

**Los Osos Community Services District
Board of Directors
Minutes of the Regular Meeting of January 9, 2014**

AGENDA ITEM	DISCUSSION OR ACTION
1. CALL TO ORDER/FLAG SALUTE/ROLL CALL	<p>President Moothart called the meeting to order at 6:02 p.m. and Director Wright led the flag salute.</p> <p><u>Roll Call:</u> Marshall Ochylski, Director – Arrived at 6:07 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 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>
3. PUBLIC COMMENT	<p>Public Comment – None.</p>
4. ADJOURN TO CLOSED SESSION	<p>The Board adjourned to Closed Session at 6:03 p.m.</p>
5. RECONVENE TO OPEN SESSION	<p>The Board reconvened to Open Session at 7:05 p.m.</p> <p><u>Roll Call:</u> Marshall Ochylski, 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 Phill Veneris, Battalion Chief Margaret Falkner, Utility Compliance Technician Ann Kudart, Administrative/Accounting Assistant</p>
6. RECEIVE REPORT OUT OF CLOSED SESSION	<p>District Counsel Seitz reported that the Board heard a report from District Counsel regarding the Pending Litigation but took no reportable action.</p>
7. ELECTION OF BOARD OFFICERS FOR 2014	<p>Director Wright nominated Vice President Baltimore as President. Director Ochylski seconded the nomination.</p> <p>Seeing no other nominations, the floor was opened to public comment. Seeing none, President Moothart closed public comment.</p> <p>Vice President Baltimore accepted the nomination and was elected Board President on a 4-0 vote.</p> <p>President Baltimore nominated Director Wright as Vice President. President Moothart seconded the nomination.</p> <p>Seeing no other nominations, the floor was opened to public comment. Seeing none, President Moothart closed public comment.</p> <p>Director Wright accepted the nomination and was elected Vice President of the Board on a 4-0 vote.</p> <p>President Moothart thanked his fellow Board members, staff and the community for their support during his term as 2013 Board President and offered his congratulations to President Baltimore.</p>

AGENDA ITEM	DISCUSSION
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Al Barrow commented on the cost of water and service from Golden State Water Company (GSWC).</p> <p>Linde Owen thanked Director Moothart for his service as Board President; commented on the new water bills; and supports the idea of the District purchasing GSWC.</p> <p>Julie Tacker commented on the Basin Management Plan and staff's attendance at the Board of Supervisors and Water Board meetings.</p> <p>Leon Goldin commented on the upcoming GSWC meeting to be held Tuesday, February 4, 2014 and supported the idea of purchasing GSWC.</p> <p>Richard Margetson commented on staff's attendance at the Board of Supervisors meetings and would like to see the Directors attend also.</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 (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>President Baltimore appointed Director Wright as Chairperson and Director Ochylski as Vice Chairperson of the Emergency Services Advisory Committee.</p> <p>President Baltimore appointed Director Ochylski as Chairperson and Director Moothart as Vice Chairperson of the Finance Advisory Committee.</p> <p>President Baltimore appointed Director Moothart as Chairperson and himself as Vice Chairperson of the Utilities Advisory Committee.</p> <p>President Baltimore appointed Director Wright as District representative to the Fire Focus Group and Director Ochylski as District representative to the ISJ and Morro Bay National Estuary Program.</p> <p>Battalion Chief Veneris thanked Director Moothart for his service as Board President and welcomed President Baltimore. He provided a handout and reported on the upcoming 20-hour CERT class beginning February 11, 2014 at 6:00 p.m. The Chief reported on South Bay-Station 15 emergency activities, administration, special programs and projects, and fire prevention actions during the month of November 2013.</p> <p>Utility Compliance Technician Falkner reported on the operations of the Utilities Department for the month of November 2013, reporting on water production; meter reading; and operations and maintenance of the water system. She reported that the South Bay lower aquifer well was out of service during the month of November and is back in service at this time and that the crews continued monitoring and groundskeeping in Bayridge Estates and Vista de Oro. She gave an update on the new billing implementation and the look of the new bills that were recently mailed.</p> <p>LOCAC Representative Jan Harper reported on the upcoming Community Plan Update Pre-draft comment session; LOCAC elections in June; the owners of the property at Pine Avenue and LOVR are donating the property to the County; that CHP personnel are now reporting at LOCAC meetings; that the Traffic and Circulation meeting will be held January 14, 2014 at 5:30 p.m. in the Conference Center at the SBCC; and, a hearing by the Planning Commission to consider a request for a minor use permit to change existing office space to the McDonald's Restaurant.</p> <p>President Baltimore reported that the Emergency Services Advisory Committee did not meet in December and the next meeting will be held January 21, 2014. He reported that Utilities Advisory Committee did not meeting in December and the next meeting will be held January 15, 2013. He reported that the Finance Advisory Committee did not meet in December and the next meeting would be announced at a later date.</p> <p>Vice President Wright reported that the Fire Safe Focus Group would meet on January 21, 2014 before the ESAC meeting.</p>
<p>10. PUBLIC COMMENT FOR ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT CALENDAR</p>	<p>Public Comment: Al Barrow commented on the severe drought conditions.</p> <p>Richard Margetson commented on the Utilities Department report and that qualified committee members were not being utilized.</p> <p>Julie Tacker commented on the Administrative and Committee Report and would like to see a General Manager's report. She commented on the District's lobby hours; the McDonald's project; and, the Nitrate Removal project.</p>

