges commented on her recent Golden State Water Company water bill.</p> <p>Linde Owen supported property owners having an option to repurpose their septic tanks.</p> <p>President Ochylski reported that there was no private meeting of the Basin Management Committee.</p> <p>Mr. Seitz reported that the Basin Management Committee chose to be a Brown Act committee and therefore cannot hold private meetings between the board members however staff can meet and have discussions. The board can only meet when an agendized meeting is called.</p>

AGENDA ITEM	DISCUSSION
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. CAL FIRE Report</p> <p>B. Utilities Department Report</p> <p>C. Interim General Manager Report</p> <p>D. Legal Counsel Report</p> <p>E. Los Osos Community Advisory Council (LOCAC) Report</p> <p>F. Los Osos/Baywood Park Chamber of Commerce Report</p> <p>G. Finance Advisory Committee Report</p> <p>H. Contract Employees Ad Hoc Committee Report</p> <p>I. Grants Ad Hoc Committee Report</p>	<p>Battalion Chief McEwen reported on the Chief's Report for the month of January 2016 reporting on the emergency activity, administration, special programs and projects, training, and fire prevention.</p> <p>Utility Compliance Technician Falkner was unavailable. President Ochylski gave a brief summary of the report as submitted in the agenda packet.</p> <p>Interim General Manager provided a summary of the report as submitted with the agenda packet. President Ochylski reported that during his interview, Mr. Kampa was given six specific priorities which would be required as part of his management scope with the District.</p> <p>Legal Counsel Seitz reported that on March 21, 2016, the Fair Political Practices Commission will be considering the Conflict of Interest rules and that the District will be modifying its Conflict of Interest Code. He reported that the District has received at a minimum 44 Public Records Request since last March and that he had been instructed to review every Public Records Request.</p> <p>Jan Harper, LOCAC District 2 Representative, welcomed Mr. Kampa; reported that at the February 25th meeting the Council discussed the 4th Street traffic-calming project that was driven by the neighborhood and that the County will be fine tuning the design; reported that Land Use Committee will meet March 10th; Traffic and Circulation will meet March 8th; that the next LOCAC meeting will be held March 24th; and LOCAC Elections will be held May 21st.</p> <p>Steve Vinson, Chamber Board President, reported on the Monarch Grove Elementary School PTA fundraiser "Flocking Flamingos"; he reported on three new chamber members; the next Chamber mixer will be held at the Episcopal Church on March 9th; the Business Expo on April 22nd; and the upcoming Festival of Flavors will be held June 24th.</p> <p>President Ochylski reported that at the February 29th FAC meeting the committee discussed the warrants and revenues and expenditures recommending approval; discussed restructuring the reports to include the percentage of the budget remaining; discussed the water revenues and shortfalls; requested to review a 3-5 year projection of the District financial situation for long range planning; the committee supported videotaping the BMC meeting; discussed the penalty phase of Level Severity III and recommended a joint FAC/UAC. Next meeting date to be determined.</p> <p>Vice President Storm reported that he and Director Wright reviewed the consultants' contracts and recommended that Interim General Manager Kampa develop practices and management goals and objectives. He reported that sessions with the Board should be agendaized to meet and confer regarding specific goals for the consultants.</p> <p>Director Tornatzky reported on a meeting with Eric Adler, whose company, Flume, has developed a product that will monitor water usage and send real-time information electronically to the property owner and that the product is physically non-intrusive. He reported that he is also a non-paid member of an informal advisory committee, Nexus, whose rainwater recycling technology will be field testing on the Central Coast. He reported that he and District Engineer Miller are looking at grants to assist with the Basin Management Plan.</p> <p>Vice President Storm attended the CSDA annual meeting and the Democratic State Convention meeting.</p> <p>Director Wright reported on his attendance at the Los Osos Fire Focus Group meeting, updating Battalion Chief McEwen on the various tasks and projects to clear the town perimeter, the Bayridge greenbelt, and various CSD owned lots. The group discussed various grants.</p> <p>President Ochylski reported on the SLO CSDA Chapter meeting. The group heard an overview of the County's Capital Improvement Projects; desalination at Diablo Canyon; Public Works discussed streets; and the group held elections of LAFCO representatives.</p> <p>President Ochylski reported on the February 17th Basin Management Committee meeting. The Committee approved the Cleath-Harris proposal for hydrogeological services which will allow for quarterly monitoring; approved the Basin Modification Boundary request; and had a presentation regarding the wastewater treatment plant discharge into the Los Osos Creek Basin and the impact to the groundwater basin.</p> <p>Director Cesena attended the Septic Tank Repurposing meeting reporting that the next step is to have the tank sanitized.</p>
<p>I. Directors' Announcements of Direct and Committee Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars</p>	<p>Director Cesena attended the Septic Tank Repurposing meeting reporting that the next step is to have the tank sanitized.</p>

