



March 24, 2017

**TO:** LOCSD Board of Directors  
**FROM:** Ann Kudart, Administrative Services Manager  
**SUBJECT:** **Agenda Item 6B – 4/6/2017 Board Meeting**  
Approve Meeting Minutes of March 2, 2017

**President**  
Jon-Erik G. Storm

**Vice President**  
Vicki L. Milledge

**Directors**  
Charles L. Cesena  
Marshall E. Ochylski  
Louis G. Tornatzky

**General Manager**  
Renee Osborne

**District Accountant**  
Robert Stilts, CPA

**Unit Chief**  
Scott M. Jalbert

**Battalion Chief**  
Josh Taylor

**DESCRIPTION**

Attached are minutes from your Board's Regular Meeting held March 2, 2017 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 March 2, 2017 meeting.***

Attachment

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**Los Osos Community Services District  
Board of Directors  
DRAFT Minutes of the Regular Meeting of March 2, 2017**

AGENDA ITEM	DISCUSSION OR ACTION
<p><b>1. CALL TO ORDER/FLAG SALUTE/SILENT OBSERVANCE/ROLL CALL</b></p>	<p>Vice President Milledge called the meeting to order at 6:00 p.m. and led the flag salute.</p> <p>Roll Call:            Charles L. Cesena, Director – Present            Marshall E. Ochylski, Director – Present            Louis G. Tornatzky, Director – Present            Vicki L. Milledge, Vice President – Present            Jon-Erik G. Storm, President – Absent</p> <p>The following Staff were present:            Renee Osborne, General Manager            Roy Hanley, District Legal Counsel            Ann Kudart, Administrative Services Manager</p>
<p><b>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF CLOSED SESSION</b></p>	<p>Legal Counsel Hanley announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION</u>            Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9 – 1 case</p> <p>B. <u>EXISTING LITIGATION [Government Code §54956.9(d)(1).]</u>            Conference with Legal Counsel Regarding Existing Litigation (Formally initiated):            - LOCSD v. Golden State et al (Groundwater Adjudication), Case No. CV040126 (SLO Superior Court)</p>
<p><b>3. PUBLIC COMMENT</b></p>	<p>Public Comment – None</p>
<p><b>4. ADJOURN TO CLOSED SESSION</b></p>	<p>The Board adjourned to Closed Session at 6:03 p.m.</p>
<p><b>5. RECONVENE TO OPEN SESSION</b></p>	<p>The Board reconvened to Open Session at 7:00 p.m.            Vice President Milledge announced that President Storm would not be attending the meeting and that Item 12A would be continued to the next Board meeting; she then led the flag salute.</p> <p>The following Directors were present:            Charles L. Cesena, Director            Marshall E. Ochylski, Director            Louis G. Tornatzky, Director            Vicki L. Milledge, Vice President</p> <p>The following Staff were present:            Renee Osborne, General Manager            Roy Hanley, District Legal Counsel            Josh Taylor, Battalion Chief, Station 15-South Bay            Margaret Falkner, Utility Compliance Technician III            Ann Kudart, Administrative Services Manager</p>
<p><b>6. REPORT OUT OF CLOSED SESSION MEETING</b></p>	<p>Legal Counsel Hanley announced that there was no reportable action taken in Closed Session.</p>
<p><b>7. PRESENTATIONS</b></p> <p><b>A. Certificate of Appreciation Presented to Vita Miller for Service to the Community</b></p> <p><b>B. Presentation of Sewer Connection Collapse</b></p>	<p>Director Cesena and Director Ochylski presented a Certificate of Appreciation to Vita Miller for her many years of valuable service as a member of the Emergency Services Advisory Committee. Former Station 15-South Bay Battalion Chief Veneris recognized Ms. Miller's outstanding service to the citizens of Los Osos since serving on the committee since early 2006. Ms. Miller thanked everyone and shared the award with all the firefighters and first responders.</p> <p>Chief Taylor and Trench Rescue Instructor Captain Coalwell, provided a presentation of a serious and potentially deadly trench collapse which recently occurred at a residence in Los Osos in which the homeowner luckily escaped without injuries. They encouraged the public to think safety, use best practices, and call the Station with questions they may have digging trenches when connecting their sewer laterals. Chief Taylor reported that safety information could be found on the Emergency Services website at <a href="https://www.losososcsd.org/trench-safety-videos">https://www.losososcsd.org/trench-safety-videos</a>.</p>

