



December 20, 2016

TO: LOCSD Board of Directors
FROM: Ann Kudart, Administrative Services Manager
SUBJECT: **Agenda Item 11B – 1/5/2017 Board Meeting**
Approve Meeting Minutes of December 1, 2016

President
Marshall E. Ochylski

Vice President
Jon-Erik G. Storm

Directors
Charles L. Cesena
Vicki L. Milledge
Louis G. Tornatzky

General Manager
Renee Osborne

District Accountant
Warmerdam CPA Group

Unit Chief
Scott M. Jalbert

Battalion Chief
Josh Taylor

DESCRIPTION

Attached are minutes from your Board's Regular Meeting held December 1, 2016, for your approval.

STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

Motion: I move that the Board approve the minutes of the Board of Directors December 1, 2016 meeting.

Attachment

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**Los Osos Community Services District
Board of Directors
DRAFT Minutes of the Regular Meeting of December 1, 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 6:00 p.m. and 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: Renee Osborne, General Manager Roy Hanley, District Legal Counsel 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>President Ochylski announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>REAL PROPERTY MATTERS [Government Code §54956.8] CONFERENCE WITH REAL PROPERTY NEGOTIATORS</u></p> <p>1. Property: APN 067-012-18 Agency Negotiator: Renee Osborne, General Manager and Rob Miller, District Engineer Negotiating Parties: Patricia James Under Negotiation: Price and Terms of a Water Well Easement or Lease</p> <p>2. Property: APN 074-491-031 in Bayridge Estates APN 074-042-001 in Vista de Oro Agency Negotiator: Roy Hanley, District Legal Counsel Negotiating Parties: San Luis Obispo County Under Negotiation: Terms of Easements</p> <p>B. <u>EXISTING LITIGATION (Government Code, §54956.9(b).)</u> <i>Conference with Legal Counsel regarding Existing Litigation (Formally initiated):</i> San Luis Obispo Superior Court Case CV 040126, Los Osos Community Services District v Golden State Water Company, et al., per continuing jurisdiction of the Superior Court</p>
<p>3. PUBLIC COMMENT</p>	<p>Public Comment – None.</p> <p>Vice President Storm recused himself from consideration of Item 2B as his wife is management level in the school system.</p>
<p>4. ADJOURN TO CLOSED SESSION</p>	<p>The Board adjourned to Closed Session at 6:03 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION</p>	<p>The Board reconvened to Open Session at 7:00 p.m.</p> <p>Roll Call: 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: Renee Osborne, General Manager Roy Hanley, District Legal Counsel Tom McEwen, Battalion Chief, Station 15 Margaret Falkner, Utility Compliance Technician III Ann Kudart, Administrative/Accounting Assistant III</p>
<p>6. REPORT OUT OF CLOSED SESSION MEETING</p>	<p>Legal Counsel Hanley announced that there was no reportable action on Closed Session Items.</p>
<p>7. PRESENTATIONS AND PUBLIC HEARINGS A. Presentation in Acknowledgement of Director R. Michael Wright's Valued Service to the Community of Los Osos</p>	<p>Each Board Member acknowledged Director Wright's service by reading a portion of his Certificate of Appreciation and expressed their thanks for his conscientious dedication to the community of Los Osos. The Board, staff, and the public thanked Director Wright for his service.</p>

