

**Los Osos Community Services District
Board of Directors
Minutes of the Regular Meeting of January 7, 2010**

AGENDA ITEM	DISCUSSION OR ACTION										
CALL TO ORDER/FLAG SALUTE/ROLL CALL	<p>President Sparks called the Closed Session meeting to order at 6:05 p.m.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">Director Kelly</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>Director Cesena</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>Director Senet</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>Vice President Ochylski</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>President Sparks</td> <td style="text-align: right;">Present</td> </tr> </table>	Director Kelly	Present	Director Cesena	Present	Director Senet	Present	Vice President Ochylski	Present	President Sparks	Present
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ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF CLOSED SESSION	<p>President Sparks announced that the Board would convene to closed session for the following:</p> <p>A. <u>PENDING LITIGATION (Government Code §54956.9(b).)</u> 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; LOCSD et al. v. American Alternative Insurance Corporation, Case No. CV 08-01279 (Federal Court); Montgomery Watson Harza (MWH) v. LOCSD, Case No. CV060122 (San Luis Obispo Superior Court); LOCSD v. RWQCB (ACL Appeal), Case No. CV06033 (San Luis Obispo Superior Court); LOCSD v. Golden State et al. (Groundwater Adjudication), Case No. CV04012 (San Luis Obispo Superior Court); Taxpayers Watch et al v. LOCSD, Case No. CV051012 (San Luis Obispo Superior Court) – Measure B; Taxpayers Watch et al v. LOCSD et al., Case No. CV050862 (San Luis Obispo Superior Court); LOCSD v. SRWQCB, Case No. 05A505422 (Sacramento Superior Court)</p> <p>Public Comment – None.</p> <p>The Board adjourned to closed session at 6:07 p.m.</p>										
RECONVENE TO OPEN SESSION CALL TO ORDER / ROLL CALL	<p>The Board reconvened to Open Session Meeting at 7:09 p.m.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">Director Kelly</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>Director Cesena</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>Director Senet</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>Vice President Ochylski</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>President Sparks</td> <td style="text-align: right;">Present</td> </tr> </table>	Director Kelly	Present	Director Cesena	Present	Director Senet	Present	Vice President Ochylski	Present	President Sparks	Present
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1. REPORT OUT OF CLOSED SESSIONS January 7, 2010	<p>District Counsel Jon Seitz reported out of Closed Session that one item was discussed, the United States Bankruptcy Court case. District Special Counsel Joe Sholder did appear and although the Board heard an update, no reportable action was taken.</p>										
A. ELECTION OF BOARD OFFICERS FOR 2010	<p>During public comment, <u>Julie Tacker</u> would like to see Steve Senet in some capacity as either President or Vice President as he is a senior Board member.</p> <p>Director Cesena nominated Marshall Ochylski for President. Seeing no other nominations, President Sparks closed nominations for Board President.</p> <p>A motion was introduced by President Sparks to close nominations and appoint Marshall Ochylski as President of the Board. The motion was seconded by Director Senet.</p> <p>Roll Call Vote:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">President Sparks</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Senet</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Cesena</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Kelly</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Vice President Ochylski</td> <td style="text-align: right;">Yes</td> </tr> </table> <p>The motion was approved with five (5) affirmative votes.</p>	President Sparks	Yes	Director Senet	Yes	Director Cesena	Yes	Director Kelly	Yes	Vice President Ochylski	Yes
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A. ELECTION OF BOARD OFFICERS FOR 2010 (continued)	<p>Director Kelly nominated Steve Senet for Vice President.</p> <p>Seeing no other nominations, President Ochylski closed nominations for Board Vice President.</p> <p>A motion was introduced by Director Kelly to elect Steve Senet as Vice President of the Board. The motion was seconded by Director Cesena.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>Director Sparks</td> <td>Yes</td> </tr> <tr> <td>Director Senet</td> <td>Yes</td> </tr> <tr> <td>President Ochylski</td> <td>Yes</td> </tr> </table> <p>The motion was approved with five (5) affirmative votes.</p>	Director Kelly	Yes	Director Cesena	Yes	Director Sparks	Yes	Director Senet	Yes	President Ochylski	Yes
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2. PRESENTATIONS A. Certificates of Appreciation Presented to Dominic Roques and Chuck Snead	<p>President Ochylski presented Certificates of Appreciation to Dominic Roques and Chuck Snead in recognition of their service as members of the Water Rate Subcommittee and for valuable contributions to the citizens of the Los Osos Community Services District in developing, recommending and establishing a new water rate structure that supports the Community's water, conservation, and fiscal goals.</p>										