AGENDA ITEM	DISCUSSION
<p>11. CONSENT CALENDAR A. Receive Administrative and Committee Reports B. Approve Meeting Minutes of December 5, 2013 C. Receive Warrant Register for November 22, 2013 through December 31, 2013 D. Approve Board Meeting Schedule E. Adopt Resolution 2014-01 Designating Officers for LAIF F. Award Contract for Prop 84 Nitrate Removal Project South Bay Well to John Madonna Construction Company, Inc. in an amount not to exceed \$505,151</p>	<p>A motion was made by Director Moothart to receive and file the Administrative Reports, the Committee Reports, and to approve the Consent Calendar items. The motion was seconded by Director Ochylski and carried with the following vote:</p> <p>Ayes: Directors Moothart, Ochylski, Wright, Baltimore Nays: None Abstain: None Absent: None</p>
<p>12. GENERAL ACTION ITEMS A. Accept the resignation of Director David S. Vogel</p>	<p>District Counsel Seitz reported that the Board can fill the vacancy by appointment or that the Board may schedule the replacement in the next election in June 2014.</p> <p>Public Comment: Julie Tacker, Leon Golden and Linde Owen supported filling the vacancy by appointment.</p> <p>Richard Margetson commented on the effective date of Director Vogel's resignation. Mr. Seitz reported that it is the date that the Board accepts the resignation.</p> <p>A motion was made by Director Moothart to accept Director Vogel's resignation. The motion was seconded by Director Ochylski and carried with the following vote:</p> <p>Ayes: Directors Moothart, Ochylski, Wright, Baltimore Nays: None Abstain: None Absent: None</p> <p>President Baltimore appointed himself and Vice President Wright to an Ad Hoc committee with General Manager Kivley to develop an application to be distributed not later than January 17, 2014, with applications due February 19, 2014.</p> <p>A motion was made by Director Moothart that the Ad Hoc committee develop an application to fill the vacancy not later than January 17, 2014 for distribution with the applications due on February 19, 2014. The motion was seconded by Director Ochylski and carried with the following vote:</p> <p>Ayes: Directors Moothart, Ochylski, Wright, Baltimore Nays: None Abstain: None Absent: None</p>
<p>B. Review Board Bylaws and Rules of Decorum</p>	<p>General Manager Kivley gave a summary of the report as submitted with the agenda packet.</p> <p>President Baltimore appointed Director Moothart and Director Ochylski to an Ad Hoc committee to work with the General Manager to review the Bylaws and Rules of Decorum.</p> <p>Public Comment: Julie Tacker commented on Section 11 Committees, and possibly expanding the District's boundaries to include Zone 9I.</p> <p>A motion was made by Director Ochylski that Staff work with the appointed Ad Hoc committee to review the current Bylaws and Rules of Decorum, and to bring back any potential revisions at a future meeting. The motion was seconded by Vice President Wright and carried with the following vote:</p>

AGENDA ITEM	DISCUSSION
B. Review Board Bylaws and Rules of Decorum (continued)	Ayes: Directors Ochylski, Wright, Moothart, Baltimore Nays: None Abstain: None Absent: None
13. FUTURE AGENDA ITEMS	Director Ochylski reminded the Board that the District representative to WRAC to replace Mr. Vogel would need to be approved by the Board of Supervisors.
14. CLOSING BOARD COMMENTS	<p>Director Ochylski thanked Mr. Vogel for his service and involvement during his time on the Board. He continued Mr. Vogel's practice of thanking the public, both at the meeting and those at home, for their continued participation and support.</p> <p>Director Moothart thanked everyone for attending and participating in the meeting and reminded the public that committee applications are due by January 31, 2014. He reported that at the February meeting there would be a presentation in memory of Jon S. Seitz.</p> <p>Vice President Wright thanked Mr. Vogel for his service; reminded the public of the upcoming GSWC's meeting on February 4, 2014; and, thanked the public for their participation.</p> <p>President Baltimore thanked Mr. Vogel for his service as a Board member and Director Moothart for his services as past Board President. He thanked the public and wished everyone a Happy New Year.</p>
15. ADJOURNMENT	The meeting adjourned at 8:39 p.m.