



June 4, 2026

TO: LOCSD Board of Directors
FROM: Greg Kwolek, General Manager
Laura Durban, Administrative Services Manager
SUBJECT: Agenda Item 8B – 06/04/2026 Board Meeting
Approve Prior Meeting Minutes

President
Matthew D. Fourcroy

Vice President
Charles L. Cesena

Directors
Tom Cross
Richard Hubbard
Christine M. Womack

General Manager
Greg Kwolek

District Accountant
Robert Stilts, CPA

Unit Chief
John Owens

Battalion Chief
Joshua Lorenzo

DESCRIPTION

Attached are the minutes of the Board of Directors meetings held May 7, 2026, and May 28, 2026, 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 meetings held May 7, 2026 and May 28, 2026.

Attachment
05/07/2026 Draft Board of Directors Meeting Minutes
05/28/2026 Draft Special Board of Directors Meeting Minutes

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Offices:
2122 9th Street, Suite 110
Los Osos, CA 93402

Phone: 805/528-9370
FAX: 805/528-9377

www.losososcscsd.org

**DRAFT - Los Osos Community Services District – Board of Directors
Minutes of the Regular Meeting of May 7, 2026**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER ROLL CALL</p>	<p>President Fourcroy called the meeting to order at 5:31 p.m. and let the Flag Salute.</p> <p>Roll Call: Chuck Cesena, Vice President – Present Tom Cross, Director – Present Richard Hubbard, Director – Present Matthew Fourcroy, President – Present Christine Womack, – Present</p> <p>The following Staff was present: Ron Munds, General Manager Craig Steele, District Counsel Laura Durban, Administrative Services Manager</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS</p> <p>A. Conference With Real Property Negotiator [Pursuant to Government Code §54956.8]</p>	<p>President Fourcroy announced Closed Session [Pursuant to Government Code §54956.8]</p> <p>Public Comment - None</p>
<p>3. ADJOURN TO CLOSED SESSION</p>	<p>President Fourcroy adjourned to Closed Session at 5:32 p.m.</p>
<p>4. RECONVENE TO OPEN SESSION - 6:00 PM</p>	<p>President Fourcroy reconvened the meeting to Open Session at 6:10 p.m.</p>
<p>5. REPORT OUT OF CLOSED SESSION</p>	<p>District Counsel Steele reported that an agreement has been reached between CSD and School District staff and counsel regarding the acquisition of the Sunnyside School site, pending voter approval if the tax measure is passed.</p>
<p>6. PUBLIC SAFETY REPORTS</p> <p>A. Fire Department Report</p> <p>B. Sheriff Department Report</p> <p>C. California Highway Patrol Report</p>	<p>None</p> <p>None</p> <p>None</p> <p>Public Comment – None</p>
<p>7. GENERAL ACTION ITEMS</p> <p>A. Fiscal Year 2026-2027 Preliminary Budget Review</p>	<p>General Manager Munds presented details regarding Zone A and proposed changes to the Cost Allocation percentage.</p> <p>The Board discussed Zone A with the consensus being Option 1 and agreement with the proposed cost allocation percentage change.</p> <p>Public Comment – Richard Margetson commented on Zone A, Parks and Recreation, and the Special Fire Tax, voicing his support for funds from Zone A to go to fire services.</p> <p>General Manager Munds provided an overview of the preliminary budget for fiscal years 2026-2027 for each fund.</p> <p>Public Comment – Richard Margetson commented on Zone A allocation for fire, and the fire contract increases over 3-years.</p> <p>General Manager Munds commented on a 3.5% increase per year in the CalFire contract.</p> <p>General Manager Munds discussed funding for the compost delivery program benefiting Los Osos Valley Nursery. Commented on a new budget item, to get Board approval on, which would be funding the One Cool Earth program at Monarch Grove and Baywood Elementary Schools. He introduced Principal Kirstin May of Baywood Elementary and Principal Clark Goossen of Monarch Grove Elementary.</p>

AGENDA ITEM	DISCUSSION OR ACTION
<p>B. Consider San Luis Obispo Local Agency Formation Commission (LAFCO) Runoff Election Ballot For Special District Alternate Member</p>	<p>Principal May commented on students enrolling in gardening lessons that complement the science curriculum, and a Green Team that educates students on trash sorting and composting in their garden.</p> <p>Principal Goossen of Monarch Grove Elementary commented on the value of the program, the community's appreciation for garden time, and the students' agreement that composting is a good thing.</p> <p>Public Comment – Richard Margetson commented on the service charges for the water fund and the rate studies, solid waste unassigned cash to be used by lowering franchise fees or paying a trash bill, and unassigned/reserve funds for parks.</p> <p>General Manager Munds commented that, according to the tentative agreement with the school district, the first payment is due in July 2027 and that the budget will be tight on the Operations & Maintenance side.</p> <p>The Board voiced their support for the Assistant General Manager position to be brought back to the June Board meeting.</p> <p>Director Cross moved that Board set the date for the Public Hearing for adoption of Fiscal Year 2026-2027 Budget for June 4, 2026. The motion was seconded by Director Womack and the motion passed with unanimous consent.</p> <p>General Manager Munds presented the runoff election information for the LAFCO Alternate Member Special District Seat for the term through December 2030.</p> <p>Public Comment - None</p> <p>Director Womack moved that the Board cast votes for John Joyce, for the LAFCO Alternate Member Seat Term Through December 2030 and direct staff to submit the official ballot documents to LAFCO. The motion was seconded by Director Hubbard and the motion passed with unanimous consent.</p>
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Katherine Corson from the Sunnyside Park Citizens Coalition, commented on their community outreach in supporting Measure B26.</p> <p>Richard Margetson commented on a KSBY segment where Candidate Dantona commented that there is an adequate water supply in Los Osos; the rummage sale at the community center to benefit People Helping People, the Community Center, and Needs and Wishes; and the effects of the food bank's potential loss of 90% of its federal funding.</p>
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. Utilities Department Report</p> <p>B. General Manager Report</p> <p>C. Los Osos/Baywood Park Chamber of Commerce Report</p> <p>D. Los Osos Community Advisory Council (LOCAC) Report</p> <p>E. Parks and Recreation Committee Meeting Report</p>	<p>Written Report</p> <p>General Manager Munds commented on the Earth Day Celebration, and an update on the RFP for emergency services.</p> <p>President Fourcroy commented on addressing new agenda items at the next meeting, including a return to at-large elections, interactions with the Board of Supervisors, and tours of the SCADA system and water yards.</p> <p>General Manager Munds commented that the BMC annual monitoring report should assist on that effort.</p> <p>Written Report</p> <p>Written Report</p> <p>Director Fourcroy commented there will be a meeting on May 19, 2026.</p>

