



September 5, 2024

TO: LOCSO Board of Directors

FROM: Ron Munds, General Manager
Laura Durban, Administrative Services Manager

SUBJECT: Agenda Item 11A – 09/05/2024 Board Meeting
Receive Administrative, Committee Reports, and Approved
Committee Minutes

President
Marshall E. Ochylski

Vice President
Christine M. Womack

Directors
Charles L. Cesena
Matthew D. Fourcroy
Troy C. Gatchell

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
John Owens

Battalion Chief
Paul Provence

DESCRIPTION

Attached are the approved minutes from meetings in August 2024.

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 receive and file the presented Administrative, Committee Reports and Approved Committee Minutes

Attachment

Emergency Services Advisory Committee Minutes of 03/14/24
Finance Advisory Committee Minutes of 06/03/24 and 07/08/24
Utilities Advisory Committee Minutes 07/17/2024

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**Los Osos Community Services District
Minutes of the Emergency Services Advisory Committee
Thursday, March 14, 2024 at 5:30 p.m.**

| AGENDA ITEM | DISCUSSION | FOLLOW-UP |
|--|---|--|
| 1. Call to Order Flag Salute Roll Call | <p>Chairperson Gatchell called the meeting to order at 5:30 p.m.</p> <p>Roll Call: Craig Baltimore, Committee Member – Present Bob Neumann, Committee Member – Absent Gary Orback, Committee Member – Present Thomas Tengdin, Committee Member – Present Vice Chairperson Marchall Ochylski– Absent Chairperson Troy Gatchell – Present</p> <p>Staff: Ron Munds, General Manager Laura Durban, Administrative Services Manager Carol Gilmer, Administrative Clerk II</p> | |
| 2. Approve ESAC Minutes of November 16, 2023 | <p>Chairperson Gatchell presented the minutes for approval.</p> <p>Public Comment – None</p> <p>Committee Member Baltimore made a motion to approve the minutes of November 16, 2023. The motion was seconded by Committee Member Orback and passed with unanimous consent.</p> | Action – Filed Approved Minutes |
| 3. Presentation: Standard of Coverage Assessment Report | <p>General Manager Munds provided a brief background of the Standard of Cover (SOC) Report before introducing Sam Mazza of Citygate Associates.</p> <p>Sam Mazza provided a presentation on the SOC. He discussed how the study was conducted, outcome goals, deployment strategies, stakeholder comments, capstone observations, risk assessment, hazards evaluated, service demand, response performance, deployment findings and deployment recommendations.</p> <p>The Committee discussed reserve fire fighter staffing, call volume, response time in CSD area and rural areas, level of service, Montana de Oro Park call volume, reserve recruitment, defibrillator programs, and the cost of 4-0 staffing, OT and additional staffing.</p> <p>Public Comment - Richard Margetson commented on the fire tax history and the fire tax's primary justification, simultaneous response, and services needing to be brought back to the level expected, including 4-0 staffing.</p> <p>General Manager Munds discussed the goal of this stage of the process and steps in moving forward.</p> | Action – None |
| 4. Present Board Approved 2024 Work Plan for ESAC | <p>General Manager Munds presented the recommendations for the ESAC 2024 Work Plan.</p> <p>Public Comment – None</p> | Action – None |
| 5. Fire Department Update | <p>General Manager Munds commented on the annual 2023 CAL FIRE Chief report and the February 2024 report, highlighting 2023 activities held in the District.</p> <p>Public Comment – Richard Margetson inquired about the number of responses outside of the CSD boundaries.</p> | Action – None |

| AGENDA ITEM | DISCUSSION | FOLLOW-UP |
|--|--|----------------------|
| 6. Fund 301 FY 2023-24 Review of Mid-Year Adjustments | <p>General Manager Munds presented Fund 301 Fiscal Year 2023-24 Mid-Year Adjustments covering major adjustment requests and impact to budget.</p> <p>Committee Member Baltimore inquired about legal services.</p> <p>Public Comment – Richard Margetson inquired about the Public Facilities Reserve.</p> | Action – None |
| 7. Public Comments on Items NOT on this Agenda | Public Comment – None | |
| 8. Schedule Next ESAC Meeting | The next Emergency Services Advisory Committee meeting is scheduled for Thursday, May 16, 2024, at 5:30 p.m. unless otherwise noted. | |
| 9. Closing Comments by ESAC Committee Members | None | |
| 10. Adjournment | The meeting adjourned at 7:02 p.m. | |

