



November 19, 2018

TO: LOCSO Board of Directors
FROM: Ann Kudart, Administrative Services Manager
SUBJECT: **Agenda Item 11B – 12/6/2018 Board Meeting**
Approve Prior Meeting Minutes

President
Vicki L. Milledge

Vice President
Marshall E. Ochylski

Directors
Charles L. Cesena
Louis G. Tornatzky
Christine M. Womack

General Manager
Renee Osborne

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
Greg Alex

DESCRIPTION

Attached are the minutes of the Board of Directors meetings held November 30, 2018 for your approval

STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

Motion: I move that the Board approve the minutes of the November 30, 2018.

Attachments

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**Los Osos Community Services District
DRAFT Minutes of the Regular Meeting of November 1, 2018**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER/FLAG SALUTE/SILENT OBSERVANCE/ROLL CALL</p>	<p>Following the adjournment of the Special Closed Session meeting, President Milledge called the meeting to order at 6:04 p.m.</p> <p>The following Directors were present: Charles Cesena, Director – Present Louis Tornatzky, Director – Present Christine Womack, Director – Present Marshall Ochylski, Vice President – Present Vicki Milledge, President – Present</p> <p>The following Staff was present: Renee Osborne, General Manager Roy Hanley, District Counsel Ann Kudart, Administrative Services Manager</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS</p>	<p>Legal Counsel Hanley announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code §54956.8)</u> Property: 2122 9th Street, Suites 102, 106 and 110, Los Osos, CA Agency Negotiator: Renee Osborne, General Manager Negotiating Parties: George Contento, Owner Under Negotiation: Terms of Lease</p> <p>B. <u>REAL PROPERTY MATTERS (Government Code §54956.8)</u> Conference with Real Property Negotiator Property: APN 074-141-003 Lupine Pump Station Site Agency Negotiator: Renee Osborne, General Manager Negotiating Parties: County of San Luis Obispo Instruction to Negotiator: Potential purchase, terms, and conditions</p>
<p>3. PUBLIC COMMENT</p>	<p>None</p>
<p>4. ADJOURN TO CLOSED SESSION</p>	<p>The Board adjourned to Closed Session at 6:05 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION</p>	<p>The Board reconvened to Open Session at 7:00 p.m.</p> <p>Roll Call: Charles Cesena, Director – Present Louis Tornatzky, Director – Present Christine Womack, Director – Present Marshall Ochylski, Vice President – Present Vicki Milledge, President – Present</p> <p>The following Staff was present: Renee Osborne, General Manager Roy Hanley, District Counsel Rob Miller, District Engineer Greg Alex, Battalion Chief Jose Acosta, Utility Systems Manager Ann Kudart, Administrative Services Manager</p>
<p>6. REPORT OUT OF CLOSED SESSION MEETING</p>	<p>Legal Counsel Hanley reported that the Board took no reportable action.</p>
<p>7. PRESENTATION AND PUBLIC HEARINGS</p>	<p>Sharon Rippner, Citizens' Climate Lobby, provided a presentation regarding the Lobby's purpose, how the organization got started, how it worked, their plans to reduce the demand for fossil fuels and make alternate energy sources affordable, and encouraged the Board to endorse the program.</p>
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Steve Best commented that he heard that the County would be ticketing owners of off-leash dogs at the Community Center and voiced his opposition asking the District to advise the County not to enforce the dog leash law. Mr. Best announced his candidacy for a seat on the LOCSD Board of Directors.</p>

