

**Los Osos Community Services District
Board of Directors
Minutes of the Regular Meeting of December 5, 2013**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER/FLAG SALUTE/ROLL CALL</p>	<p>President Moothart called the Meeting to order at 6:00 p.m. and led the flag salute.</p> <p><u>Roll Call:</u> Marshall Ochylski, Director – Arrived at 6:04 p.m. David Vogel, Director – Present Michael Wright, Director - Present Craig Baltimore, Vice President - Present Leonard Moothart, President - Present</p> <p>The following Staff were present: Kathy Kivley, General Manager Michael Seitz, District Legal Counsel Ann Kudart, Administrative/Accounting Assistant</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF CLOSED SESSION</p> <p>3. PUBLIC COMMENT</p> <p>4. ADJOURN TO CLOSED SESSION</p>	<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>LIABILITY CLAIMS (Government Code §54956.9(a))</u> Conference with legal Counsel - Claimant: Susan Morrow; Agency: LOCSD</p> <p>Public Comment – Julie Tacker commented on the Liability Claim; the scope of work for the Special Counsel hired for water rights inquiring as to what their scope of work would be; and, she commented on the ISJ.</p> <p>The Board adjourned to Closed Session at 6:06 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION</p>	<p>The Board reconvened to Open Session at 7:00 p.m.</p> <p><u>Roll Call:</u> Marshall Ochylski, Director – Present David Vogel, Director – Arrived at 8:37 p.m. Michael Wright, Director - Present Craig Baltimore, Vice President - Present Leonard Moothart, President - Present</p> <p>The following Staff were present: Kathy Kivley, General Manager Michael Seitz, District Legal Counsel Phill Veneris, Battalion Chief Margaret Falkner, Utility Compliance Technician Ann Kudart, Administrative/Accounting Assistant</p>
<p>6. RECEIVE REPORT OUT OF CLOSED SESSIONS OF DECEMBER 5, 2013</p>	<p>District Counsel Seitz reported that in regards to the Pending Litigation items, the Board heard a report from District Counsel but took no reportable action.</p> <p>In regards to earlier Public Comment, he reported that Eric Garner of Best, Best and Krieger had been retained for issues pertaining to water rights as part of the stipulated judgment.</p> <p>In regards to Item B, the Board voted unanimously to authorize the resolution of the claim for \$59.02.</p>
	<p>Prior to General Public Comment, President Moothart invited Richard Margetson and Jerri Walsh to address the Board. They announced that the 8th Annual Needs 'N Wishes Annual Holiday Fundraiser would be held Saturday, December 14, 2013 at the South Bay and proceeds would benefit the Maxine Lewis Memorial Shelter, Transitional Food and Shelter, and the SLO Noor Clinic.</p>

AGENDA ITEM	DISCUSSION
<p>7. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Al Barrow commented that Golden State Water Company customers pay two and half times as much as the District's ratepayers.</p> <p>Muriel Clift announced his candidacy for 2nd District County Supervisor.</p> <p>Richard Margetson commented on his support for Mr. Clift and he commented on the recent wastewater project update.</p> <p>Linda Owen commented on AB 2701 and her disenchantment with the County Supervisors and the wastewater project.</p> <p>Julie Tacker commented on staff's attendance at the Board of Supervisors meetings and she commented on the wastewater project update at the Regional Water Quality Control Board, dewatering and recycled water.</p>
<p>8. PUBLIC HEARING A. Adopt Ordinance No. 2013-02 Amending and Restating the District's Fire Prevention Code Found in Title 4 of the Los Osos Community Services District Codes Including Annual Supplements and State Amendments and Errata</p>	<p>Battalion Chief Veneris gave a summary of the staff report as submitted with the agenda packet.</p> <p>President Moothart opened the floor for public comment and testimony. Seeing none, President Moothart closed public comment.</p> <p>Director Wright moved to conduct the second reading by title only. The motion was seconded by Director Ochylski and carried with the following votes:</p> <p>Ayes: Directors Wright, Ochylski, Baltimore, Moothart Nays: None Abstain: None Absent: Vogel</p> <p>District Counsel Seitz conducted the second reading of Ordinance 2013-02 by title.</p> <p>Director Wright moved to conduct the second reading by title only and adoption of Ordinance No. 2013-02 of the Los Osos Community Services District amending Title 4 of the District Code of the 2013 Edition of the California Fire Code including Annual Supplements, State and Local Amendments and direct staff to publish the appropriate documents. The motion was seconded by Director Ochylski and carried with the following votes:</p> <p>Ayes: Directors Wright, Ochylski, Baltimore, Moothart Nays: None Abstain: None Absent: Vogel</p> <p>Director Ochylski moved to adopt Resolution No. 2013-34 requesting the San Luis Obispo County Board of Supervisors ratify the Los Osos Community Services District's adoption of an amended 2013 edition of the California Fire Code. The motion was seconded by Director Wright and carried with the following votes:</p> <p>Ayes: Directors Ochylski, Wright, Baltimore, Moothart Nays: None Abstain: None Absent: Vogel</p>
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. CAL FIRE Report</p> <p>B. Utilities Department Report</p>	<p>Battalion Chief Veneris reminded the Board and the public of the importance of holiday safety regarding candles and keeping the Christmas tree watered. He reported that volunteers for the Monarch Butterfly Maintenance Program are needed; and, reported on Operation Santa Claus and the support of the community. The Chief reported on South Bay-Station 15 emergency activities, administration, special programs and projects, and fire prevention actions during the month of October 2013.</p> <p>Utility Compliance Technician Falkner reported on the operations of the Utilities Department for the month of October 2013, reporting water production, consumption and revenue. She reported on Utility operations and maintenance of the water system, she reported that the crews responded to numerous main line breaks and continue the monitoring and groundskeeping in Bayridge Estates and Vista de Oro. She gave an update on the status of the new CUSI utility billing software implementation.</p>