**Los Osos Community Services District
Minutes of the Finance Advisory Committee Meeting
June 3, 2024 at 5:30 p.m. at the District Office**

| AGENDA ITEM | DISCUSSION | FOLLOW-UP |
|---|---|--|
| 1. Call to Order and Roll Call | <p>Chairperson Womack called the meeting to order at 5:30 p.m. and led the flag salute.</p> <p><u>Roll Call:</u></p> <p>Chuck Cribbs, Committee Member – Present Gary J. Freiberg, Committee Member – Present Lisa Gonzalez, Committee Member – Present Lee Hood, Committee Member – Present Keith Swanson, Committee Member – Present Marshall Ochylski, Vice Chairperson – Present Christine, Womack, Chairperson – Present</p> <p><u>Staff:</u></p> <p>Ron Munds, General Manager Laura Durban, Administrative Services Manager</p> | |
| 2. Approve FAC Meeting Minutes of April 29, 2024 | <p>Chairperson Womack presented the minutes for approval.</p> <p>Public Comment - None</p> <p>Committee Member Swanson made a motion that the Finance Advisory Committee approve the minutes of the FAC meeting held April 29, 2024. The motion was seconded by Committee Member Freiberg and the motion passed unanimously.</p> | <u>Action:</u> File Approved Minutes |
| 3. Updates to the Final Budget for Fiscal Year 2024-2025 | <p>General Manager Munds presented updates from the preliminary budget presentation to the final budget. The updates included Zone A Property Tax Allocations, and changes in funds 301, 500, 800, and 900.</p> <p>The Committee discussed the countywide overhead charges, fire department renovations, and Fund 500 changes.</p> <p>Public Comment - None</p> | <u>Action:</u> None |
| 4. Review of Board Item Regarding Approval of Warrant Register for May 2024 | <p>General Manager Munds presented the Warrants.</p> <p>The Committee discussed the Warrants.</p> <p>Public Comment – None</p> <p>Committee Member Hood made a recommendation that the Board approve the Warrants of May 2024. The motion was seconded by Committee Member Gonzalez and the motion carried with unanimous consent.</p> | <u>Action:</u> The Committee recommended that the Board approve the Warrant Register for May 2024. |
| 5. Review of Board Item Regarding Financial Reports for the Period Ending April 30, 2024 | <p>General Manager Munds presented the Financials.</p> <p>The Committee discussed the Financials.</p> <p>Public Comment – None</p> <p>Committee Member Gonzalez made a recommendation that the Board receive and file the Financials of April 30, 2024. The motion was seconded by Committee Member Swanson and the motion carried with unanimous consent.</p> | <u>Action:</u> The Committee recommended that the Board receive and file the Financials for the period ending April 30, 2024. |

| AGENDA ITEM | DISCUSSION | FOLLOW-UP |
|---|--|----------------------------|
| 6. General Manager Update | <p>General Manager Munds provided updates on Solid Waste Rate Setting, FEMA Re-submittal of Public Assistance Applications, and the American Society of Civil Engineers Award.</p> <p>The Committee discussed the updates.</p> <p>Committee Member Hood inquired about ambulance service.</p> <p>Public Comment – None</p> | <u>Action:</u> None |
| 7. Public Comments on Items NOT on this Agenda | <p>Public Comment – Lynette Tornatzky thanked all who participated.</p> <p>Richard Margetson inquired about CalFire negotiations and BMC discussions regarding the upcoming Coastal Commission meeting.</p> | |
| 8. Schedule Next FAC Meeting | <p>The next meeting of the Financial Advisory Committee is scheduled for Monday, July 8, 2024 unless otherwise noted.</p> | |
| 9. Closing Comments by FAC Committee | <p>Committee Member Gonzalez informed she will not be in attendance until November, 2024 and Chairperson Womack commented on driving carefully since children are out of school.</p> | |
| 10. Adjournment | <p>The meeting adjourned at 6:13 p.m.</p> | |