AGENDA ITEM	DISCUSSION
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA (continued)</p>	<p>Julie Tacker commented on the closed session litigation item; the potential purchase of the Lupine Pump Station; thanked everyone involved with the replacement of the rubber chips at the Los Osos Park playground; and, the inquired as to the next step regarding County reimbursement.</p> <p>Bob Rice voiced his appreciated to the community and everyone that worked on the rubber chip removal project.</p> <p>Richard Margetson announced the November 16th and 17th People Helping People's Rummage Sale; that November 19th begins Bell Ringing season; and, that the 13th Annual Needs and Wishes Fundraiser to support the new 40 Prado Homeless Shelter, SLO Noor Clinic, Los Osos Cares, and People Helping People's portable shower project would be held December 8th.</p> <p>Rupert Chowins commented that SLO Noor Clinic is a free medical, eye, dental, and pharmacy for homeless, indigent, and uninsured in the county; that for every dollar donated the clinic provides \$100 worth of free medical care as it is mostly volunteer; and, that the clinic's 2019 goal is to be open seven days a week from 7:00 a.m. to 7:00 p.m.</p>
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. Fire Department Report</p> <p>B. Sheriff Department Report</p> <p>C. Utilities Department Report</p> <p>D. General Manager Report</p> <p>E. Los Osos Community Advisory Council (LOCAC)</p> <p>F. Los Osos/Baywood Park Chamber of Commerce Report</p> <p>G. Los Osos Fire Safe Focus Group Report</p>	<p>Chief Alex provided a summary of activities during September and October reporting that they responded to 112 calls between August 23-September 20; that Carrie Ann Young has joined the office staff; that all six Reserve Firefighter candidates completed the necessary steps to become District employees; that Medic Rescue 15 was sold for \$25,000 and the funds deposited in the Vehicle Replacement Fund; that they will provide standby service at the upcoming Baywood Art Show & Lighted Boat Parade; and provided updates regarding special programs, projects, and fire prevention.</p> <p>Sergeant Chad Nicholson, Sheriff's Coastal Division, provided a report of Sheriff Department activities for the last 30 days with 574 calls for service which is up approximately 50 plus calls from the previous month and that all calls have escalated; he urged residents to lock their vehicles and houses; and, that the Sheriff's Coastal Unit has received over 18,000 calls for service already this year.</p> <p>Utility Systems Manager Jose Acosta provided a summary of the August 2018 and September 2018 activities of the Utilities Department as submitted in the agenda packet, reporting that residential water usage was 69.0 gallons per person per day in August and 66.6 gallons per person per day in September. He reported on production and runtime hours by well site, water billing information, Utilities Department operations and maintenance, water distribution and treatment, and rainfall totals.</p> <p>General Manager Osborne provided a summary of the GM's activities for September 2018 and October 2018 as submitted with the agenda reporting that the Draft Audit review will be available at the Board's December meeting; that staff has been working on Bayridge septic tanks removal and UAC and FAC reviewed and provided Board recommendations; staff will be presenting a draft policy regarding disposal of District assets under 12C; that the Prop 1 Grant for the 8th Street well was submitted and that project scoring was not yet available and that the Stormwater grant concept was ranked at #2. She provided updates regarding the Los Income Assistance Fund, SDRMA, and the rubber chip removal project. President Milledge and Committee Member Foronjy thanked General Manager Osborne for her time, energy, and hard work in overseeing the rubber chip removal project.</p> <p>Incoming Chairperson David Harris provided an update of the September 25th LOCAC meeting reporting that the revision of the 1st Street building; brief review of the Library project; crosswalk at Rodman and LOVR referred to Public Works; Land Use and Traffic Committee reports; and a discussion regarding a Cal Fire grant to initiate the planting of trees in Los Osos. He announced that the next LOCAC meeting will be held November 29th at Sea Pines.</p> <p>President Steve Vinson reported on the positive response to the October 28th Oktoberfest, the November 11th Rexall Holiday Open House, the November 14th LO/BP Chamber Mixer at 5:30 p.m. to 7:00 p.m. at Los Osos Cares at Sunnyside School in Room 18, that the Los Osos Warming Centers need volunteers, that the 31st Annual Christmas Parade will be held December 8th, that the 2018 Citizen of the Year Committee is currently accepting nominations, and, announced the Chamber's 2019 Ireland trip.</p> <p>Tom Wright reported that the comment period for the Habitat Conservation Plan may only be 30 days; that CERT training classes will be held January 2019 at the Morro Bay Fire Department; that he and Chief Alex will be meeting to discuss and prioritize projects; and that the next meeting will be held October 20th.</p>

