

**Los Osos Community Services District
Board of Directors
Minutes of the Special Meeting of June 20, 2013**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER/FLAG SALUTE/ROLL CALL</p>	<p>President Moothart called the Closed Session Meeting to order at 6:04 p.m. and led the flag salute.</p> <p>Roll Call: Marshall Ochylski – Arrived 6:05 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: Margaret Falkner, Interim General Manager Michael Seitz, District Legal Counsel Ann Kudart, Administrative Secretary</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF 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</p> <p>B. <u>ANTICIPATED LITIGATION (Government Code §54956.9(b) (1).)</u> Conference with Legal Counsel Regarding Anticipated Litigation - 1 Case</p> <p>C. <u>PERSONNEL (Government Code §54957)</u> Public Employment - Title: General Manager (Part Time) Conference with Labor Negotiator - District Negotiators: Vice President Baltimore and Director Vogel Employee Organization: San Luis Obispo County Employees Associations</p>
<p>3. PUBLIC COMMENT</p> <p>4. ADJOURN TO CLOSED SESSION</p>	<p>Public Comment: Richard Margetson commented on a handout that was available of a list of potential projects. He provided the Board and Staff with a written letter listing numerous issues he believes the Board should consider before deciding on any project funded from proceeds from restructuring of the Wastewater Assessment Revenue Bond.</p> <p>The Board adjourned to Closed Session at 6:09 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION</p>	<p>The Board reconvened to Open Session at 7:12 p.m. and President Moothart led the flag salute.</p> <p>The following Board Members were present: Marshall Ochylski, Director David Vogel, Director Michael Wright, Director Craig Baltimore, Vice President Leonard Moothart, President</p> <p>The following Staff were present: Margaret Falkner, Interim General Manager Michael Seitz, District Counsel Ampy Haber, District Accountant Ann Kudart, Administrative Secretary</p>
<p>6. RECEIVE REPORT OUT OF CLOSED SESSION OF JUNE 20, 2013</p>	<p>District Counsel Seitz reported that the Board heard a report from Legal Counsel on the Pending Litigation and Anticipated Litigation but took no reportable action.</p> <p>In regards to the Conference with Labor Negotiators, the Board held a discussion but took no reportable action.</p>
	<p>At this point in the meeting, President Moothart appointed himself and Vice President Baltimore to an Ad Hoc Committee to review, as part of the bond refinancing, a list of projects and provide a more extensive list.</p>

AGENDA ITEM	DISCUSSION
<p>7. PUBLIC HEARINGS</p> <p>A. Public Hearing to Consider and Tabulate Written Protests from Bayridge Estates Property Owners Regarding Proposed Increase to Service Charges for the Maintenance of the Septic System in Bayridge Estates</p>	<p>Interim General Manager Falkner gave a summary of the report as submitted in the agenda packet.</p> <p>Legal Counsel Seitz announced the recommended procedure in conducting the Public Hearing.</p> <p>President Moothart opened the Public Hearing and called for any additional written protests or withdrawal of previously filed written protests, seeing none he opened the floor to public comment, seeing none, he closed the Public Hearing.</p> <p>Staff tabulated the votes and reported that four valid written protest votes and one invalid protest votes out of 147 were received. Legal Counsel Seitz recommended the Board accept the invalid protest as a valid protest and found that there was not a majority.</p> <p>Director Wright moved that the Board bring back a resolution approving new rates for the Bayridge subdivision to be placed on the County tax rolls effective FY2013/14 for adoption at the July 11, 2013 meeting. 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>
<p>7. PUBLIC HEARINGS</p> <p>B. Public Hearing to Consider and Tabulate Written Protests from Vista de Oro Property Owners Regarding Proposed Increase to Service Charges for the Maintenance of the Septic System in Vista de Oro</p>	<p>Interim General Manager Falkner gave a summary of the report as submitted in the agenda packet.</p> <p>President Moothart opened the Public Hearing and called for any additional written protests or withdrawal of previously filed written protests, seeing none he opened the floor to public comment.</p> <p>Public Comment: Kalani Aylette, Gary Orback and Linda Hill protested the proposed increase to service charges for the maintenance of the septic system in Vista de Oro.</p> <p>President Moothart closed the Public Hearing.</p> <p>Staff tabulated the votes and reported that out of 73 votes, 45 written protest votes were received and two were deemed invalid.</p> <p>Director Ochylski moved that the Board determine that there has been a majority protest and move that the assessment hearing be closed with no further action. 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>8. GENERAL ACTION ITEM</p> <p>A. Adopt Resolution Authorizing Signature of a Funding Agreement and Related Documents for Funding Under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal protection Bond Act of 2006 (Proposition 84)</p>	<p>Interim General Manager Falkner reported that the Board approved an application for Proposition 84 funding for a nitrate removal project at the South Bay upper aquifer well site and that the District was notified of an additional requirement by the State prior to executing the Funding Agreement.</p> <p>Public Comment: Julie Tacker opposes the project commenting that the upper aquifer is polluted with septic returns that are not necessarily nitrates and that a new eastside well is much needed for basin management.</p> <p>Director Ochylski moved that the Board adopt Resolution 2013-12 authorizing signature of a funding agreement and related documents for the Proposition 84 grant. The motion was seconded by Vice President Baltimore and carried with the following vote:</p> <p>Ayes: Directors Ochylski, Baltimore, Vogel, Wright, Moothart Nays: None Abstain: None Absent: None</p>
<p>ADJOURNMENT</p>	<p>The Board adjourned to Closed Session at 7:37 p.m.</p>