



President

Joe Sparks

Vice-President

Marshall Ochylski

Director

Chuck Cesena

Maria Kelly

Steve Senet

General Manager

Utilities Manager

George J. Milanés

Fire Chief

Matt Jenkins

May 7, 2009

TO: LOCSD Board of Directors
FROM: Karen Vega, Administrative Secretary
SUBJECT: Agenda Item 4B – 05/07/09 Board Meeting
Approve Prior Board Meeting Minutes

SUMMARY

Attached are minutes from the Board meeting of April 16, 2009.

RECOMMENDATION

Staff recommends that your Board approve these minutes.

Should the Board wish to amend these minutes, this item should be removed from the Consent Calendar to be considered separately.



Offices At:

2122 9th Street

Los Osos, California 93402

Mailing Address:

P.O. Box 6064

Los Osos, California 93412

Phone 805/528-9370

Fax 805/528-9377

www.losososcscsd.org

**Los Osos Community Services District
Board of Directors
Minutes of the Special Meeting of April 16, 2009**

AGENDA ITEM	DISCUSSION OR ACTION	FOLLOW-UP
<p style="text-align: center;">Call to Order/Roll Call</p>	<p>President Sparks called the meeting to order at 6:00 p.m. Roll Call: Director Cesena Present Director Kelly Present Director Senet Absent Vice President Ochylski Present President Sparks Present</p>	
<p style="text-align: center;">Announcement of Closed Session Items, Public Comments on Closed Session Items, and Convening of Closed Session</p>	<p>President Sparks announced that the Board would convene to closed session for the following:</p> <p>PENDING LITIGATION (Government Code §54956.9(b).) Conference with District Counsel for Existing Litigation (Formally initiated): In re Los Osos Community Services District (ND-06-10548) United States Bankruptcy Court, Central District of California, Northern Division; Taxpayers Watch et al v. LOCSD et al in SLO Superior Court (CV050862); LOCSD v. RWQCB (Case No. CV 0060633) in San Luis Obispo Superior Court; LOCSD v. Golden State et al. (Case No. 040126) San Luis Obispo Superior Court -- Groundwater Adjudication</p> <p>INITIATION OF LITIGATION (Government Code §54956.9(e)) Conference with Legal Counsel (No. of cases 2)</p> <p>PERSONNEL (Government Code Section 54957) Conference with Labor Negotiator; District Designated Representative: Mitch Cooney, Interim General Manager; Employee Organization: San Luis Obispo County Employees Association (SLOCEA); Utility Systems Manager Performance Review Pursuant to Employment Contract</p> <p>During public comment, <u>Martha Goldin</u> noted that the litigation with Montgomery Watson Harza was still in bankruptcy court, and expressed concerns regarding their past contracts with the District and urged the Board to file a formal complaint with the County. <u>Don Bearden</u> asked for details for the two cases under Initiation of Litigation.</p> <p>The Board convened to closed session at 6:05 p.m. Director Senet joined the closed session at this point.</p>	
<p style="text-align: center;">Call to Order/Roll Call</p>	<p>President Sparks convened the meeting to open session at 7:10 p.m. Roll Call: Director Cesena Present Director Kelly Present Director Senet Present Vice President Ochylski Present President Sparks Present</p>	

