

Los Osos Community Services District
Committee Report

Committee: Water Advisory Committee

Date: Wednesday, June 10, 2009

Committee Members Present:

Linde Owen

Mitch Cooney, CSD General Manager

Chuck Snead

Maria M. Kelly, CSD Director

Gordon Taylor

Lynette Tornatzky

Dominic Roques

Agenda Items:

Call to Order – 5:35

**A - Review of the Need for a District Water Rate Increase Predicated upon
Fiscal Year 2009/2010 Budget as Presented to the Board of Directors**

Discussion: Committee presented with budget that had been updated from the FAC. Page 4 of the Reserve Policy updated with two additional paragraphs:

- Rollover of interest back into reserve
- Funding of reserves based on state proposition IA

The “service charge” line of budget was reduced to \$1.5 million. The budget is approximately \$78,319.43 short. There are two choices for the committees and board to discuss:

- Reduce some of the current reserve amounts
- Increase fees to cover operation of water department

Committee discussed the choices and options to address revenue and Mitch recommended that a sub-committee be formed to look @ current rate structure and to return to the committee with the following analysis considerations:

- Additional tier/lower base
- Look @ current model
- Survey other communities for their rate structures
- Examine conservation implications
- Discuss school district options and scenarios

Committee: Dominic Roques, Chuck Snead, Mitch Cooney, Margaret Falkner, Richard Margetson
Committee will come back to WAC in September with recommendations.

Public Comment: Support the increase in the funding of reserves; Amount of reserves is @ 0 and will be updates as decision by committee get made.

Further budget discussion brought up the following requests:

- The Low Effect HCP be funded in the 09/10 budget for operations and that Mitch recommend to the board that he be requested to develop RFP for the work.

Public Comment: Who takes water samples? How do water consumption #'s outweigh production?

Action: Chuck Snead to follow up and ask Margaret for protocols and will be presented to committee at the next meeting.

Member Comments: Please use recycled paper for reports.

Adjourned @ 7:38