AGENDA ITEM	DISCUSSION
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS (continued)</p> <p>C. LOCAC Report</p> <p>D Emergency Services Advisory Committee (ESAC) Report</p> <p>E. Utilities Advisory Committee (UAC) Report</p> <p>F. Finance Advisory Committee (FAC) Report</p> <p>G. Directors' Announcement of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences and Seminars</p>	<p>There was no LOCAC meeting in November 2013.</p> <p>Director Wright gave a brief summary of the ESAC draft minutes as submitted with the agenda packet.</p> <p>Vice President Baltimore gave a brief summary of the UAC draft minutes as submitted with the agenda packet.</p> <p>Director Ochylski reported that there was no FAC meeting.</p> <p>Director Ochylski reported on the California Special Districts Association meeting's special presentation by Trevor Keith, Acting Conservation Manager for the County, relative to programs for Special Districts. He reported that PG&E will meet with District Staff to identify cost saving measures and grant programs available to our District for saving money and energy costs.</p>
<p>10. PUBLIC COMMENT FOR ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT CALENDAR</p>	<p>Public Comment: Julie Tacker commented on the District lobby hours; South Bay well activities; the increase nitrates throughout the Basin; and educating the public in septic and sewer maintenance.</p> <p>Richard Margetson commented on the recent CPR class; the past water rate subcommittee; and the Emergency Services Advisory Committee minutes.</p>
<p>11. CONSENT CALENDAR</p> <p>A. Receive Administrative and Committee Reports</p> <p>B. Approve Meeting Minutes of November 7, 2013</p> <p>C. Receive Warrant Register for November 1-21, 2013</p> <p>D. Not Used</p> <p>E. Adopt Resolution 2013-35 authorizing Rabobank to issue a debit card for General Manager</p> <p>F. Adopt Resolution 2013-36 removing pas Interim General Manager Falkner and adding General Manager Kathy Kivley on Heritage Oaks Bank Signature Cards</p> <p>G. Authorize Purchase of a Desander for 8th Street Well</p> <p>H. Reschedule the January 2, 2014 Board of Directors Meeting</p>	<p>A motion was made by Director Ochylski to receive and file the Administrative Reports, the Committee Reports, and to approve the Consent Calendar items. The motion was seconded by Director Wright and carried with the following vote:</p> <p>Ayes: Directors Ochylski, Wright, Baltimore, Moothart Nays: None Abstain: None Absent: Vogel</p>