AGENDA ITEM	DISCUSSION
<p><b>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</b></p>	<p>Julie Tacker thanked Vita Miller for her many years of service as an advocate for the community.</p> <p>Richard Margetson commented on Ms. Miller's participation in securing exceptional emergency services for the community.</p> <p>Linde Owen opposed Ms. Miller not being reappointed to the 2017 Emergency Services Advisory Committee.</p> <p>Vita Miller opposed the process for the appointments to this year's advisory committees; she thanked all those that have served the community.</p>
<p><b>9. ADMINISTRATIVE AND COMMITTEE REPORTS</b></p> <p><b>A. Fire Department Report</b></p> <p><b>B. Sheriff Department Report</b></p> <p><b>C. Utilities Department Report</b></p> <p><b>D. General Manager Report</b></p> <p><b>E. Los Osos Community Advisory Council (LOCAC)</b></p> <p><b>F. Los Osos/Baywood Park Chamber of Commerce Report</b></p> <p><b>G. Utilities Advisory Committee Meeting Report</b></p> <p><b>H. Emergency Services Advisory Committee Meeting Report</b></p> <p><b>I. Finance Advisory Committee Meeting Report</b></p> <p><b>J. Directors' Announcements of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars</b></p> <p><b>K. Response to Previously Asked Questions</b></p>	<p>Battalion Chief Taylor provided a summary of the January 2017 Fire Department activities as submitted in the agenda packet.</p> <p>Commander Taylor gave a report of the Sheriff's Department activities for the period February 2, 2017 to March 2, 2017. He reported that there were 445 calls for service in Los Osos including 52 traffic stops, 16 pedestrian contacts, 19 alarm calls, 40 disturbing the peace calls, 2 vandalism calls, 2 attempted burglaries, 2 thefts from unlocked cars, 2 assaults, 5 domestic violence incidents; there were a total of 29 arrests. The Commander reported on a Publisher Clearing House scam and in the South County, a Homeowner's Association/Board scam.</p> <p>Utility Compliance Technician Falkner provided a report on the January 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 February 2017 as submitted in the agenda packet.</p> <p>Lynette Tornatzky reported on the February 23, 2017 LOCAC meeting. LOCAC President Jeff Weir announced his resignation, the Sheriff provided a report, there was no Highway Patrol report, County Senior Planner Brown reported on the Community Plan delay and the Habitat Conservation Plan. Supervisor Gibson reported on confusion regarding the sewer charges recently sent to residents, Basin Management Committee issues, LOCAC involvement in the new Los Osos Library, Resource Management System package, no LOCSD report, and that the next meeting will be held March 23, 2017.</p> <p>Steve Vinson reported that the Chamber's Business Expo will be held March 17<sup>th</sup>; the Chamber is sponsoring a trip to Italy and Tuscany on October 24<sup>th</sup>; April Mixer date is open; and volunteers needed at the Chambers Welcome Center.</p> <p>Director Cesena reported on the February 16<sup>th</sup> UAC meeting in which the Committee heard an update from the Water Rate Study Group. There will be a Joint FAC/UAC meeting on March 16<sup>th</sup> to provide recommendations to the Board with respect to property tax allocation, admin cost allocations and amending the District reserves.</p> <p>Vice President Milledge reported on the February 21<sup>st</sup> ESAC meeting in which the Committee discussed the Fire Department's work plan and their assistance in securing grants for expenses not directly covered at this time, and a discussion of the minutes.</p> <p>Director Ochylski reported on the February 23<sup>rd</sup> FAC meeting in which the Committee also heard an update from the Water Rate Study Group; discussed the warrants and recommend approval by the Board; and that the Committee will participate in the March 16<sup>th</sup> joint meeting. The next FAC meeting will be held March 30<sup>th</sup>.</p> <p>Director Ochylski reported that the Annual CSDA Chapter meeting will be held Wednesday, March 29<sup>th</sup> at Upper Crust with an update from the Tax Assessor Office on the tax collections.</p> <p>Director Ochylski reported on LAFCO's discussion of the Sphere of Influence for the LOCSD with no changes reported.</p> <p>Director Ochylski reported on the Morro Bay National Estuary Program's February meeting in which the group reviewed the 2018 Work Plan for adoption in May; discussed a five-year plan for the Restoration Fund; discussed Bylaws updates; that eel grass is returning at a significant rate; upcoming presentation on the environmental report card on April 1<sup>st</sup>; and the May 20<sup>th</sup> Annual Dog Fest.</p>