AGENDA ITEM	DISCUSSION
H. Utilities Advisory Committee Report	Committee Chairperson Cesena reported on the October 17 th UAC meeting in which the Committee heard updates and also discussed a potential response to the Cleath Harris Report and that a letter will be drafted for review at the next UAC meeting and then brought to the Board for approval.
I. Finance Advisory Committee Report	Committee Chairperson Ochylski reported on the October 29 th FAC meeting in which the Committee recommended Board approval of the warrant register and to receive and file the financial reports and approval of the Fire Department equipment under Item 11E. He reported that he would discuss the Committee's recommendations for other items when they are heard by the Board later in the meeting.
J. Appointment of Members to Ad Hoc Committee by Board President	President Milledge appointed Vice President Ochylski and Director Womack to an Ad Hoc Committee regarding potential bond refinancing.
K. Directors Announcements of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars	Director Cesena reported on his attendance at the Annual CAPSLO Policy Counsel training regarding the Head Start Program and the importance of early education
L. Response to Previously Asked Questions	None
10. PUBLIC COMMENT ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA	Public Comment – Julie Tacker commented on the omission of the Low Income Fund Bank Statements from the financials and the need for an Ad Hoc Committee to discuss the next steps; committee minutes; and, that the County should reimburse the District for the playground project.
11. CONSENT AGENDA A. Receive Administrative and Committee Reports B. Approve Meeting Minutes of August 30, 2018, September 6, 2018, and September 19, 2018 C. Approve Warrant Register for September 1, 2018 through October 19, 2018 D. Receive Financial Reports for the Periods Ending August 31, 2018 and September 30, 2018 E. Approve Purchase of Self-Contained Breathing Apparatus, Thermal Imaging Cameras, and Support Gear F. Approve the Purchase of Replacement Well Meters	A motion was made by Vice President Ochylski that the Board receive and file the Administrative and Committee Reports and approve the Consent Agenda. The motion was seconded by Director Womack and carried 5-0.
12. GENERAL ACTION ITEMS A. Test Well for Basin Management Plan Program C, Site A, Adjacent to the Los Osos Middle School	District Engineer Miller reported that the District is pursuing an additional lower aquifer well to the east of South Bay Boulevard and that Los Osos Middle School Site A appears to be the least challenging location; that staff recommends that a test well be constructed at Site A and analyzed prior to environmental review or additional discussions of alternatives; and, that staff is recommending that the District retain Cleath Harris Geologists to prepare bid documents for the proposed test well and bring back construction bids for Board approval. Public Comment – John Goodrich supported recovering stormwater to augmenting the aquifer; that the BMC authority does not include private well owners and they are concerned with the movement from the west to the east as a solution. Matthew Fourcroy supported drilling a test well at Site A in order to gauge productivity. Steve Best commented on the need to look for ways to heal the aquifer.