AGENDA ITEM	DISCUSSION
<p>12. GENERAL ACTION ITEMS A. Utilities Advisory Committee (UAC) Recommendations</p>	<p>General Manager Kivley gave a summary of the report as submitted with the agenda packet of the UAC's recommendations concerning the Outdoor Water Conservation Program and the District's Intent-to-Serve Policy.</p> <p>Public Comment: Julie Tacker commented on working with Golden State Water Company to find uniformity within the community and basin; commented on SLO Greenbuild's decommissioning of septic tanks, and reuse and outdoor conservation.</p> <p>Linde Owen commented on the Outdoor Water Conservation plan and education.</p> <p>Richard Margetson commented on the Intent-to-Serve policy being established with regards to seawater intrusion.</p> <p>A motion was made by Director Wright that the Board direct the General Manager to implement the actions as to the Outdoor Water Conservation program as recommended by the Utilities Advisory Committee. The motion was seconded by Director Ochylski and carried with the following vote:</p> <p>Ayes: Directors Wright, Ochylski, Baltimore, Moothart Nays: None Abstain: None Absent: Vogel</p> <p>A motion was made by Director Ochylski to direct the General Manager to work in collaboration with the other CSD's in San Luis Obispo County to cooperatively produce a draft Intent-to-Serve framework for consideration by the UAC and Board of Directors and the Board directs the General Manager to work with the other water purveyors to come up with an Intent-to-Serve Policy for our water basin The motion was seconded by Director Wright and carried with the following vote:</p> <p>Ayes: Directors Ochylski, Wright, Vogel, Baltimore, Moothart Nays: None Abstain: None Absent: None</p>
<p>B. Emergency Services Advisory Committee (ESAC) Recommendations</p>	<p>General Manager Kivley gave a summary of the report as submitted with the agenda packet of ESAC's recommendations.</p> <p>Public Comment: Richard Margetson inquired as to the process for placing items on future agendas for Board direction.</p> <p>A motion was made by Director Ochylski to authorize the General Manager to assist the ESAC with items 1 and 3 and to authorize the General Manager to prepare two Certificates of Appreciation for the Board President's signature for the two Reserve Firefighter's for their over five years of service with the Fire Department. The motion was seconded by Director Wright and carried with the following vote:</p> <p>Ayes: Directors Ochylski, Wright, Vogel, Baltimore, Moothart Nays: None Abstain: None Absent: None</p>

AGENDA ITEM	DISCUSSION
C. Selection of Facilitator and Dates for Strategic Planning Session(s)	<p>General Manager Kivley gave a brief summary of the report submitted with the agenda packet on the selection of a facilitator and dates for a Strategic Planning session.</p> <p>Public Comment: Linde Owen, Al Barrow, Julie Tacker and Richard Margetson oppose hiring a Strategic Planning facilitator at this time.</p> <p>A motion was made by Director Wright that this item be postponed and brought back in April 2014 for discussion. The motion was seconded by Director Vogel and carried with the following vote:</p> <p>Ayes: Directors Wright, Vogel, Ochylski, Baltimore, Moothart Nays: None Abstain: None Absent: None</p>
D. Authorize Transfer of Solid Waste Franchise to San Luis Obispo County	<p>District Counsel Seitz reported that this item authorizes the transfer of the Solid Waste franchise to the County as part of the bankruptcy resolution.</p> <p>Public Comment: Al Barrow commented that the transfer diminishes the District's receipts and that the District may have the option to buy it back.</p> <p>Julie Tacker disagrees with the transfer.</p> <p>Linde Owen opposes the transfer.</p> <p>Richard Margetson disagrees with the transfer process.</p> <p>A motion was made by Director Ochylski that the Board confirm the transfer agreement of the Solid Waste franchise to the County of SLO and authorize General Manager Kathy Kivley to sign the agreement on behalf of the Los Osos Community Services District. The motion was seconded by Director Vogel and carried with the following vote:</p> <p>Ayes: Directors Ochylski, Vogel, Wright, Baltimore, Moothart Nays: None Abstain: None Absent: None</p>
13. FUTURE AGENDA ITEMS	<p>Director Vogel requested Administrative Allocations be reviewed as part of the mid-year budget.</p>
14. CLOSING BOARD COMMENTS	<p>Director Wright reminded the public of the Christmas Parade, the Needs 'N Wishes fundraiser, and the lighted boat parade in Morro Bay all being held on December 14, 2013.</p> <p>Director Vogel thanked the public for their participation at the meetings.</p> <p>Director Ochylski commented on the Needs 'N Wishes fundraiser.</p> <p>Vice President Baltimore thanks Richard Margetson and Jerri Walsh for their efforts in putting on the Needs 'N Wishes fundraiser. He reminded the public of the holiday schedule for garbage pickup.</p> <p>President Moothart commented on the "Movember" fundraiser and announced that his team raised over \$2,000; reminded the public that the District's meeting are streamed live; and, wished everyone a Happy Holiday.</p>
15. ADJOURNMENT	<p>The meeting adjourned at 10:02 p.m.</p>