



July 24, 2019

TO: LOCSD Board of Directors
FROM: Ann Kudart, Administrative Services Manager
SUBJECT: **Agenda Item 11B – 8/1/2019 Board Meeting**
Approve Prior Meeting Minutes

President
Marshall E. Ochylski

Vice President
Charles L. Cesena

Directors
Matthew D. Fourcroy
Vicki L. Milledge
Christine M. Womack

General Manager
Renee Osborne

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
Greg Huang

DESCRIPTION

Attached are the minutes of the Board of Directors meeting held July 11, 2019 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 meeting held July 11, 2019.

Attachment

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**Los Osos Community Services District
DRAFT Minutes of the Regular Meeting of July 11, 2019**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER/FLAG SALUTE/SILENT OBSERVANCE/ROLL CALL</p>	<p>President Ochylski called the meeting to order at 6:32 p.m.; Director Fourcroy led the flag salute; and, President Ochylski asked for a moment of silent observance.</p> <p>Roll Call: Matthew Fourcroy, Director – Present Vicki Milledge, Director – Absent Christine Womack, Director – Present Chuck Cesena, Vice President – Present Marshall Ochylski, President – Present</p> <p>The following staff was present: Renee Osborne, General Manager Jeffrey Minnery, District Counsel Jose Acosta, Utility Systems Manager Ann Kudart, Administrative Services Manager Laura Durban, Administrative Services Manager</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS</p>	<p>Legal Counsel Minnery announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>PUBLIC EMPLOYMENT [Government Code §54957 (b)(1)]</u> Title: General Manager</p>
<p>3. PUBLIC COMMENT</p>	<p>Public Comment – Julie Tacker supported the decision to terminate Grace Environmental Services and the hiring of Ron Munds; believed the District should recover funds from Grace Environmental Services for sick, overtime, and vacation time; and, suggested an open dialogue between the Basin Management Committee and Ron Munds.</p>
<p>4. ADJOURN TO CLOSED SESSION</p>	<p>The Board adjourned to Closed Session at 6:35 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION</p>	<p>The Board reconvened to Open Session at 7:03 p.m.; Battalion Chief Huang led the flag salute; and, President Ochylski asked for a moment of silence.</p>
<p>6. REPORT OUT OF CLOSED SESSION MEETING</p>	<p>President Ochylski announced that the Board took no reportable action in Closed Session.</p> <p>Roll Call: Matthew Fourcroy, Director – Present Vicki Milledge, Director – Absent Christine Womack, Director – Present Chuck Cesena, Vice President – Present Marshall Ochylski, President – Present</p> <p>The following staff was present: Renee Osborne, General Manager Jeffrey Minnery, District Counsel George Huang, Battalion Chief Jose Acosta, Utility Systems Manager Ann Kudart, Administrative Services Manager Laura Durban, Administrative Services Manager</p>
<p>8. ADMINISTER FIREFIGHTERS OATH</p>	<p>President Ochylski called for Agenda Item 8 to be heard at this point in the meeting.</p> <p>Chief Huang reported on the hiring process and training academy the reserve firefighters must complete; and presented the new Station 15-South Bay Reserve Firefighters: Sean Hanlon, Jonathan Huffman, Alexander Rouffaer, Kelby Jecker, Christopher Hinkle, and Joseph Weimer.</p> <p>President Ochylski administered the Firefighters Oath and Chief Huang invited friends and family to pin the badge on the new Reserve Firefighters.</p> <p>Staff and members of the public congratulated the newly pinned reserves.</p>