AGENDA ITEM	DISCUSSION
<p><b>10. PUBLIC COMMENT ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA</b></p>	<p>Vice President Milledge asked if a Director wished to pull an item from consent to be head separately, seeing none, she opened public comment.</p> <p>Julie Tacker asked if Standard and Poor's restored the District's bond rating; commented that property taxes being discussed are community-wide; that the District is not educating the community regarding the upcoming water rate increase; that Bayridge and Vista de Oro debt should be turned over to the County with the property; and that the District should be aware of a habitat disturbance at the dog park property.</p> <p>Richard Margetson commented on items the Water Rate Group would like to see on the agenda for the upcoming Joint FAC/UAC meeting including time to discuss, if necessary, items other than reserves, taxes, and admin allocation.</p> <p>Director Ochylski reported that he and Director Cesena will be meeting with District Engineer Miller to formalize the agenda for the Joint FAC/UAC meeting to include items needed.</p>
<p><b>11. CONSENT AGENDA</b>  <b>A. Receive Administrative and Committee Reports</b>  <b>B. Approve Meeting Minutes of February 2, 2017</b>  <b>C. Approve Warrant Register for Disbursement for February 2017</b>  <b>D. Receive Financial Reports for Period Ending January 31, 2017</b>  <b>E. Adopt Resolution Increasing Spending Limit on Debit Card in Name of Harmony Brown to \$3,000</b>  <b>F. Adopt Resolution Amending the District Expenditure Control Guidelines</b>  <b>G. Authorize Agreement for Station 15-South Bay Flooring Replacement Project</b>  <b>H. Grant Fee Title to Real Property Owner by the District in Bayridge Estates and Grant an Easement Over and In Real Property Owned by the District in Vista de Oro</b>  <b>I. Authorize Partial Payment and Approve Disbursement to John Madonna Construction for Construction Services Regarding the Water System Interconnections Improvement Project</b></p>	<p><b>A motion was made by Director Ochylski to receive and file the Administrative and Committee Reports and to approve the items on the Consent Calendar. The motion was seconded by Director Cesena and carried with the following vote:</b></p> <p><b>Ayes: Directors Ochylski, Cesena, Tornatzky, Milledge</b>  <b>Nays: None</b>  <b>Abstain: None</b>  <b>Absent: None</b></p>
<p><b>12. GENERAL ACTION ITEMS</b>   <b>A. Report of Ad Hoc Committee on Government Services</b></p>	<p>This items was continued to the April 6, 2017 Board meeting.</p>

AGENDA ITEM	DISCUSSION
<p><b>B. Discussion Regarding Request of County Clerk-Recorder for the Use of District Office Suite 106 as a "Vote Center" in the 2017 Elections</b></p>	<p>General Manager Osborne provided a summary of the agenda item as submitted in the agenda packet.</p> <p>Public Comment – Julie Tacker commented on possible landlord, tenants, and parking issues.</p> <p><b>A motion was made by Director Ochylski that if there were no issues that the Board allow the County of San Luis Obispo Office of the Clerk-Recorder to use the District Board Room, Suite 106, as a future "Vote Center" site and for Staff to make the necessary arrangements. The motion was seconded by Director Cesena and carried unanimously.</b></p>
<p><b>C. (a) Adopt Resolution Authorizing the Purchase of a Replacement Medic-Rescue Vehicle in an Amount Not to Exceed \$171,500</b></p> <p><b>(b) Approve 100% Prepayment for a Pierce Medic-Rescue Replacement Vehicle</b></p>	<p>Battalion Chief Taylor provided a summary of the items, 12Ca and 12Cb, as submitted in the agenda packet to replace the medic-rescue vehicle.</p> <p>The Board discussed concerns with a full prepayment.</p> <p>Public Comment – Richard Margetson supported a 100% prepayment.</p> <p><b>A motion was made by Director Ochylski that the Board adopt Resolution 2017-10 authorizing the purchase of a replacement Medic-Rescue Vehicle in an amount not to exceed \$175,700; and authorize the General Manager to execute the purchase with Firematic Supply Company, a Pierce Manufacturing Company and receive the vehicle. The motion was seconded by Director Tornatzky and carried with the following vote:</b></p> <p><b>Ayes: Directors Ochylski, Tornatzky, Cesena, Milledge</b>  <b>Nays: None</b>  <b>Abstain: None</b>  <b>Absent: Storm</b></p>
<p><b>D. California Special Districts Association Board of Directors Call for Nominations</b></p>	<p>Director Ochylski supported Incumbent Vince Ferrante.</p> <p>Public Comment – None.</p> <p>There was no action taken.</p>
<p><b>13. DISCUSSION OF PULLED CONSENT ITEMS</b></p>	<p>None</p>
<p><b>14. FUTURE AGENDA ITEMS</b></p>	<p>Director Ochylski requested that recommendations from the Joint FAC/UAC meeting be placed on the April agenda.</p>
<p><b>15. CLOSING BOARD COMMENTS</b></p>	<p>Each of the Directors expressed their thoughts and best wishes to President Storm and his family and thanked the Water Rate Group for the tremendous job they are doing.</p>
<p><b>16. ADJOURNMENT</b></p>	<p>The meeting adjourned at 8:31 p.m.</p>