

**Los Osos Community Services District
Board of Directors
Minutes of the Regular Meeting of October 3, 2013**

AGENDA ITEM	DISCUSSION OR ACTION
1. CALL TO ORDER/FLAG SALUTE/ROLL CALL	<p>President Moothart called the Special Meeting to order at 6:11 p.m. and led the flag salute.</p> <p><u>Roll Call:</u> Marshall Ochylski, Director – Present David Vogel, Director – Present Michael Wright, Director - Absent Craig Baltimore, Vice President - Absent Leonard Moothart, President - Present</p> <p>The following Staff were present: Margaret Falkner, Interim General Manager Michael Seitz, District Legal Counsel Ann Kudart, Administrative/Accounting Assistant</p>
2. ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF CLOSED SESSION	<p>District Legal Counsel Seitz announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>PENDING LITIGATION (Government Code, §54956.9(a))</u> Conference with Legal Counsel Regarding Existing Litigation (Formally Initiated): - <i>In re Los Osos Community Services District (ND-06-10548)</i> United States Bankruptcy Court, Central District of California, Northern Division - <i>LOCSD v. Golden State et al</i> (Groundwater Adjudication), Case No. CV04012 (San Luis Obispo Superior Court)</p> <p>B. <u>PUBLIC EMPLOYMENT (Government Code §54957)</u> - Title: General Manager</p>
3. PUBLIC COMMENT	<p>Julie Tacker commented on dewatering continuing into the bay and the mismanagement of the Basin.</p>
4. ADJOURN TO CLOSED SESSION	<p>Lynette Tornatzky requested an update on the Bankruptcy.</p> <p>The Board adjourned to Closed Session at 6:16 p.m.</p>
5. RECONVENE TO OPEN SESSION	<p>The Board reconvened to Open Session at 7:07 p.m.</p> <p>The following Board Members were present: Marshall Ochylski, Director David Vogel, Director Leonard Moothart, President</p> <p>The following Staff were present: Margaret Falkner, Interim General Manager Michael Seitz, District Legal Counsel Ann Kudart, Administrative/Accounting Assistant</p>
6. RECEIVE REPORT OUT OF CLOSED SESSIONS OF September 5, 2013	<p>District Counsel Seitz reported that the Board heard a report in regards to the Bankruptcy and the ISJ and took no reportable action. In regards to Item 2B Personnel, the Board heard a report but took no reportable action.</p>
7. PRESENTATION Hazard Abatement Update for 2013 and Proposed New Projects	<p>Battalion Chief Veneris gave a presentation on Hazard Abatement Projects conducted in 2013 and proposed for 2014 by Station 15-South Bay. He reported that work had been completed in Los Osos in cooperation with the SLO County Fire Safe Council, Los Osos Focus Group, California Conservation Corps, the LOCSD, CAL FIRE/SLO County Fire Department, Station 15-South Bay and private property owners. He reported that grant requests were submitted and approved for new projects in 2014 and he reported on the proposed 2014 Eucalyptus Grove Management project. The Chief provided a handout of his presentation to the Board, staff and the public.</p>
8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA	<p>Linde Owen commented on the need for HDR Group and the County to begin restoration of the right of ways and shoulders damaged by the wastewater project.</p> <p>Keith Wimer commented on the draft Basin Management Plan.</p>

