



October 1, 2009

**TO:** LOCSO Board of Directors

**FROM:** Mitch Cooney, Interim General Manager *MC*

**SUBJECT:** District Manager's Report

**President**

Joe Sparks

**Vice-President**

Marshall Ochylski

**Director**

Chuck Cesena

Maria Kelly

Steve Senet

**General Manager**

**Utilities Manager**

**Fire Chief**

Matt Jenkins



**District's Yard Sale**

During the last Board of Directors' Meeting, your Board approved the disposal at sale or surplus disposition a list of items that were considered surplus to District needs. A notice has been placed in the Tribune soliciting bids for the various items that are for sale with an October 1, 2009 cut-off date to receive bids. Any item, with the exception of the vehicles, that has a potential value of over \$100 will be re-advertised if no interest has been shown in a particular item. Items deemed to have a value of under \$100.00 will be taken to the County Landfill for disposal. The surplus vehicles have been advertised on Craigslist.

**Emergency Services Subcommittee on Strategic Business Planning**

Director Ochylski appointed a subcommittee of the Emergency Services Advisory Committee to prepare recommendations to the full Emergency Services Advisory Committee concerning a Strategic Business Plan for the Fire Department. Leon Goldin as been appointed as chair for this subcommittee. The first meeting of this subcommittee has been scheduled for Tuesday, October 13, 2009, at 5:00 p.m. at the Fire Station. This is an open, public meeting.

**Mid Town Property Fence**

Director Ochylski has coordinated the communications with the Department of Fish and Wildlife to develop the criteria for the Low Impact HCP that would allow for the removal of the fence and the elimination of a \$1250.00 monthly expense currently expended to pay for rental of the fence. This is an on-going project which should be completed soon. Money has been included in the budget to prepare the HCP.

**Cabrillo Lighting**

Since the initial meeting with the President of the Cabrillo Estates HOA to discuss the aftermath of the failed increase to the Lighting District's assessment there has been no further communication with the District. Cheryl Dove, President of the Cabrillo Estates HOA, indicated that subsequent meeting would be planned after she had an opportunity to meet with other members of the HOA. It was emphasized to Ms. Dove at the time of the initial and sole meeting after the failed assessment election that time is of the essence in that the Los Osos CSD Board of Directors only has

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sufficient funds from the current assessment to operate the lights until November. The future of street lights in Cabrillo Estates rests solely with the members of the HOA. The General Manager will place the issue of Cabrillo Estates lighting on the November 5, 2009, Board of Directors Agenda.

### **Sub Committee on Water Rates**

The Subcommittee of the Water Advisory Committee formed to evaluate the rates charged for District water customers has had several meetings: July 17, 2009, August 21, 2009, and September 18, 2009. The sub committee is chaired by Dominic Roques. Members of the subcommittee are Richard Margetson and Chuck Snead. Mitch Cooney, the Interim General Manager, and Margaret Falkner, Utility Supervisor, staff the subcommittee. The meetings have been very productive. A tentative timeline to bring recommendations back to the Water Advisory Committee has been set for September 23<sup>rd</sup>. The committee members have offered some excellent insights into the District's needs and the meetings have been very productive.

### **Rate Securitization**

On July 28, 2009, the Governor signed the budget part of which requires local governments (counties, cities, special districts) to lend property tax revenue to the State. As part of the budget package, local governments will have the opportunity to receive the monies being borrowed by the State upfront through a securitization financing offered by California Communities (a joint powers authority sponsored by the League of California Cities and California State Association of Counties). California Communities will issue bonds securitizing the future payments by the State and remit the proceeds of the bonds to the local governments who opt to participate in the securitization. The State will then repay the bondholders to pay-off the outstanding bonds including interest costs. Structuring, timing and application details of the program are currently being determined.