AGENDA ITEM	DISCUSSION OR ACTION	FOLLOW-UP
<p>Receive Report Out of Closed Sessions on April 2, 2009 and April 16, 2009</p>	<p>District Counsel Jon Seitz reported on the following:</p> <p>During closed session held after the Board meeting on April 2, 2009, the Board discussed 1 case of potential litigation, but took no reportable action.</p> <p>During closed session on April 16, 2009, the Board discussed all cases listed under Pending Litigation, but took no reportable action. The Board discussed 2 cases of potential litigation, but took no reportable action. The Board discussed both items listed under Personnel, but took no reportable action.</p>	
<p>3. General Action Items</p>		
<p>A. Draft District Response to County's Final Environmental Impact Report for the Los Osos Wastewater Project</p>	<p>A more recent revised draft letter was distributed to the Board, staff and public. Vice President Ochylski pointed out changes from previous version.</p> <p>During public comment, <u>Jeff Edwards</u> stated his opinion that the draft letter failed to raise objections to the County's preferred alternative, which would take water out of our basin with no mention of recharging the lower aquifer. He stated that the comment letter submitted by Golden State Water was 13 pages and contained a legal analysis, as well as addressing water-related concerns. <u>Julie Tacker</u> suggested that the Board not remove mention of "injection wells" in discussing tertiary treatment. She expressed her concern that two-thirds of the water will go to farmers or other uses outside our basin, and urged the Board to oppose the project as proposed. <u>Frank Ausilio</u> opposed the mention of "degradation of resources in the Morro Bay estuary" from septic systems, stating that everyone who uses the groundwater basin must pay the cost to clean up the water. <u>Don Bearden</u> spoke in support for the County's EIR. <u>Leon Goldin</u> expressed his opinion that the project must address the needs of the entire basin, not just the Prohibition Zone, and that the draft letter further divides the District. He opposed the "weak position" of the letter. <u>Gewynn Taylor</u> commented on letters recently mailed to Los Osos seniors regarding FHA reverse mortgages. She stated that she was mentioned in the letter, which is not correct, since she is opposed to reverse mortgages for seniors. <u>Richard Margetson</u> suggested that the language under Emergency Services regarding "no additional cost" or "little cost" needed to be clarified. Language regarding wastewater design flows is a good point, but many other factors should be included. Under Emergency Services, add 16th Street to list of roads where barricades should be removed. <u>Martha Goldin</u> stated that the letter addresses the Prohibition Zone only, when the District serves all in the water basin, both upper and lower aquifers. She stated her opinion that the comments should be re-drafted, and that the project is not "green".</p>	