AGENDA ITEM	DISCUSSION
(continued)	<p>Director Cesena made a motion that the Board authorize staff to prepare bid documents and secure construction bids for the installation of a temporary test well at Site A adjacent to Los Osos Middle School and to retain Cleath Harris Geologists in an amount not to exceed \$9,500. The motion was seconded by Director Womack and carried 5-0.</p>
B. Discussion Regarding Bayridge Estates Septic Tanks Decommissioning Process	<p>Utility Systems Manager Acosta reported that the 10 remaining septic tanks in Bayridge Estates are in need of decommissioning; that Al's Septic pumped two tanks in 2016 but no longer interest in pursuing the project; that staff had contacted several sludge hauling services but many are not interested; that there are concerns in finding a disposal site as the sludge has expired and the product is considered hazardous waste; that the District has two quotes from companies that will pump, haul, and dispose of the waste and awaiting a third quote.</p> <p>Vice President Ochylski left the dais.</p> <p>Director Cesena reported that UAC recommended moving ahead with the project and issue RFPs.</p> <p>Vice President Ochylski returned to the dais and reported that FAC recommended doing it incrementally.</p> <p>Public Comment – Vita Miller voiced her concern that Bayridge Estates residents are unaware of these issues and additional costs; asked what would happen to the tanks and the property after the decommissioning; and, the County should be responsible for decommissioning.</p> <p>Julie Tacker commented that the County has some responsibility; what will the District do with the decommissioned tanks; and opposed Water funds being used as loans to other funds.</p> <p>Richard Margetson commented on FAC not finding the discrepancy and the need for backup documentation when presenting the costs.</p> <p>Vice President Ochylski made a motion that the Board directed staff to prepare a Request for Proposal for the final disposition of the Bayridge Estates septic tanks and authorize the District Engineer to review potential reuse of the tanks. The motion was seconded by Director Cesena and carried 5-0.</p>
C. Review of Draft Policy Regarding District Surplus Property Disposal	<p>General Manager Osborne reported that there is no policy in place regarding the disposal of District assets or property and Utility Systems Manager Acosta provided a summary of the report as submitted with the agenda packet and that staff is requesting Board review and recommendations of the draft policy.</p> <p>Public Comment – Julie Tacker supported property disposal be approved by Board resolution.</p> <p>The Board discussed excluding the Fire Department and directed staff to amend and return for Board approval at their next meeting.</p>
D. Discussion Regarding the 2019 Water Conservation Campaign	<p>General Manager Osborne requested Board recommendation regarding a new 2019 Water Campaign with the Chamber of Commerce and the local schools and their preference in a whole new campaign or using the current 2018 conservation logos. She reported that UAC recommended using ideas on how to save our water basin however that is outside the elementary school curriculum and would need to be at the Middle School level.</p> <p>Public Comment – Julie Tacker commented on the best use of the General Manager's time and supported writing grants to address water conservation.</p> <p>Lynette Tornatzky commented on the importance of investing in our children.</p> <p>The Board discussed and directed staff to begin working on the 2019 conservation campaign with the Chamber of Commerce and Golden State Water Company, begin working with the local schools and keep the original scope of the campaign.</p>
E. Discussion Regarding Los Osos Low Income Assistance Fund General Manager's Costs and Program Update	<p>Vice President Ochylski reported that the discussion and recommended from FAC was to treat the General Manager's time as a contribution.</p>

AGENDA ITEM	DISCUSSION
<p>E. Discussion Regarding Los Osos Low Income Assistance Fund General Manager's Costs and Program Update (continued)</p>	<p>Director Cesena opposed contributing the GM's time as there is no money in Admin, that it comes from other funds, and that it is not a District project but a wastewater asset that should have gone to the County.</p> <p>Public Comment – Julie Tacker questioned the best use of the General Manager's time.</p> <p>Lynette Tornatzky commented that the original donations were given to assist people in need and opposed the nitpicking of the GM's time.</p> <p>Richard Margetson commented that Admin costs for funds disbursed were less than 1% but it should come from other funds as Admin fund is fully funded by all the other funds.</p> <p>Director Tornatzky left the dais.</p> <p>Vice President Ochylski made a motion that the Board direct staff to take \$941.41 out of the Los Osos Low Income Fund. The motion was seconded by Director Cesena and carried 4-0, 1 absent.</p>
<p>13. DISCUSSION OF PULLED CONSENT ITEMS</p>	<p>None</p>
<p>14. FUTURE AGENDA ITEMS</p>	<p>Director Cesena reported that he would have comments regarding the Cleath Harris groundwater characterization.</p>
<p>15. CLOSING BOARD COMMENTS</p>	<p>Director Cesena reminded the public of the upcoming Needs and Wishes Fundraiser on December 8th and that he will be manning the hamburger grill.</p> <p>Vice President Ochylski recommended that the public watch the Christmas Parade and then walk over to the fundraiser.</p> <p>Director Cesena reminded the public that due to the Thanksgiving Holiday, the Basin Management Committee meeting and the UAC meeting will be held on November 14th.</p>
<p>16. ADJOURNMENT</p>	<p>The meeting adjourned at 9:46 p.m.</p>