AGENDA ITEM	DISCUSSION
<p>7B. Public Hearing to Adopt Ordinance No. 2016-01 Amending and Restating the District's Fire Prevention Code Found in Title 4 of the Los Osos Community Services District Codes Including the Adoption of the 2016 Edition of the California Fire Code Including Annual Supplements and State Amendments and Errata</p>	<p>President Ochylski opened the public hearing for testimony to consider all objections or protests to adopting Ordinance 2016-01 amending Title 2 of the District Code. There being none, the public hearing portion was closed.</p> <p>Public Comment – None.</p> <p>A motion was made by Vice President Storm to conduct the second reading by title only of Ordinance No. 2016-01 of the Los Osos Community Services District amending Title 4 of the District Code by adopting the 2016 Edition of the California Fire Code including Annual Supplements, State and Local Amendments and direct staff to publish the appropriate public hearing notice. The motion was seconded by Director Wright and carried with the following vote:</p> <p>Ayes: Directors Storm, Wright, Cesena, Tornatzky, Ochylski Nays: None Abstain: None Absent: None</p>
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Al Barrow thanked the Board and staff for their service.</p> <p>Julie Tacker commented on her concerns with the County issuing minor use permits for additional bedrooms in the Prohibition Zone.</p> <p>Richard Margetson commented on the December 10th Needs 'N Wishes celebration and events.</p>
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. CAL FIRE Report</p> <p>B. Sheriff Department Report</p> <p>C. Utilities Report</p> <p>D. Interim General Manager's Report</p> <p>E. Legal Counsel Report</p> <p>F. Los Osos Community Advisory Council (LOCAC)</p> <p>G. Los Osos/Baywood Park Chamber of Commerce</p> <p>H. Joint Finance/Utilities Advisory Committees Report</p> <p>I. Emergency Services Advisory Committee Report</p> <p>J. Parks & Rec Advisory Committee Report</p> <p>K. Finance Advisory Committee Report</p>	<p>Battalion Chief McEwen gave a summary of the October 2016 Fire Department activities and provided an update on Operation Santa Claus. General Manager Osborne thanked the Chief for his service as he is transferring on December 5th and Chief Josh Taylor would be taking over Station 15-South Bay. The Board, staff, and public gave a round of applause to Chief McEwen for his service this past year to Los Osos.</p> <p>Jim Taylor, Commander of the Los Osos substation of the Sheriff's Department, gave a report on Department's activities for the period November 3, 2016 to December 1, 2016.</p> <p>Utility Compliance Technician Falkner provided a report on the October 2016 activities of the Utilities Department as submitted in the agenda packet.</p> <p>General Manager Osborne provided a summary of the GM's activities for October and November 2016.</p> <p>Legal Counsel Hanley reported that the two legal cases between the LOCSD and the State Water Board were officially dismissed as of November 18, 2016.</p> <p>Vicki Milledge provided an update of the LOCAC committees various meetings and activities.</p> <p>Steve Vinson reported on the various events in and around Los Osos during December 2016.</p> <p>Director Ochylski gave a brief overview of the second joint meeting held on November 14th to identify items helpful for budgetary processes as well as the Water Rate Study ad hoc committee to provide a productive analysis. Director Wright reported that a detailed discussion was held of the ad valorem taxes of approximately \$203,000 currently going to water will be phased out. The committees discussed a goal of 80 water-10 fire-10 drainage for the Admin Allocation.</p> <p>Director Cesena reported on the ESAC meeting held November 22nd in which the Committee reviewed the comments and direction from the FAC/UAC joint meeting as it would affect ESAC. There will not be an ESAC meeting in December.</p> <p>Vice President Storm reported on the November 21st Parks and Rec Committee meeting and thanked the committee for their hard work in completing the 2016 work plan; they discussed the study options of what was feasible with recommendations to the Board; and requested Board approval to write a letter to sister agencies on community feedback; ask staff to open discussions with school district.</p> <p>Director Ochylski reported on the FAC meeting held November 28th in which the Committee reviewed and recommended that the Board receive the warrants and financials; discussed the ad valorem tax process; discussed a list of information requested by the Water Rate Study ad hoc committee.</p>