AGENDA ITEM	DISCUSSION
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA (continued)</p>	<p>Frank Ausilio asked if the property behind Highland Drive would be cleared and he commented on his concerns for the flooding at Turri Creek bridge.</p> <p>Richard Margetson commented on the dewatering comments at the Board of Supervisors meeting highlighting those made by Cambria CSD Board Member Clift.</p> <p>Julie Tacker commented on the District's dewater letter and her dissatisfaction of the Board holding a meeting early on a Saturday morning.</p> <p>Lynette Tornatzky commented on her support for the District's Board members.</p>
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. CAL FIRE Report</p> <p>B. Utilities Department Report</p> <p>C. LOCAC Report</p> <p>D. Emergency Services Advisory Committee Report</p> <p>E. Utilities Advisory Committee Report</p> <p>F. Not Used</p> <p>G. Directors' Announcement of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences and Seminars</p>	<p>Battalion Chief Veneris reported on the emergency activities, training and special programs and projects and fire prevention actions during the month of August 2013 as submitted with the agenda. The Open House will be held on Saturday, October 12, 2013 at Ralph's parking lot.</p> <p>Interim General Manager Falkner reported on the operations of the Utilities Department for the month of August 2013, reporting water production, consumption and revenue. She reported on Utility operations and maintenance of the water system, she reported that the crews monitoring and groundskeeping in Bayridge Estates and Vista de Oro.</p> <p>Paul Malykont reported on the September 26, 2013 LOCAC meeting in which the Council discussed the Groundwater Basin Plan. He reported that LOCAC would be submitted comments. He reported that LOCAC held a special meeting on September 20, 2013 on the proposed McDonald's site and that the Council recommended approval.</p> <p>Director Ochylski reported on the minutes of the Emergency Services Advisory Committee (ESAC) meeting as submitted with the agenda packet. He reported on the processing of Section 7 permit with Fish and Wildlife on the fire prevention and clearing.</p> <p>Director Vogel reported on the Utilities Advisory Committee (UAC) meeting of September 11, 2013 as submitted with the agenda packet.</p> <p>President Moothart appointed Ron Munds and Jason Zatt to a subcommittee to identify projects and protocols for the implementation of outdoor water conservation and stormwater retention.</p> <p>President Moothart reported on the Finance Advisory Committee (FAC) meeting. The Committee approved the minutes, reviewed the warrants and financials recommending approval. The Committee discussed and provided comments on the draft Basin Management Plan for the District's response. The next FAC meeting will be held September 30, 2013.</p> <p>Admin Allocation Ad Hoc Committee Member Baltimore reported on the meeting he and Director Wright had with Interim General Manager Falkner and District Accountant Haber on August 30, 2013. They discussed the Admin Allocation procedures and learned that the administration of the Fire contract is not a minor item for staff. It was the opinion of the Ad Hoc Committee to support Schedule 1 which allocates the Admin's budget by Categories of Expenses using applicable and related bases for those categories. The current method of administrating allocation costs has Fire paying 5% of its revenues. It was further recommended that a member of this Ad Hoc Committee report their recommendations to the Finance Committee when this item is agendized for review.</p>
<p>10. PUBLIC COMMENT FOR ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT CALENDAR</p>	<p>Public Comment: Paul Malykont commented on the Basin Plan and imported water.</p> <p>Julie Tacker commented on the Habitat Conservation Plan and the upcoming scoping meetings.</p> <p>Keith Wimer commented on imported water.</p> <p>Richard Margetson commented on the Solid Waste transfer to the County.</p>

AGENDA ITEM	DISCUSSION
<p>11. CONSENT CALENDAR A. Receive Administrative and Committee Reports B. Approve Meeting Minutes of August 29, 2013, September 5, 2013, September 16, 2013, September 21, 2013 and September 26, 2013 C. Receive Warrant Register for September 2013 D. Receive Financial Reports to August 31, 2013 E. Adopt Resolution Authorizing the Issuance of a Debit Card to harmony Brown as a Replacement Card for the Account Currently in the Name of Amy Beightler Jones F. Adopt Resolution Authorizing Approval of Contract Documents for Construction of the South Bay Well Nitrate Removal Project</p>	<p>A motion was made by Director Vogel to receive and file the Administrative Reports, the Committee Reports, and to approve the Consent Calendar as presented. The motion was seconded by Director Ochylski and carried with the following vote:</p> <p>Ayes: Directors Vogel, Ochylski, Moothart Nays: None Abstain: None Absent: Baltimore, Wright</p>
<p>12. GENERAL ACTION ITEMS A. Nomination for Local Agency Formation Commission (LAFCO) Alternate Special District Member</p>	<p>Public Comment: None.</p> <p>There was no nomination.</p>
<p>13. FUTURE AGENDA ITEMS</p>	<p>Legal Counsel Seitz reported that the Board will consider changes to the District's Intent to Serve and Will Serve policy at its November meeting. Director Ochylski requested the item go to UAC and FAC for vetting before coming to the Board.</p> <p>President Moothart reported that the Board would have a special meeting on Saturday, October 5, 2013 at 8:00 a.m. at the Fire Station.</p>
<p>14. CLOSING BOARD COMMENTS</p>	<p>Director Ochylski reminded the public of the Fire Department's Open House on October 12, 2013 at Ralph's parking lot. He announced the Habitat Conservation Plan Scoping Study Session on October 9, 2013.</p> <p>Director Vogel announced his intention to attend the upcoming Board of Supervisors meeting.</p> <p>President Moothart announced the Rotary's Goodwill Pick-up fundraiser on October 12 and 13, 2013 at the Rexall Pharmacy parking lot.</p>
<p>15. ADJOURNMENT</p>	<p>The meeting adjourned at 8:40 p.m.</p>