



December 1, 2025

**To:** LOCSD Finance Advisory Committee  
**From:** Ron Munds, General Manager  
**Subject:** **Agenda Item 6 – 12/01/2025 FAC Meeting**  
General Manager's Update

### **Utilities Department Updates**

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#### ***Program C Well Project***

Some great progress to report on this month. All the equipment has been installed to run the well. The water crew was able to run the well for several hours over several days to “develop” the well. Once developed, the well was chlorinated then tested for bacteria which it passed. The Title 22 sampling of the well will be performed on November 17<sup>th</sup> with sampling results provided to the Division of Drinking Water for certification. Once certified, the well can become operational.

#### ***Supervisory Control and Data Acquisition (SCADA) System Modernization Project***

All the components of the system have been purchased and assembled by the consultant. Bench testing is underway in their facility to ensure performance once installed. Installation should begin late November with the project completion in late December.

#### ***Water Resiliency Intertie Pipeline Project (Intertie Pipeline Project) Update***

Project design is in full gear with an aggressive schedule to complete soils testing, decision on final pipeline alignment, surveying, easement identification/acquisition and environmental permitting by the end of the year.

#### ***10<sup>th</sup> Street Tank Rehabilitation Project***

This project started on July 8<sup>th</sup> and is finally moving forward. The multiple issues that were holding up the project have been resolved. Staff is working with the contractor on a new schedule for completion.

#### ***16<sup>th</sup> Street Booster Pump Station Emergency Repairs***

There have been some ongoing operational issues with the four pumps at the 16<sup>th</sup> Street booster pump station that have now become important to solve. The pump station is an integral part of the water distribution system in that it provides water to the “boosted” zone of the water service area while maintaining adequate pressure for fire flows to both the gravity and boosted zones.

Recently, the jockey pump failed followed by the failure of one of the three main booster pumps. The remaining pumps are also in questionable condition. Because of the age of the pumps, replacement pumps are not available so the District Engineer had to find pumps that were of similar design and then design structural modification to the pedestals to accommodate the differences in alignments of the intake and discharge sides of the replacement pumps.

It was decided to replace all the pumps in two phases. This will allow for the two operational pumps to remain in service during phase 1. Phase 1 will replace the jockey pump and one booster pump and cost approximately \$74,200.

## Fire Department Updates

### ***Fund 301 Fire Budget Deficit Options Update***

The Emergency Services Advisory Committee (ESAC) and Board have been evaluating the Fund 301 options to continue the high level of fire protection and emergency medical services to the community. This fiscal year marked the first time that the Fund 301 budget indicated a budget deficit with expenditures outpacing revenues. Staff has been working through the options and provided the following update to the Board and ESAC.

1. **Continue Contracting with County/Cal Fire:** this option is still under consideration and will probably be renegotiated for the 2026-27 fiscal year if other options are still being evaluated. The Board requested that staff request a proposal to contract directly with Cal Fire for services. Staff has engaged with Cal Fire; they are requesting an official letter from the District requesting a proposal. Staff will be bringing this request to the Board at the December meeting.
2. **Consider a District staffed Fire Department:** At the October Board meeting, the Board put this option on hold based on the cost to implement. It is not an option at this time.
3. **Investigate partnering with another agency:** At the October Board meeting, the Board authorized the General Manager to send a letter of interest to the City of Morro Bay regarding partnering for fire protection and emergency medical services. The City has responded that they are interested in discussing a potential partnership. Staff has engaged with Morro Bay staff in November and continue discussion through the end of the year.
4. **Divesture of the District's fire service responsibilities:** Not an option at this time.