AGENDA ITEM	DISCUSSION
<p>7. GENERAL ACTION ITEMS</p> <p>A. Consider and Discuss Providing 30-Day Notice of Termination of Agreement for Consulting Services with Grace Environmental Services</p>	<p>District Counsel Minnery provided a brief summary of the agenda item.</p> <p>Public Comment – Julie Tacker supported the Board’s decision to provide the 30-day notice.</p> <p>Lynette Tornatzky was surprised by the decision and supported Ron Munds.</p> <p>Charles Grace, Grace Environmental Services, will support the Board’s decision.</p> <p>Steve Vinson thanked General Manager Osborne for the work she has done for the Chamber of Commerce and the community.</p> <p>Lou Tornatzky was sorry to see General Manager Osborne go and commented that she has done a lot of good things.</p> <p>Linde Owen thanked General Manager Osborne and appreciated her work on the Rubber Chip Removal Project.</p> <p>Emily Miggins voiced her disappointment regarding the decision.</p> <p>President Ochylski closed public comment and brought it back for Board comments.</p> <p>Director Fourcroy recognized General Manager Osborne personally for her support and the help she’s given him in learning about the job and the District and appreciates her efforts in helping Los Osos move forward.</p> <p>Director Womack concurred with Director Fourcroy; she appreciated that the General Manager clarified the financial reports; worked well with others, the County and the Board; appreciated her effort in removing the tire chips; she did the refinancing and the audit at the same time; and, thanked her again.</p> <p>Vice President Cesena thanked General Manager Osborne for the effort and energy she brought to the District, especially the \$240,000 grant for the 8th Street Well project which is very important for the District; that this is a chance to hire Ron Munds and has appreciated him for a long time and everything he’s done for us.</p> <p>President Ochylski thanked General Manager Osborne for her service.</p> <p>Vice President Cesena moved to provide the 30-day notice of termination of agreement for consulting services with Grace Environmental Services. The motion was seconded by Director Womack and carried by unanimous consent.</p>
<p>B. Consider and Discuss the Appointment/Employment of Ron Munds as General Manager and Compensation and Fringe Benefits of General Manager, if so appointed</p>	<p>District Counsel Minnery provided a brief summary of the report as submitted with the agenda packet reporting Mr. Munds’ experience and accomplishments and that the appointment is for a 3-year term.</p> <p>President Ochylski noted that when Mr. Munds worked for the City of San Luis Obispo, he was responsible for recognition from the state for the city having the most water supply availability in the state.</p> <p>Public Comment – Julie Tacker supported the appointment of Mr. Munds; encouraged the Board to have Ron Munds work with the Basin Management Committee; considered him a water conservation guru; and, looked forward to him coming onboard.</p> <p>Linde Owen welcomed Ron Munds and commented that he is level-headed and that his background will help us with the future.</p> <p>Emily Miggins inquired if this was a sole-sourced contract and requested clarification on the process to hire a new General Manger.</p> <p>Lou Tornatzky wanted to know what happened.</p> <p>Richard Margetson stated that this should have happened four years ago when Ron Munds applied; has worked with Ron Munds on four rate studies at no cost; Ron Munds is a superstar in his field; and, that this is important for the future of the District.</p>

AGENDA ITEM	DISCUSSION
<p>7. GENERAL ACTION ITEM</p> <p>B. Consider and Discuss the Appointment/Employment of Ron Munds as General Manager and Compensation and Fringe Benefits of General Manager, if so appointed (continued)</p>	<p>District Council Minnery advised that this motion is the appointment of Ron Munds as the General Manager, the approval of the attached employment contract, the authorization by the President of the Board to execute the contract, and the Board's agreement of the proposed compensation of \$150,000 annually.</p> <p>Vice President Cesena reported that this is an opportunity to hire an outstanding person in the water field.</p> <p>Vice President Cesena moved to appoint Ron Munds as General Manager pursuant to the terms and conditions as outlined in the Employment Agreement and authorize the President to the Board to execute the Employment Contract. The motion was seconded by Director Fourcroy and carried with the following vote:</p> <p>Ayes: Directors Cesena, Fourcroy, Womack, Ochylski Nays: None Abstain: None Absent: Milledge</p>
<p>C. Discuss Approval to Defer Ann Kudart's Retirement Date to August 30, 2019 or Longer at Discretion of the General Manager</p>	<p>President Ochylski provided a brief summary of the agenda item and that Administrative Services Manager Kudart was ready to retire however there is a need for more time to train and work with her replacement and assist with the General Manager transition.</p> <p>Public Comment – Julie Tacker is going to miss Ms. Kudart and inquired if additional compensation would be provided.</p> <p>Richard Margetson thanked Administrative Services Manager Kudart for her service commenting that she has always been very professional and hoped that Ms. Kudart would be available after August 30th when questions come up as she has a lot of historical knowledge regarding the District.</p> <p>Linde Owen is going to miss Administrative Services Manager Kudart.</p> <p>President Ochylski is thankful for Administrative Services Manager Kudart's service and thankful that she is willing to defer her retirement date</p> <p>District Counsel Minnery suggested that the Board makes a motion to defer Ann Kudart's retirement date to August 30, 2019 or longer at the discretion of the General Manager.</p> <p>Director Womack moved that the Board approve the deferral of Ann Kudart's retirement date to August 30, 2019 or longer at the discretion of the General Manager. The motion was seconded by Vice President Cesena.</p> <p>Director Womack thanked Administrative Services Manager Kudart for staying an extra month.</p> <p>Vice President Cesena thanked Ms. Kudart for the overlap with the new replacement.</p> <p>President Ochylski asked Administrative Services Manager Kudart to introduce her replacement.</p> <p>Administrative Services Manager Kudart introduced Laura Durban as the District's new Administrative Services Manager.</p> <p>The motion carried with the following vote:</p> <p>Ayes: Directors Womack, Cesena, Fourcroy, Ochylski Nays: None Abstain: None Absent: Milledge</p>
<p>9. PUBLIC HEARINGS</p> <p>A. Adopt Resolutions Submitting the Following Fiscal Year 2017/2018 Assessments and Special Tax Rolls to San Luis Obispo County for Collection:</p>	<p>Administrative Services Manager Kudart provided a brief summary of the item and recommended that the Board conduct public hearings for each assessment roll individually and to consider all objections or protest in the tax rolls.</p> <p>President Ochylski opened the public hearing for testimony to consider all objections or protests to levying Bayridge Estates annual service charge in Fiscal Year 2019/2020 tax rolls; there being none, the public hearing portion was closed.</p>