AGENDA ITEM	DISCUSSION
<p>L. Appointment of an Ad Hoc Committee</p> <p>M. Basin Management Committee Meeting</p> <p>N. Directors Announcements of Direct and Committee Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars</p> <p>O. Response to Previously Asked Questions</p>	<p>President Ochylski appointed himself and Vice President Storm to review the Board Bylaws and Rules of Decorum for the annual review at the January 2017 meeting.</p> <p>President Ochylski reported that the BMC heard a report on water projections; a report by Rob Miller on water conservation implementation programs; and reviewed recommendations from the Los Osos Sustainability Group.</p> <p>President Ochylski reported that the San Luis Obispo CSDA Chapter bimonthly meeting included a presentation by CSDA Sacramento of the many services provided by the Association.</p> <p>President Ochylski reported that at the quarterly Morro Bay National Estuary meeting they had their annual update and report to EPA. The MBNEP is working with the MBC as they are providing money for testing.</p> <p>President Ochylski reported that previously asked questions are being addressed in the General Manager Report.</p>
<p>10. PUBLIC COMMENT ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA</p>	<p>Public Comment – Julie Tacker and Richard Margetson spoke.</p>
<p>11. CONSENT AGENDA</p> <p>A. Receive Administrative and Committee Reports</p> <p>B. Approve Meeting Minutes of November 3, 2016</p> <p>C. Receive Warrant Register for November 1-23, 2016</p> <p>D. Receive Financial Report for Period Ending October 31, 2016</p> <p>E. Award Construction Contract for Water System Interconnection Improvements</p>	<p>A motion was made by Vice President Storm to receive and file the Administrative and Committee Reports and to approve the Consent Calendar. The motion was seconded by Director Cesena. Without objection, President Ochylski called for a unanimous roll call, seeing no objections, the motion was approved.</p>
<p>12. GENERAL ACTION ITEMS</p> <p>A. Discussion and Approval of District Reorganization Structure</p>	<p>General Manager Osborne reported that Parks and Rec Committee was mistakenly left off the chart and would be added; "Citizens of Los Osos" would be added to the top; and that Utility Systems Manager title would be changed to Utility Systems Supervisor. She recommended a motion, contingent upon the Meet and Greet required by SLOCEA, to approve the chart as amended.</p> <p>Public Comment – Julie Tacker, Steve Best, and Richard Margetson spoke.</p> <p>President Ochylski reported that the proposed structure fits within the approved budget and that the Board wanted the new General Manager to rework the structure.</p> <p>A motion was made by Vice President Storm to approve the organization chart with the addition of the Parks and Rec Committee, "Citizens of Los Osos", Utility Systems Supervisor, and the full-time firefighters. The motion was seconded by Director Tornatzky. Without objection, President Ochylski called for a unanimous roll call, seeing no objections, the motion was approved.</p>
<p>B. Discussion and Direction to Prepare and Issue an RFP for a Dog Park at the Former Vista de Oro Leach Field Site or Other Suitable Location</p>	<p>Vice President Storm reported that the Parks and Recreation Committee is requesting that the Board direct staff to move forward with an RFP for a dog park with certain features including appropriate ground cover, separate large and small dog areas, and other appropriate facilities. The Committee identified Vista de Oro but open to other suitable site proposals.</p> <p>Public Comment: Al Barrow supported the area between the Community Center and the church. Steve Best opposed Vista de Oro and supported the area next to the Community Center. Richard Margetson supported the area next to the Community Center. Julie Tacker commented on the obstacle for all development has been the snail problem.</p> <p>The Board discussed Vista de Oro, the area next to the Community Center, and Sunnyside School.</p>

AGENDA ITEM	DISCUSSION
B. Discussion and Direction to Prepare and Issue an RFP for a Dog Park at the Former Vista de Oro Leach Field Site or Other Suitable Location (continued)	A motion was made by Vice President Storm, taking into consideration the recommendations of the Parks and Recreation Committee and the Board, that staff begin the work to prepare an RFP for a dog park. The motion was seconded by Director Wright. The motion was amended to direct staff to look at the three sites discussed for viability and prepare a feasibility analysis to be brought back to the Board in January. Without objection, President Ochylski called for a unanimous roll call, seeing no objections, the motion was approved.
13. DISCUSSION OF PULLED CONSENT ITEM	None
14. FUTURE AGENDA ITEMS	None
15. CLOSING BOARD COMMENTS	Director Cesena announced the Needs 'N Wishes on December 10 th and the auction event. He reminded everyone to "be kind to the kettle" at Ralph's during the Christmas season. Vice President Storm thanked Director Wright for his service. President Ochylski thanked Director Wright and hopes he'll continue his service on a committee. Director Wright announced the Kiwanis Pancake Breakfast before the parade on December 10 th . He commented on the honor in serving on the Board and working with staff.
16. ADJOURNMENT	The meeting adjourned at 8:57 p.m.