

**Los Osos Community Services District
Minutes of the Special Meeting of October 12, 2017**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER/FLAG SALUTE/SILENT OBSERVANCE/ROLL CALL</p>	<p>President Storm called the meeting to order at 6:15 p.m. and led the flag salute.</p> <p>Roll Call: Charles Cesena, Director – Present Marshall Ochylski, Director – Present Louis Tornatzky, Director – Present Vicki Milledge, Vice President – Present Jon-Erik Storm, President – Present</p> <p>The following Staff were present: Renee Osborne, General Manager Roy Hanley, District Legal Counsel Ann Kudart, Administrative Services Manager</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS</p> <p>3. PUBLIC COMMENT</p> <p>4. ADJOURN TO CLOSED SESSION</p>	<p>Legal Counsel Hanley announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>REAL PROPERTY MATTERS (Government Code §54956.8)</u> Conference with Real Property Negotiator Property: APN 074-229-027 (a portion of the County Property on Palisades Avenue) Agency Negotiator: Renee Osborne, General Manager and Roy Hanley, District Counsel Negotiating Parties: San Luis Obispo County Instruction to Negotiator: Price and Terms of Lease</p> <p>Public Comment – Julie Tacker commented on her issues and concerns regarding the dog park lease; opposed the recreation funds being used and that it is the County's job to provide dog parks.</p> <p>The Board adjourned to Closed Session at 6:19 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION</p>	<p>The Board reconvened to Open Session at 7:00 p.m. President Storm led the flag salute and asked for a moment of silence.</p> <p>Roll Call: Chuck Cesena, Director – Present Marshall Ochylski, Director – Present Lou Tornatzky, Director – Present Vicki Milledge, Vice President – Present Jon-Erik Storm, President - Present</p> <p>The following Staff were present: Renee Osborne, General Manager Roy Hanley, District Legal Counsel Greg Alex, Battalion Chief Jose Acosta, Utility Systems Manager Ann Kudart, Administrative Services Manager</p>
<p>6. REPORT OUT OF CLOSED SESSION MEETING</p>	<p>At this point in the meeting, President Storm announced that Item 11D and Item 11E were being removed from the Consent Agenda for review at the October 30th Finance Advisory Committee meeting.</p> <p>Legal Counsel Hanley announced that there was no reportable action from Closed Session.</p>
<p>7. PRESENTATIONS AND PUBLIC HEARINGS</p>	<p>None</p>
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Julie Tacker commented on the Board's adoption of the FY17/18 Budget and specific direction to staff however it has not yet been brought back for review; and supported paying a full time accountant to keep eyes on how the money is being spent rather than more time for the GM.</p> <p>Steve Best commented on the Basin Management Committee discussion regarding discharging water into the aquifer; and his conversation with Kerry Brown regarding parks, bike trails, and the Community Plan.</p>

AGENDA ITEM	DISCUSSION
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. Fire Department Report</p> <p>B. Sheriff Department Report</p> <p>C. Utilities Department Report</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. Parks and Recreation Advisory Committee Report</p> <p>I. Financial 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>Chief Alex reported on the wildfire incidents, announced the upcoming Needs 'N Wishes Holiday Fundraiser, Operation Santa Claus and Seasons of Hope Food Drive and provided a summary of the Fire Department activities for August 2017 as submitted in the agenda packet.</p> <p>Commander Voge provided a report of the Sheriff Department's activities during the month of September 2017 with 278 calls for service.</p> <p>Utility Systems Manager Acosta provided a report on the August 2017 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 September 2017 as submitted in the agenda packet.</p> <p>Julia Oberhoff, Chairperson, reported on the items discussed by LOCAC at their September 28, 2017 LOCAC meeting.</p> <p>Steve Vinson reported on the Chamber's upcoming activities during the month of October 2017.</p> <p>Director Cesena reported on the September 20th UAC meeting in which the Committee was introduced to Utility Systems Manager Jose Acosta; heard an update of the Basin Management Committee meeting held earlier that afternoon; received a report from Mr. Acosta regarding upcoming Utilities Department projects; and that the next committee meeting will be held Wednesday, October 18th.</p> <p>Director Tornatzky reported that the Parks and Recreation Committee has been working over the last several months to define the best practices and policies of running a dog park in our community.</p> <p>Director Ochylski reported on the October 9th FAC meeting in which the Committee recommended Board approval of the September 2017 warrant register; discussed the August 2017 financial reports, Board Item 11D, and requested corrections and reformatting of the balance sheets before recommending that the Board receive and file; regarding Board Item 11E, the Committee requested that following their recommended edits that the document be brought back for review by the Committee before going to the Auditors; the Committee recommended the discussion regarding the remaining Water revenues from the 16/17 budget be referred to the Utilities Advisory Committee; and the Committee meeting has been moved from Thursdays before the Board meetings to the Monday before the Board meetings.</p> <p>Director Cesena reported on his attendance at CAPSLO in which he serves on the Advocacy Development Committee to increase the visibility of CAPSLO in the community.</p> <p>Director Ochylski reported on the Basin Management Committee meeting in which the Committee discussed funding and financing programs to support the Basin Plan implementation, discussed grant proposals, status of the zone of benefit analysis, an update on the lateral connections; an update on the status of the Basin Plan Infrastructure Projects; an update on Water Conservation Outreach Program; and an update regarding creek discharge monitoring.</p> <p>None</p>
<p>10. PUBLIC COMMENT ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA</p>	<p>Director Storm asked if a Director wished to pull an item from the Consent Agenda. Director Cesena requested Item 11H be pulled and Item 11D and Item 11E were continued.</p> <p>Julie Tacker commented on the need to stop pumping at the Palisades Well; opposed the GM working on the Community Funds for sewer hookups; inquired as to the outcome of the recent claim by Jason Zatt; and supported a full-time, in-house accountant and part-time GM.</p> <p>Richard Margetson commented on the need for the accountant to be working full-time to clean up the major discrepancies still in the financials and the District's fiduciary responsibility to have clean financials.</p> <p>Steve Best commented that he was unaware the accountant was part-time and opposed spending more money on the GM.</p>