AGENDA ITEM	DISCUSSION
<p>9. PUBLIC HEARINGS (continued)</p> <p>1. Bayridge Estates Annual Service Charge</p>	<p>Vice President Cesena moved that the Board adopt Resolution 2019-15 to levy the charges for Bayridge Estates and direct staff to submit adopted resolutions and tax rolls to the County for collection. The motion was seconded by Director Womack and carried with the following vote:</p> <p>Ayes: Directors Cesena, Womack, Fourcroy, Ochylski Nays: None Abstain: None Absent: Milledge</p>
<p>2. Vista de Oro Annual Service Charge</p>	<p>President Ochylski opened the public hearing for testimony to consider all objections or protests to levying Vista de Oro annual service charge in Fiscal Year 2019/2020 tax rolls; there being none, the public hearing portion was closed.</p> <p>Director Fourcroy moved that the Board adopt Resolution 2019-16 to levy the charges for Vista de Oro and direct staff to submit adopted resolutions and tax rolls to the County for collection. The motion was seconded by Director Womack and carried with the following vote:</p> <p>Ayes: Directors Fourcroy, Womack, Cesena, Ochylski Nays: None Abstain: None Absent: Milledge</p>
<p>3. Drainage Special Tax</p>	<p>President Ochylski opened the public hearing for testimony to consider all objections or protests to levying the Drainage Special Tax in Fiscal Year 2019/2020 tax rolls; there being none, the public hearing portion was closed.</p> <p>Vice President Cesena moved that the Board adopt Resolution 2019-17, to levy the special taxes for Drainage and direct staff to submit adopted resolution and tax rolls to the county for collection. The motion was seconded by Director Fourcroy and carried with the following vote:</p> <p>Ayes: Directors Cesena, Fourcroy, Womack, Ochylski Nays: None Abstain: None Absent: Milledge</p>
<p>4. Fire Protection and Prevention Services Special Tax</p>	<p>President Ochylski opened the public hearing for testimony to consider all objections or protests to levying the Fire Protection and Preventions Services Special Tax in Fiscal Year 2019/2020 tax rolls; there being none, the public hearing portion was closed.</p> <p>Director Fourcroy moved that the Board adopt Resolution 2019-18 to levy the special tax for Fire Protection and Prevention Services and direct staff to submit adopted resolutions and tax rolls to the County for collection. The motion was seconded by Director Womack and carried with the following vote:</p> <p>Ayes: Directors Fourcroy, Womack, Cesena, Ochylski Nays: None Abstain: None Absent: Milledge</p>
<p>5. Wastewater District No. 1 Assessments</p>	<p>President Ochylski opened the public hearing for testimony to consider all objections or protests to levying the Wastewater District No. 1 Assessments in Fiscal Year 2019/2020 tax rolls; there being none, the public hearing portion was closed.</p> <p>Director Womack moved that the Board adopt Resolution 2019-19 to levy the assessments for Wastewater District No. 1 and direct staff to submit adopted resolutions and tax rolls to the County for collection. The motion was seconded by Vice President Cesena and carried with the following vote:</p> <p>Ayes: Directors Womack, Cesena, Fourcroy, Ochylski Nays: None Abstain: None Absent: Milledge</p>

