

**Los Osos Community Services District  
Minutes of the Utilities Advisory Committee Meeting  
April 22, 2015 at 5:30 p.m. at the District Office**

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<b>1. Call to Order, Flag Salute and Roll Call</b>	<p>Chairperson Tornatzky called the meeting to order at 5:30 p.m. and led the flag salute.</p> <p><u>Roll Call:</u>            Noah Evans, Committee Member – Present            Aaron Floyd, Committee Member – Absent            Jan Harper, Committee Member – Arrived at 5:32 p.m.            Lee Harry, Committee Member – Present            Ron Munds, Committee Member – Arrived at 5:35 p.m.            Leonard Moothart, Alternate Member - Present            Jon-Erik Storm, Vice Chairperson – Arrived at 6:58 p.m.            Louis Tornatzky, Chairperson – Present</p> <p><u>Staff:</u>            Kathy Kivley, General Manager            Margaret Falkner, Utility Compliance Technician III            Rob Miller, District Engineer            Ann Kudart, Administrative/Accounting Assistant III</p>	
<b>2. Welcome 2015 Committee Members and Review Brown Act Guidelines</b>	<p>Chairperson Tornatzky welcomed the committee members and General Manager Kivley reviewed the Brown Act with the committee.</p> <p>Public Comment: Julie Tacker and Richard Margetson spoke.</p>	
<b>3. Approval of UAC Meeting Minutes of January 21, 2015</b>	<p>Committee Member Munds moved to approve the minutes. The motion was seconded by Committee Member Harry.</p> <p>Public Comment: Richard Margetson, Julie Tacker, and Linde Owen spoke.</p> <p>The motion carried with the following roll call vote:            Ayes: Munds, Harry, Evans, Harper            Nays: None            Abstain: Moothart            Absent: Floyd</p>	<b>Action:</b> File approved minutes.
<b>4. Review Fiscal Year 2015/2016 Utilities Budget and Provide Recommendations to the Board</b>	<p>General Manager Kivley gave a detailed summary of the four Utilities funds as submitted with the agenda packet reporting property tax revenue projections for Funds 200, 500 and 800 were prepared using the annual property tax increase rate of 2%. She reported on revenue, personnel services, services and supplies, and capital outlay for each of the four funds.</p> <p>Public Comment: Jeff Edwards, Julie Tacker, Linde Owen, and Richard Margetson spoke.</p> <p>The Committee discussed the need for Finance Advisory Committee review of the Utilities budget and that funding is in the budget for the Capital Improvement Projects necessary to bring the systems up to the required level of safety and reliability.</p> <p>District Engineer Miller gave a brief update on the three CIP primary projects that need to be funded which include a new 8<sup>th</sup> Street upper aquifer well and nitrate removal; processing and permitting a lower Aquifer well on the eastside; and the intertie with Golden State.</p>	<b>Action:</b> The Committee recommended that the Utilities budget be forward to the Board provided it is reviewed by the FAC.

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<b>4. Review Fiscal Year 2015/2016 Utilities Budget and Provide Recommendations to the Board (continued)</b>	<p>Committee Member Evans made a motion to move the Utilities budget forward to the Board provided it goes before the Finance Advisory Committee for their review as well. The motion was seconded by Member Harry and carried with the following vote:</p> <p>Ayes: Committee Members Evans, Harry, Harper, Munds, Moothart  Nays: None  Abstain: None  Absent: Floyd</p>	
<b>5. Update of Board Item Regarding Intent to Serve Letters</b>	<p>District Engineer Miller reported that the Board at their April 2, 2015 meeting reviewed the Novy Intent-to-Serve (ITS) and directed staff to bring back two separate actions. One, that the letter now include a requirement that the applicant provide their own engineering study of their water offsets as opposed to just providing the County's Title 19 certificate; and, an amendment to Stage III of the District's Water Shortage Contingency Plan to suspend the processing of new ITS applications.</p> <p>Public Comment: Linde Owen and Richard Margetson spoke.</p>	
<b>6. Update of Ad Hoc Committee Grant Opportunities</b>	<p>Chairperson Tornatzky reported on his efforts in reviewing and rating potential grant opportunities from federal agencies and private and public foundations.</p> <p>Vice Chairperson Storm arrived at the dais.</p> <p>Public Comment: Linde Owen, Julie Tacker, and Richard Margetson spoke.</p> <p>The Committee discussed the necessity of looking at the direct reuse of recycled water.</p> <p>Committee Member Evans left the dais.</p>	
<b>7. Utilities Department Updates – Capital Improvement Projects</b>	<p>District Engineer Miller reviewed the CIP Priority List approved by the Board at their September 4, 2014 meeting. General Manager Kivley reported that Projects OE-5 and OE-4 moving forward. Mr. Miller reported that funding was secured for a partially operable SCADA system (Project OE-2). Utility Compliance Technician Falkner reported the possibility of adding desal to the list.</p> <p>Public Comments: Jeff Edwards, Linde Owen, Julie Tacker, and Richard Margetson.</p> <p>Rob Miller left the dais.</p>	
<b>8. Public Comments on Items NOT on this Agenda</b>	<p>Julie Tacker commented that the outcome of the negotiations with Verizon concerning the cell tower should be made public.</p> <p>Linde Owen opposed quarterly committee meetings and is upset with the current management of the District.</p> <p>Richard Margetson commented on valid issues expressed by the public during comment periods.</p>	

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<b>8. Public Comments on Items NOT on this Agenda (continued)</b>	Lynette Tornatzky commented on the increasing number of attendees at the committee meetings and the need for additional space.	
<b>9. Schedule UAC Meeting</b>	The next UAC meeting will be held on July 8, 2015 unless otherwise noted.	
<b>10. Closing Comments by UAC Committee Members</b>	<p>Committee Member Munds commented on the need to review the District's recycled water plan and inquired if Golden State is working on a water shortage plan.</p> <p>Alternate Member Moothart thanked staff for preparing the budget.</p> <p>Committee Member Harry commented on his health issues and hopes to be able to continue serving on the committee.</p> <p>Committee Member Harper encouraged the committee to look at the data on the Pacific Institute website.</p> <p>Vice Chairperson Storm commented on the recent San Juan Capistrano court decision as not being a final judgement.</p>	
<b>11. Adjournment</b>	The meeting adjourned at 7:40 p.m.	