AGENDA ITEM	DISCUSSION
<p>11. CONSENT AGENDA</p> <p>A. Receive Administrative and Committee Reports</p> <p>B. Approve Meeting Minutes of September 7, 2017 and September 21, 2017</p> <p>C. Approve September 2017 Warrant Register for Disbursement</p> <p>D Receive Financial Reports for the Period Ending August 31, 2017</p> <p>E. Receive Final Fiscal Year-End Report for 2016/2017 Budget</p> <p>F. Adopt Resolution Authorizing the Issuance of a Credit Card to Utility Systems Manager Jose Acosta</p> <p>G. Authorize Purchase of 8th Street Drainage Pump</p> <p>H. Adopt Resolution Approving the Restated Contract between the LOCSD and Grace Environmental Services for GM Services</p> <p>I. Approve Revised Contract of Employment for LOCSD Reserve Firefighters</p> <p>J. Adopt Tentative Agreement between LOCSD and SLOCEA for the Miscellaneous Employees Bargaining Unit through June 30, 2018</p>	<p>A motion was made by Director Ochylski to receive and file the Administrative and Committee Reports and to approve the items on the Consent Agenda with the exception of Item D, Item E and Item H. The motion was seconded by Director Cesena and carried with the following vote:</p> <p>Ayes: Directors Ochylski, Cesena, Tornatzky, Milledge, Storm Nays: Storm on Item J Abstain: None Absent: None</p>
<p>12. DISCUSSION OF PULLED CONSENT ITEMS</p> <p>H. Adopt Resolution Approving the Restated Contract between the LOCSD and Grace Environmental Services for GM Services</p>	<p>District Counsel Hanley provided a summary of the item as submitted in the agenda packet.</p> <p>Public Comment – Julie Tacker opposed the process with no previous reportable action out of closed session meetings regarding this item and the need for a performance review of the GM.</p> <p>Richard Margetson suggested the difference between the proposed contract and the current contract to pay the accountant until the District is on strong financial standing with respect to the documents provided that have a financial impact.</p> <p>Steve Best commented on a need to see a change in the direction of the District.</p> <p>Lynette Tornatzky supported approval of a full-time contract for the General Manager.</p> <p>A motion was made by Vice President Milledge to adopt Resolution 2017-26 approving the restated contract between the District and Grace Environmental Services for General Manager Services. The motion was seconded by Director Tornatzky and carried with the following vote:</p> <p>Ayes: Directors Milledge, Tornatzky, Ochylski, Storm Nays: Cesena Abstain: None Absent: None</p> <p>Director Ochylski reported that he voted yes with the qualifier that the accountant's hours are increased as necessary to get the District a clean financial report.</p>

AGENDA ITEM	DISCUSSION
13. FUTURE AGENDA ITEMS	President Storm directed the CAPSLO program on Channel 20 and the increase of bookkeeper's hours be brought back to the Board if necessary.
14. CLOSING BOARD COMMENTS	Director Ochylski thanked Fire for the recent Fire Safety Fair held for the community. Director Cesena announced the upcoming Needs 'N Wishes Fundraiser. Director Tornatzky commented the District getting better and moving forward. Vice President Milledge thanked Fire for their services. President Storm voiced his strong support of the Fire Department.
15. ADJOURNMENT	The meeting adjourned at 8:48 p.m.