AGENDA ITEM	DISCUSSION
<p>9. PUBLIC HEARINGS (continued) B. Public Hearing to Adopt Resolution Submitting District Past Due Water Accounts as Listed in the General Manager's Report of Delinquent Water Charges and Approve Collection in the Fiscal Year 2019/2020 Tax Rolls</p>	<p>Administrative Services Manager Kudart provided a brief summary of the staff report as submitted with the agenda packet.</p> <p>President Ochylski opened the public hearing for testimony to consider all objections or protests to levying Delinquent Water Charges in Fiscal Year 2019/2020 tax rolls; there being none, the public hearing portion was closed.</p> <p>Vice President Cesena inquired as to only one delinquency and if it is typical to only have one.</p> <p>Administrative Services Manager Kudart informed the Board that staff has worked hard to bring that number down by working closely with the District's water customers.</p> <p>Vice President Cesena moved that the Board adopt Resolution 2019-20 confirming the Report of the District General Manager for delinquent water collection charges and authorizing the collection of delinquent charges in the County Tax Roll. The motion was seconded by Director Fourcroy and carried with the following vote:</p> <p>Ayes: Directors Cesena, Fourcroy, Womack, Ochylski Nays: None Abstain: None Absent: Milledge</p>
<p>10. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Julie Tacker commented that professional services including the General Manager position do not require a search; requested an update regarding election expenses and if a reimbursement will be received; invited the Board to pay attention to the upcoming applications for cannabis cultivation in the Los Osos Valley as water use and visual impact is of concern.</p> <p>Richard Margetson commented that Drainage Tax has been the same for a long time and inquired if the resolution established that or allow it to be reduced in the future. He commented that the Board should notify the public that the District did not take the increase on the water rates although it had been approved previously.</p> <p>Linde Owen commented that LOCAC Tree and Landscape group had met with County Parks and that they are not aware of the District's Dog Park plans; commented that the Coastal Commission needs to get the snail habitation plan agreement finished in order for the Library to move forward with an extension plan.</p> <p>Director Fourcroy thanked Ms. Owen for bringing that to his attention and that it would be addressed at the Parks and Recreation Meeting on July 16, 2019.</p> <p>President Ochylski commented that at the last LOCAC meeting Supervisor Gibson made it clear that if the tennis courts are a worst-case scenario then the dog park would be an allowable use.</p>
<p>11. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. Fire Department Report</p> <p>B. Sheriff Department Report</p> <p>C. Utilities Department Report</p>	<p>Chief Huang provided a summary of the Chief's Report for May 25th through June 30th in which Station 15-South Bay responded to 171 calls, including 96 medical aids, one cliff assist, 21 traffic collisions, six incidents were reported as fire, seven as hazardous, 21 as public service assists, and, 19 as false alarms. He provided a brief update regarding weed abatement; thankful for a quiet 4th of July; that the painting of Station 15 building has started; and, that projects with the Fire Safe Council have begun.</p> <p>Commander Nelson, Sheriff's Coast Station, provided a report of Sheriff Department activities for the month of June 2019 with 544 calls for service which included assaults, battery, road rage, disturbances, burglary, thefts, vandalism, phone scams, and suspicious circumstances.</p> <p>Utility Systems Manager Acosta provided a summary of the May 2019 activities of the Utilities Department as submitted in the agenda packet reporting total water production; that water usage was 62.5 gallons per person per day, a decrease from 67.5 gallons this same time last year; he reported on production and runtime hours by well site which were up from last year due to a SCADA issue that has been rectified; water billing information, Utilities Department operations and maintenance including water sampling, analysis and reporting for all well sites, monthly meter reading, continued valve exercising, groundskeeping at well sites and fire hydrants, service line upgrades and continued residential meter replacement, staff training for valve operation, maintenance, CMSS program and exam preparations, groundskeeping at all sites assuring adherence with the fire inspection and weed abatement program, and rainfall totals.</p>