**Los Osos Community Services District
Minutes of the Finance Advisory Committee Meeting
July 8, 2024, at 5:30 p.m. at the District Office**

| AGENDA ITEM | DISCUSSION | FOLLOW-UP |
|---|--|---|
| 1. Call to Order and Roll Call | <p>Chairperson Womack called the meeting to order at 5:32 p.m. and led the flag salute.</p> <p><u>Roll Call:</u></p> <p>Gary J. Freiberg, Committee Member – Present Lisa Gonzalez, Committee Member – Absent Lee Hood, Committee Member – Absent Keith Swanson, Committee Member – Absent Marshall Ochylski, Vice Chairperson – Present Christine, Womack, Chairperson – Present</p> <p><u>Staff:</u></p> <p>Ron Munds, General Manager Laura Durban, Administrative Services Manager</p> | |
| 2. Approve FAC Meeting Minutes of June 3, 2024 | <p>Chairperson Womack presented the minutes for approval.</p> <p>Committee Member Freiberg agreed to continue the approval of the June 3, 2024, minutes until the next FAC meeting.</p> <p>Public Comment - None</p> | <u>Action:</u> None |
| 3. Review of Board Item Regarding Approval of Warrant Register for June 2024 | <p>General Manager Munds presented the Warrants.</p> <p>Committee Member Freiberg inquired about Streamline's charge.</p> <p>Chairperson Womack inquired about SDRMA costs.</p> <p>Public Comment – Vice President Ochylski commented that SDRMA is paid once a year.</p> <p>Committee Member Freiberg recommended to the Board that the Board approve the Warrant Register for June 2024.</p> | <u>Action:</u> The Committee recommended to the Board that the Board approve the Warrant Register for June 2024. |
| 4. Review of Board Item Regarding Financial Reports for the Period Ending May 31, 2024 | <p>General Manager Munds presented the Financials.</p> <p>The Committee discussed the CalFire reimbursement, county-wide overhead, and cash flow.</p> <p>Public Comment – Richard Margetson commented on water payroll, residential and commercial revenue, totals for Baywood Elementary and Los Osos Middle School, over-budget penalties, the CalFire reimbursement and contract fiscal year numbers, county-wide overhead, and solid waste revenue.</p> <p>General Manager Munds responded that the CalFire true-up for FY 23/24 is not ready.</p> <p>Committee Member Freiberg recommended to the Board that the Board receive and file the Financials for the period ending May 31, 2024.</p> | <u>Action:</u> The Committee recommended to the Board that the Board receive and file the Financials for the period ending May 31, 2024. |
| 5. General Manager Update | <p>General Manager Munds provided updates on the solid waste rate setting process, fiscal year finance work initiatives, fiscal year CIP, and the upcoming BOD elections.</p> <p>The Committee discussed the district elections.</p> <p>Public Comment – Richard Margetson inquired if the BOD appoints someone if no one runs, and if they must live in the district.</p> | <u>Action:</u> None |

| AGENDA ITEM | DISCUSSION | FOLLOW-UP |
|---|--|-----------|
| 5. General Manager Update (cont.) | Vice Chairperson Ochylski inquired about resolving the CalFire reimbursement issue. | |
| 6. Public Comments on Items NOT on this Agenda | Public Comment – Vice Chairperson Ochylski thanked Committee Member Freiberg for his attendance. | |
| 7. Schedule Next FAC Meeting | The next meeting of the Financial Advisory Committee is scheduled for Monday, July 29, 2024, unless otherwise noted. | |
| 8. Closing Comments by FAC Committee | Vice Chairperson Ochylski commented that hopefully the District will not have to raise rates. | |
| 9. Adjournment | The meeting adjourned at 6:09 p.m. | |

**Los Osos Community Services District
Minutes of the Utilities Advisory Committee Meeting
July 17, 2024, at 5:30 p.m. at the District Office**