AGENDA ITEM	DISCUSSION OR ACTION	FOLLOW-UP										
<p>A. Draft District Response to County's Final Environmental Impact Report for the Los Osos Wastewater Project (continued)</p>	<p>The Directors then discussed additional revisions to the draft letter as proposed by individual Directors and by District Counsel.</p> <p>A motion was introduced by Vice President Ochylski to approve the draft letter as amended by the Board to include revisions proposed by Directors and District Counsel at this meeting, and to authorize the General Manager to sign the letter and ensure timely distribution to the identified County staff. The motion was seconded by Director Kelly.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>Vice President Ochylski</td> <td>Yes</td> </tr> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>Director Senet</td> <td>Yes</td> </tr> <tr> <td>President Sparks</td> <td>Yes</td> </tr> </table> <p>The motion was approved with five (5) affirmative votes.</p>	Vice President Ochylski	Yes	Director Kelly	Yes	Director Cesena	Yes	Director Senet	Yes	President Sparks	Yes	
Vice President Ochylski	Yes											
Director Kelly	Yes											
Director Cesena	Yes											
Director Senet	Yes											
President Sparks	Yes											
<p>B. Discussion of Target Date and Model Selection for Strategic Planning Session</p>	<p>During public comment, <u>Leon Goldin</u> expressed his opinion that the purpose of the strategic planning session was not to develop a business plan, but to determine the community's priorities. He spoke in support for using a local facilitator familiar with Los Osos. <u>Alon Perlman</u> spoke regarding the need to engage in a real, meaningful exercise in leadership, similar to team building. <u>Richard Margetson</u> spoke regarding the need to update the strategic plan on an annual basis.</p> <p>The Board discussed a target date for the session, and decided on Saturday, June 6, 2009, location to be determined. President Sparks also appointed Director Senet to replace Vice President Ochylski on the Ad Hoc Committee.</p>											
4. Committee Reports												
<p>A. LOCSD Standing Advisory Committee and Ad Hoc Committee Reports</p>	<p>No reports were submitted. The next ESAC meeting date is to be determined. The next FAC meeting is scheduled for 4/20/09.</p>											
<p>B. Director Reports on Attendance at Other Agency Committee Meetings</p>	<p>No reports.</p>											
5. Consent Calendar												
<p>A. Receive Committee Reports</p> <p>B. Approve Prior Meeting Minutes</p> <p>1. April 2, 2009</p> <p>C. Staff Report on Cabrillo 218 Vote from District Engineer Rob Miller</p>	<p>Items 5C and 5F were pulled for separate consideration.</p> <p>A motion was introduced by Vice President Ochylski to approve Agenda Items 5A, 5B, 5D, and 5E. The motion was seconded by Director Senet.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>Vice President Ochylski</td> <td>Yes</td> </tr> <tr> <td>Director Senet</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>President Sparks</td> <td>Yes</td> </tr> </table> <p>The motion was approved with five (5) affirmative votes.</p>	Vice President Ochylski	Yes	Director Senet	Yes	Director Cesena	Yes	Director Kelly	Yes	President Sparks	Yes	
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AGENDA ITEM	DISCUSSION OR ACTION	FOLLOW-UP										
<p>5. Consent Calendar (continued)</p> <p>D. Approve Request to Execute a Joint Grant Funding Memorandum of Understanding with the County of San Luis Obispo</p> <p>E. Authorize Mission Country Disposal Payment Drop Box at the District Office</p> <p>F. Appointment of Maria Kelly to Ad Hoc Affordability Committee</p>	<p>During discussion of Agenda Item 5C, Interim General Manager Mitch Cooney announced that the Notice of Public Hearing and Assessment Ballot Procedures had been further revised. Copies were distributed to Board, staff, and public. In particular, it was noted that the Engineer's Report had an error on Page 6, and that the total Projected Revenue for FY2008-09 was \$1,700, not \$19,465.</p> <p>During public comment, <u>Martha Goldin</u> commented on a recent court case regarding use of a secret ballot for 218 elections. <u>Richard Margetson</u> questioned the Cabrillo assessment totals. <u>Leon Goldin</u> questioned the accuracy of the current property owner listing.</p> <p>A motion was introduced by President Sparks to approve Agenda Item 5C, with the Notice of Public Hearing and Assessment Ballot Procedures as amended. The motion was seconded by Director Cesena.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>President Sparks</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Director Senet</td> <td>Yes</td> </tr> <tr> <td>Vice President Ochylski</td> <td>Yes</td> </tr> </table> <p>The motion was approved with five (5) affirmative votes.</p> <p>During public comment on Agenda 5F, <u>Richard Margetson</u> questioned holding Ad Hoc Affordability Committee meetings without public input. <u>Leon Goldin</u> agreed with Richard Margetson's comments, and added that sewer lateral hookups must be done by professionals and signed off by County inspectors. <u>Jan Harper</u> commented on ways that the District could keep property owners informed on financial assistance opportunities via Channel 20, District website, and fact sheets for the public. <u>Gewynn Taylor</u> stated that many residents do not have access to the internet or cable television, and still need access to printed information.</p> <p>President Sparks appointed Directors Cesena and Kelly to the Affordability Ad Hoc Committee for an initial period of ninety days.</p>	President Sparks	Yes	Director Cesena	Yes	Director Kelly	Yes	Director Senet	Yes	Vice President Ochylski	Yes	
President Sparks	Yes											
Director Cesena	Yes											
Director Kelly	Yes											
Director Senet	Yes											
Vice President Ochylski	Yes											
<p>Closing Board Comments</p>	<p>Vice President Ochylski announced that he would be unable to attend the scheduled Board meeting on 5/21/09. He also reminded the public about the upcoming County Planning Commission meeting on the Los Osos Wastewater Project EIR scheduled for 4/23/09. <u>Director Kelly</u> thanked the Baywood Elementary third graders for the artwork they donated which is displayed at the District office. <u>Director Cesena</u> urged the community to attend the Planning Commission meeting on 4/23/09 at 8:30 a.m. <u>Director Senet</u> reminded the community to conserve water. <u>President Sparks</u> announced that AAUW Garden Tour and scholarship fundraiser on 4/26/09.</p>											
<p>Adjournment</p>	<p>The meeting was adjourned at 9:55 p.m.</p>											