AGENDA ITEM	DISCUSSION
<p>11. ADMINISTRATIVE AND COMMITTEE REPORTS (continued)</p> <p>D. General Manager Report</p> <p>E. Los Osos Community Advisory Council (LOCAC)</p> <p>F. Los Osos/Baywood Park Chamber of Commerce Report</p> <p>G. Utilities Advisory Committee Report</p> <p>H. Finance Advisory Committee Report</p> <p>I. Directors' Announcements of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars</p> <p>J. Response to Previously Asked Questions</p>	<p>General Manager Osborne provided a summary of activities for June 2019 as submitted with the agenda packet reporting that management completed discussions with SLOCEA and that the Memorandum of Understanding is under Consent Agenda Item 13F; that staff sent out requests for proposals for audit services and received three responses and can be found under Agenda Item 13H; staff interviewed applicants for the Administrative Services Manager position as well as the Administrative Clerk I position and Laura Durban was chosen as the District's new Administrative Services Manager position; staff worked with Director Fourcroy and Dawn Rodden on establishing the District's new social media program updating on the District website; staff is working on inputting the 2019/2020 Fiscal Budget into the accounting system; and, provided an update on conservation and the Local Hazardous Mitigation Plan.</p> <p>LOCAC Chairperson David Harris reported on the June 27th meeting reporting that Supervisor Gibson announced the retirement of Margaret Mayfield, she was replaced by Trish Bartel; Larry Bender is taking over as Chair of Land Use Committee; he applied and filled the vacant chairperson position for District 4; Supervisor Gibson announced a change in the Sheriff's office and that the State Water Board met and acted in a way that satisfied the last remaining debt of the Wastewater Project of \$10,000,000 resulting in no increased rates; three Consent Agenda items were approved, Golden State Water replacing old water tank with a new one on top of Alamo Drive, installation of a Ham Radio antenna on Bush Drive, curb painting to restrict parking on Los Olivos in front of Rantec Power Systems; a proposed land use permit for landscaping and boardwalk construction for Bill Lee's 1st Street Project was approved; officials elected David Harris as Chair, Tim Carstairs as Vice Chair, Lynette Tornatzky as Secretary, and Christine Womack as Treasurer.</p> <p>Steve Vinson reported that the Chamber had tickets for the SLO Blues Baseball game on July 20th at a discounted rate; invited public and members to the August 14th Annual Chamber Ice Cream Social being held along with the Rotary Club; the 41st Annual Oktoberfest and 14th Annual Car Show with motorcycles on October 27th; and, on July 10th the Chamber held an Open House at Cal Coast Orchids.</p> <p>Chairperson Cesena provided a summary of the June 25th UAC meeting in which the Committee reviewed the Basin Management Committee Annual Report including discussions regarding leakage between different layers in the aquifer and well contamination; Utilities Department updates; and, that the next UAC meeting is scheduled to be held July 17th with discussions regarding modifications to District Code Title 2.</p> <p>Chairperson Ochylski provided a summary of the July 8th FAC meeting in which the Committee recommended Board adoption of the budget and further recommendations that the Board approve Agenda Items 13C and 13D.</p> <p>Directory Fourcroy reported that there will be a Parks and Recreation Committee Meeting to discuss the Dog Park and Pocket Park issues on Tuesday, July 16th at 5:30 P.M.</p> <p>President Ochylski commented that at the Planning Commission meeting today, Bill Lee's 1st Street Project was considered and approved with a reduction in the width of the sidewalk from 20 feet to 12 feet.</p> <p>President Ochylski responded that the Election Expenses and Director's Compensation will be addressed at the next meeting.</p>
<p>12. PUBLIC COMMENT ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA</p>	<p>None</p>
<p>13. CONSENT AGENDA</p> <p>A. Receive Administrative and Committee Reports</p> <p>B. Approve Meeting Minutes of June 6, 2019, June 13, 2019 and June 18, 2019</p> <p>C. Approve Warrant Register for June 2019</p>	<p>A motion was made by Vice President Cesena that the Board receive and file the Administrative and Committee Reports and approve the Consent Agenda. The motion was seconded by Director Womack and carried with the following vote:</p> <p>Ayes: Directors Womack, Fourcroy, Cesena, Ochylski Nays: None Abstain: None Absent: Milledge</p>

AGENDA ITEM	DISCUSSION
<p>13. CONSENT AGENDA (continued)</p> <p>D. Receive Financial Reports for the Periods Ending May 31, 2019</p> <p>E. Adopt Resolution Authorizing Issuance of Credit Card to Laura Durban</p> <p>F. Adopt Resolution Approving the Memorandum of understanding between Los Osos Community Service District and San Luis Obispo County Employees' Association for the Miscellaneous Employees Bargaining Unit through June 30, 2021</p> <p>G. Reaffirm CAL FIRE/SLO County Fire Department and LOCSO Cooperative Fire Protection Agreement and Update Schedules "A" through "E" to Reflect Changes in Services and Costs for Fiscal Year 2019/2020 as Provided in Paragraph 5 of the Cooperative Fire Agreement Amendment 1</p> <p>H. Award Bid for District Auditing Services</p> <p>I. Award Bid for Cuesta by the Sea Groundwater Monitoring Well</p> <p>J. Authorize Requests for Proposals for a South Bay Well Site Water Transmission Main to the District Main Zone Project</p> <p>K. Award Bid for 10th Street Reservoir Repairs</p> <p>L. Award Bid to Perform Leak Detection Services for District's Water Distribution System</p>	
14. DISCUSSION OF PULLED CONSENT ITEMS	None
15. FUTURE AGENDA ITEMS	None.
16. CLOSING BOARD COMMENTS	None
17. ADJOURNMENT	The meeting adjourned at 8:22 p.m.