AGENDA ITEM	DISCUSSION
<p>10. PUBLIC COMMENT FOR ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT CALENDAR</p>	<p>Administrative/Accounting Assistant Kudart reported a clerical omission in Item 11B and requested that the minutes of February 11, 2016 reflect that Vice President Storm made a motion to amend the resolution to transfer the money to the general fire reserve that failed for want of a second.</p> <p>Public Comment – Keith Wimer, Julie Tacker, Linde Owen, and Lynette Tornatzky spoke.</p>
<p>11. CONSENT AGENDA A. Receive Administrative and Committee Reports B. Approve Meeting Minutes of February 4, 2016 and February 11, 2016 C. Receive Warrant Register for February 2016 D. Receive Statement of Revenue and Expenditure for Period Ending January 3, 2016 E. Receive Annual Investment Report Pursuant to 2016 District Investment Policy G. Add Incoming IGM and Delete Outgoing GM as Signer on District Bank Accounts H. Authorize Designated Officers for the Local Agency Investment Account (LAIF)</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 Item 11B as amended. The motion was seconded by Director Storm and carried with the following vote:</p> <p>Ayes: Directors Storm, Wright, Cesena, Tornatzky, Ochylski Nays: Storm, Cesena on Item 11D Abstain: None Absent: None</p>
<p>12. GENERAL ACTION ITEMS A. Adopt Resolution Supporting Proposed Basin Boundary Modifications for Los Osos Groundwater Basin</p>	<p>Legal Counsel Seitz gave a brief summary of the report as submitted in the agenda packet.</p> <p>Public Comment – Julie Tacker spoke</p> <p>A motion was made by Vice President Storm that the Board adopt Resolution 2016-07 in Support of the County of San Luis Obispo's Pursuit of Boundary Modifications for the Los Osos Valley Groundwater Basin. The motion was seconded by Director Cesena and carried with the following vote:</p> <p>Ayes: Directors Storm, Cesena, Tornatzky, Wright, Ochylski Nays: None Abstain: None Absent: None</p>
<p>B. Approve Budget for Basin Management Committee</p>	<p>President Ochylski gave a brief summary of the report as submitted in the agenda packet and reported that the Finance Advisory Committee recommended the approval of \$63,270 for this fiscal year and \$56,278 being allocated to the next fiscal year. He reported that available funding sources for the \$63,270 were identified from the ISJ Cost Sharing fund and the Basin Management Reserves. He reported that FAC recommended that Interim General Manager Kampa request a loan to cover the District's portion from the Water Conservation Flood Control District.</p> <p>Public Comment – Keith Wimer, Julie Tacker, and Richard Margetson spoke.</p> <p>A motion was made by Director Wright that the Board approve the Basin Management Committee budget with respect to costs anticipated in Fiscal Year 2015/16 in the amount of \$63,270, and direct staff to include funding in the draft 2016/17 budget in the amount of \$56,278 for Basin Management Expenses through calendar year 2016. The motion was seconded by Vice President Storm and carried with the following vote:</p> <p>Ayes: Directors Wright, Storm, Cesena, Tornatzky, Ochylski Nays: None Abstain: None Absent: None</p>

AGENDA ITEM	DISCUSSION
13. DISCUSSION OF PULLED CONSENT ITEMS	None
14. FUTURE AGENDA ITEMS	<p>President Ochylski reported that items from the Basin Management Committee would be coming before the Board including repurposing of septic tanks and conservation.</p> <p>Director Wright requested a review of the District's Personnel Policy and the Recycled Water Contract. President Ochylski directed UAC to review the contract.</p>
15. CLOSING BOARD COMMENTS	<p>Director Wright welcomed IGM Kampa to the District.</p> <p>Director Cesena announced the March 15th ESAC meeting and welcomed IGM Kampa.</p> <p>Director Tornatzky commented on the need for grant funding.</p> <p>Vice President Storm welcomed IGM Kampa and announced the first Parks and Recreation meeting to be held on March 21st.</p> <p>President Ochylski extended a welcome to IGM Kampa and announced the April 11-15 Mission Country Disposal Cleanup Week.</p>
16. ADJOURNMENT	The meeting adjourned at 8:38 p.m.