3. GENERAL PUBLIC COMMENT	<p>During General Public Comment, <u>Don Bearden</u> commented on presentation order and time at Coastal Commission hearing; lack of septic tank maintenance program with new sewer project. <u>Frank Ausilio</u> read a portion of his letter to WRAC, Senate Committee on Natural Resources and Water, and Assembly Committee of Water, Parks and Wildlife. <u>Gewynn Taylor</u> congratulated the new Board officers, commented on the extreme deficit of water in our Basin. <u>Julie Tacker</u> commented on letter to Coastal Commission and MBNEP. <u>Richard Margetson</u> commented on \$45,491 raised during the recent holiday fundraiser, People Helping People food giveaway and Salvation Army. <u>Linde Owen</u> commented on the problem of stormwater runoff, and the relationship between the District and SLO County.</p>										
4. ADMINISTRATIVE AND COMMITTEE REPORTS A. Administrative Reports 1. District/CAL FIRE Manager Report 2. District Utilities Department Report 3. District Administration Department Report 4. District General Manager Report	<p>Battalion Chief Phill Veneris gave a summary of the CAL FIRE Manager Report as submitted with the agenda packet. Chief Veneris gave a brief report on Project Lifesaver, a program used in locating people who may not be able to find their own way home. The project uses tracking technology and is a partnership between SLO Lions Clubs, SLO County Sheriff's Department and Senior Volunteer Services; literature was provided to the public at the meeting.</p> <p>Utilities Supervisor Margaret Falkner gave a summary of the Utilities Department Report as submitted with the agenda packet.</p> <p>Administrative Supervisor Sandi Woods gave a summary of the Administration Department Report as submitted with the agenda packet.</p> <p>General Manager Dan Gilmore gave a summary of the District General Manager Report as submitted with the agenda packet, and announced opening in LAFCO for a Special District member.</p>										
B. Committee Reports 1. LOCSD Standing Advisory Committee and Ad Hoc Committee Reports 2. Directors Reports on Attendance at Other Agency Committee Meetings	<p>President Ochylski commented on the attempt to have a Standing Advisory Committee for Recreation and reporting that LOCAC has a Recreation subcommittee at this time. President Ochylski will sit on this committee.</p> <p>President Ochylski announced that the committee application deadline has been extended to 1/29/10 as there will be a Committee Appreciation Day on Sunday, 1/24/10 and encouraged those who have served on committees and anyone interested to attend. For further information contact Director Kelly. A handout was available to the public at the meeting.</p> <p>Director Sparks announced the next meeting of the Finance Committee will be held 1/18/10.</p>										

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<p>B. Committee Reports (continued)</p>	<p>Director Kelly gave a summary of the 12/9/01 Water Advisory Committee meeting as submitted with the agenda packet and announced the next WAC meeting will be held 1/20/10 and not 1/13/10 as noted in the submitted committee report.</p> <p>President Ochylski reported on the Environmental Ad Hoc Committee and the status of fence removal at the midtown property.</p> <p>Director Kelly announced that her report from the WRAC meeting will be submitted in the February 4, 2010 agenda packet.</p>										
<p>5. CONSENT CALENDAR</p> <p>A. Receive Administrative and Committee Reports B. Approve Prior Meeting Minutes C. Receive Warrant Register for December 2009 D. Receive Financial Statements for Period Ending November 30, 2009 E. Approve Board Meeting Schedule for 2010 F. Approval of Verbiage Changes to Administrative Secretary and Administrative Clerk I/II Positions</p>	<p>During public comment on Administrative and Committee Reports and Consent Items, Julie Tacker, Frank Ausilio, and Linde Owen speak.</p> <p>A motion was introduced by Director Sparks to accept the Administrative and Committee Reports and Consent Items. The motion was seconded by Vice President Senet.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>Director Sparks</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Vice President Senet</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Kelly</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Cesena</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>President Ochylski</td> <td style="text-align: right;">Yes</td> </tr> </table> <p>The motion was approved with five (5) affirmative votes.</p>	Director Sparks	Yes	Vice President Senet	Yes	Director Kelly	Yes	Director Cesena	Yes	President Ochylski	Yes