AGENDA ITEM	DISCUSSION OR ACTION
<p>F. Utilities Advisory Committee Meeting Report</p> <p>G. Finance Advisory Committee Meeting Report</p> <p>H. Emergency Services Advisory Committee Meeting Report</p> <p>I. Basin Management Committee Meeting Report</p> <p>J. Directors' Announcements of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars</p> <p>K. Response to Previously Asked Questions</p>	<p>Vice President Cesena commented that budget adjustments and the annual work plan were mainly discussed, and he was impressed by CIP management and the juggling and reallocation of resources.</p> <p>Director Cross reported that the Committee recommended approval of the warrant register, and to receive and file the financials.</p> <p>No Meeting No Report</p> <p>No Meeting No Report</p> <p>Director Womack commented on the CSDA lunch event, during which District Supervisor Dawn Ortiz spoke.</p> <p>Director Cross commented on the DESAL meeting's discussion about the County's plan for potential DESAL options.</p> <p>None</p>
<p>10. PUBLIC COMMENT FOR ITEMS ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA</p>	<p>Director Cross thanked the City of Morro Bay and their Fire Chief for considering a partnership for the fire protection and emergency medical services.</p> <p>Public Comment – Richard Margetson commented that talking points for supervisors is important.</p>
<p>11. CONSENT AGENDA</p> <p>A. Receive Administrative Committee Reports, and Approved Committee Minutes</p> <p>B. Approve Meetings Minutes of April 2, 2026, and April 8, 2026</p> <p>C. Approve Warrant Register for April 2026</p> <p>D. Receive Financial Report for Period Ending March 31, 2026</p> <p>E. Receive and File Quarterly Investment Report for Q1 2026</p> <p>F. Adopt Resolution 2026-07 authorizing adding incoming General Manager Gregory Kwolek on Bank Signature Cards</p> <p>G. Adopt Resolution 2026-08 Authorizing the Issuance of District Credit Cards and the Cancellation of Current District Credit Cards</p> <p>H. Approve a Side-Letter to the Memorandum of Understanding between the Los Osos Community Services District (District) and the San Luis Obispo County Employees' Association (SLOCEA) Regarding the "Economic Issues" for the Miscellaneous Employees</p>	<p>Vice President Cesena moved that the Board receive and file the presented Administrative, Committee Reports and approve the Consent Agenda. The motion was seconded by Director Cross and the motion passed with the following vote:</p> <p>Ayes: Directors Cesena, Cross, Hubbard, Womack, Fourcroy</p> <p>Nos:</p> <p>Abstain:</p> <p>Absent:</p>

AGENDA ITEM	DISCUSSION OR ACTION
<p>Bargaining Unit through June 30, 2027</p> <p>I. Direct Staff to Prepare a “Letter of Thanks” to the City of Morro Bay City Council and Fire Chief for considering a partnership for fire protection and emergency medical services.</p>	
12. DISCUSSION OF PULLED CONSENT ITEMS	None
13. FUTURE AGENDA ITEMS	None
14. CLOSING BOARD COMMENTS	President Fourcroy thanked General Manager Munds for his hard work and dedication to Los Osos.
15. ADJOURNMENT	The meeting was adjourned at 7:48 p.m.

DRAFT

**Los Osos Community Services District – Board of Directors
DRAFT Minutes of the Special Meeting of May 28, 2026**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER ROLL CALL</p>	<p>President Fourcroy called the special meeting to order at 4:03 p.m.</p> <p>Roll Call: Tom Cross, Director – Present Richard Hubbard, Director – Present Christine Womack – Present Chuck Cesena, Vice President – Present Matthew Fourcroy, President – Present</p> <p>The following Staff was present: Greg Kwolek, General Manager Ron Munds, Interim Assistant General Manager Nate Pall, Water Crew Leader</p>
<p>2. GENERAL ACTION ITEM A. Wateryard and District Facilities Tour</p>	<p>A presentation was provided by Jeff Spannbauer, SCADA project manager from Cannon, on the SCADA project. Directors were provided with a tour of the Water Yard facilities.</p> <p>Public Comment - None</p>
<p>3. ADJOURNMENT</p>	<p>The meeting was adjourned at 5:15 p.m.</p>

DRAFT