



October 3, 2022

To: LOCSD Finance Advisory Committee
From: Ron Munds, General Manager
Subject: **Agenda Item 5 – 10/03/2022 FAC Meeting**
General Manager's Update

President
Matthew D. Fourcroy

Vice President
Charles L. Cesena

Directors
Troy C. Gatchell
Marshall E. Ochylski
Christine M. Womack

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
Eddy Moore

Battalion Chief
Paul Provence

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.losososcsl.org

2022-23 CIP Update

Bay Oaks Well (formerly Program C Well)

The well drilling work is complete and test pumping is underway. Completion of all the work is scheduled to be completed by October 14th. Pipeline design is underway and should be completed by February 2023. It is estimated that construction of the pipeline will proceed in April of 2023. The District was approved for a grant in the amount of \$1.5 million to offset the \$2.5 million cost of the entire project.

Other Updates

New Procurement Policy. If you recall, the FAC reviewed the draft Procurement Policy at the last meeting. Staff presented the policy to the Board on September 1st at which time members provided comments that been incorporated into the final draft. The Board is scheduled to take action on the new policy at their October 6th meeting.

New Payroll System. At the last FAC meeting, the FAC discussed the need to move to a new payroll system because of the ongoing issues and errors associated with the current system. The recommendation included the payroll module from our existing accounting software, MIP. The Board approved moving forward with the change at their September 1st meeting. Staff received three quotes for the implementation phase of the project and selected Net@Work to implement our MIP Payroll system. Using an implementer is an important step to ensure we configure the system correctly to the District's payroll and HR rules, integrate the Payroll system with the Accounting system, and train staff on the use of the new system. We selected Net@Work because they had strong recommendations from staff's prior experience, their client service's team has been implementing MIP Payroll for over nine years, their price was moderate, and they could meet the District's January 1, 2023 go-live deadline, whereas the lowest-cost bidder could not.

Installation will begin in October, and configuration, testing, and training will continue into November. During December, the District will run the old payroll system and the new MIP system in parallel to test the new system and familiarize staff with the new routine.

New FAC Member. Rick LeVeque will be joining the FAC in November. His background is in financial planning in the oil and gas industry. Rick has Bachelor's and Master's degree in geology and a Master's degree in business.