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<p>6. GENERAL ACTION ITEMS</p> <p>A. Approval of Letter to the California Coastal Commission Conveying District Comments Regarding the Substantial Issue Hearing on the County's Wastewater Project, Set for January 14, 2010, and Appointment of District Delegates to Attend the Hearing</p>	<p>General Manager Dan Gilmore introduced the item summarizing the report submitted with the agenda packet.</p> <p>During public comment on General Action Item 6A, Frank Ausilio, Martha Golden, Julie Tacker, Linde Owen, Don Bearden, Gwynn Taylor, Alon Perlman and Richard Margetson speak.</p> <p>A motion was introduced by Director Kelly to approve the letter as amended with the subject line stating "Letter in Support for" and deletion of the first paragraph on the top of the second page. The motion was seconded by Vice President Senet.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>Director Kelly</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Vice President Senet</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Sparks</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Cesena</td> <td style="text-align: right;">No</td> </tr> <tr> <td>President Ochylski</td> <td style="text-align: right;">Yes</td> </tr> </table> <p>The motion was approved with four (4) affirmative votes.</p>	Director Kelly	Yes	Vice President Senet	Yes	Director Sparks	Yes	Director Cesena	No	President Ochylski	Yes
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<p>B. Annual Review of Board Bylaws and Rules of Decorum</p>	<p>President Ochylski addressed a change made last year to Section 11.1(b) that was not reflected in the Bylaws.</p> <p>District Counsel Seitz recommended Section 11.1(b) be amended as follows: Subject to the availability of public membership, standing committees shall be comprised of five public voting members and one public alternate, none of whom shall be Directors; and one Director appointed by the President as the non-voting Chairperson and one person appointed by the President as the alternate Chairperson. Each of the Board Members shall nominate one public voting member with these appointed members and the alternate appointed by the President all being confirmed by the Board of Directors.</p> <p>During public comment on General Action Item 6B, Leon Goldin and Alon Perlman speak.</p>										

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B. Annual Review of Board Bylaws and Rules of Decorum (continued)	<p>A motion was introduced by Director Kelly to approve staff recommendations as amended. The motion was seconded by Director Sparks.</p> <p>Roll Call Vote:</p> <table data-bbox="472 260 1356 411"> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Director Sparks</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>Vice President Senet</td> <td>Yes</td> </tr> <tr> <td>President Ochylski</td> <td>Yes</td> </tr> </table> <p>The motion was approved with five (5) affirmative votes.</p>	Director Kelly	Yes	Director Sparks	Yes	Director Cesena	Yes	Vice President Senet	Yes	President Ochylski	Yes
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C. Preview Outstanding Mission Country Disposal Accounts and Set Hearing to Authorize Recordation of Liens on Private Property	<p>Administrative Secretary Ann Kudart introduced the item summarizing the report submitted with the agenda packet.</p> <p>Public comment – None.</p> <p>A motion was introduced by Director Sparks to approve staff recommendations. The motion was seconded by Director Cesena.</p> <p>Roll Call Vote:</p> <table data-bbox="472 718 1356 869"> <tr> <td>Director 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>Vice President Senet</td> <td>Yes</td> </tr> <tr> <td>President Ochylski</td> <td>Yes</td> </tr> </table> <p>The motion was approved with five (5) affirmative votes.</p>	Director Sparks	Yes	Director Cesena	Yes	Director Kelly	Yes	Vice President Senet	Yes	President Ochylski	Yes
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GENERAL PUBLIC COMMENT	<p>During General Public Comment, <u>Alon Perlman</u> commented on issues with the Palisades project.</p>										
CLOSING BOARD COMMENTS	<p>Director Sparks thanked the staff for all they did during his time as Board President.</p> <p>Director Cesena thanked Past President Sparks for the attention and care he gave to the District's financial condition.</p> <p>Vice President Senet wished everyone good heath and happiness in the coming year.</p> <p>Director Kelly thanked Past President Joe Sparks for leading the District this past year, offered good luck to President Ochylski, and invited everyone back to the February 4, 2010 meeting to say thank you to outgoing Interim General Manager Mitch Cooney.</p> <p>President Ochylski thanked Past President Sparks for his service to the District on the Financial Advisory Committee and as Board President, and thanked the Board for the honor of electing him, and his goals as President of the Board.</p> <p>Director Sparks further commented on the need for a joint meeting with LOCAC for a presentation of the Basin Plan when the update is completed. President Ochylski agreed, will contact LOCAC and set a date for a joint LOCSD/LOCAC meeting.</p>										
ADJOURNMENT	<p>The Board adjourned to Closed Session at 9:30 p.m. (ark)</p>										