| AGENDA ITEM | DISCUSSION | FOLLOW-UP |
|---|---|--|
| 1. Call to Order Flag Salute Roll Call | <p>Chairperson Cesena called the meeting to order at 5:30 p.m.</p> <p><u>Roll Call:</u> James Bishop, Committee Member – Present Jan Harper, Committee Member – Present Leonard Moothart, Committee Member – Present Pam Ouellette, Committee Member – Present Matthew Tallone, Committee Member – Absent Matthew Fourcroy, Vice-Chairperson – Absent Chuck Cesena, Chairperson – Present</p> <p><u>Staff:</u> Ron Munds, General Manager Margaret Falkner, Utility Systems Manager Laura Durban, Administrative Services Manager</p> | |
| 2. Approve UAC Minutes of June 19, 2024 | <p>Chairperson Cesena presented the minutes for approval.</p> <p>Public Comment – None</p> <p>Committee Member Harper moved to approve the meeting minutes of June 19, 2024. The motion was seconded by Committee Member Moothart and carried with unanimous consent.</p> | Action – File approved minutes. |
| 3. Basin Management Committee Update (July Meeting Cancelled) | <p>General Manager Munds commented that the BMC Meeting was cancelled, a Growth Management Ordinance meeting between the BMC and the County planned at the end of the month and executing a contract with the Bay Foundation to receive a grant for monitoring wells.</p> <p>Public Comment – None</p> | Action - None |
| 4. S&T Mutual Water Company Water System Consolidation Request | <p>General Manager Munds presented a background, commenting on an S&T provided consolidation analysis, preference to consolidate with the District, shareholder outreach, what consolidation means to the District, potential grant funds, and ensuring no impact on District customers.</p> <p>Committee Member Ouellette inquired about additional staffing, the cost of water systems, cost sharing and rates.</p> <p>General Manager Munds responded that these inquiries would be a part of future discussions.</p> <p>Aaron Floyd, S&T Representative, responded to cost comparisons, tie in cost, age of the system, the SAFER Program, and potential rates to S&T customers being higher to offset costs to buy into the system.</p> <p>Committee Member Moothart inquired about S&T has any grants or debt.</p> <p>The Committee discussed the report, assets, and avoiding negative effects on current District water customers.</p> <p>Public Comment – Jeff Edwards commented on S&T expenditures and needing a reimbursement agreement for District for staff time spent on project and managing relationships with all water purveyors.</p> <p>Linde Owen commented on not-for-profit water purveyor, concrete pipes, costs, assets and voiced her support for the consolidation.</p> <p>Mark Zimmer, Golden State Water's (GSW) General Manager, thanked the Committee, commented on a good working relationship, inaccuracies in S&T's report including GSW's water resiliency, interconnection costs and rate comparison chart, and all purveyors need to discuss connecting of systems for better basin management.</p> | Action – The Committee recommended to the Board that the Board conceptually approve the water system consolidation request from S&T Mutual Water Company (S&T). |

| AGENDA ITEM | DISCUSSION | FOLLOW-UP |
|---|---|-----------------------------|
| | <p>Julie Tacker inquired about an S&T rate payor cost analysis, commented on ensuring GSW and LOCSD rate payers do not pay to consolidate, cost recovery, staffing, and customer billing.</p> <p>Richard Margetson commented on converting the rate chart for a true comparison, expenses exceeding revenues, and accurate costs to run the S&T system.</p> <p>The Committee discussed this Agenda Item as the beginning of the conversation and the longer process.</p> <p>Committee Member Ouellette recommended to the Board that the Board conceptually approve the water system consolidation request from S&T Mutual Water Company (S&T). The motion was seconded by Committee Member Bishop and carried with unanimous consent.</p> | |
| 5. Utility Department Report | <p>Utility Systems Manager Falkner reported on June 2024's water production, well site production and runtime hours, water billing information, rainfall totals, and call-out records.</p> <p>The Committee discussed the report.</p> <p>Public Comment – None</p> | <u>Action – None</u> |
| 6. Utilities Department Updates | <p>General Manager Munds provided updates on the Program C Well, HCP Implementation, PFAS detection, FEMA resubmittal, and the 2024–25 Budget approval.</p> <p>The Committee discussed the updates.</p> <p>Public Comment – Jeff Edwards commented on the implementation of HCP and provisions required.</p> | <u>Action – None</u> |
| 7. Public Comments on items NOT on this Agenda | <p>Public Comment – Richard Margetson commented on the passing of Jim Quisenberry and his legacy.</p> <p>Julie Tacker commented on the PRAC meeting, park rubber chip project, messaging and community themselves should develop a non-profit to create a dog park.</p> | <u>Action – None</u> |
| 8. Schedule the Next UAC Meeting | The next meeting of the Utilities Advisory Committee is scheduled to be held on Wednesday, August 21, 2024, at 5:30 p.m. unless otherwise noticed. | |
| 9. Closing Comments by UAC Committee Members | <p>Committee Member Harper commented on S&T requesting consolidation.</p> <p>Committee Member Ouellette thanked everyone for their comments.</p> | |
| 10. Adjournment | The meeting adjourned at 6:49 p.m. | |