

**Los Osos Community Services District
Board of Directors
Minutes of the Special Meeting of February 11, 2016**

AGENDA ITEM	DISCUSSION OR ACTION
<p>1. CALL TO ORDER/FLAG SALUTE/ROLL CALL</p>	<p>President Ochylski called the meeting to order at 5:00 p.m. and asked Director Cesena to lead the flag salute.</p> <p><u>Roll Call:</u> Chuck Cesena, Director – Present Lou Tomatzky, Director – Present Mike Wright, Director – Present Jon-Eric Storm, Vice President – Present Marshall Ochylski, President – Present</p> <p>The following Staff were present: Margaret Falkner, Temporary General Manager Mike Doyel, District Accountant Michael Seitz, District Legal Counsel</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS</p>	<p>District Legal Counsel Seitz announced that the Board would convene to Closed Session for the following:</p> <p style="margin-left: 40px;">A. <u>PERSONNEL MATTERS (Government Code §54957)</u> Public Employee - District Interim General Manager</p> <p style="margin-left: 40px;">B. <u>REAL PROPERTY MATTERS (Government Code §54956.8)</u> Conference with Real Property Negotiator Property: 2122 9th Street, Los Osos, CA</p> <p style="margin-left: 40px;">C. <u>CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION</u> Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: 1 case Facts and circumstances that might result in litigation against the local agency but which the local agency believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed</p>
<p>3. PUBLIC COMMENT ON CLOSED SESSION ITEMS</p>	<p>Public Comment – Julie Tacker, Keith Wimer, and Richard Margetson spoke.</p>
<p>4. ADJOURN TO CLOSED SESSION</p>	<p>The Board went into closed session at 5:10 p.m.</p>
<p>5. RECONVENE TO OPEN SESSION AND ANNOUNCEMENT OF CLOSED SESSION ACTION</p>	<p>The Board reconvened to Open Session at 5:35 p.m.</p>
<p>6. REPORT OUT OF CLOSED SESSION MEETING</p>	<p>Legal Counsel Seitz reported out of Closed Session that pertaining to Item A, the Board voted unanimously to retain the services of Kampa Community Solutions out of Sonora, California and gave direction to the Ad Hoc committee to reach an agreement with them through May 31, 2016; pertaining to Item B, the Board heard a report but took no reportable action; and pertaining to Item C, the Board gave instructions to Legal Counsel but took no reportable action.</p>
<p>7. GENERAL ACTION ITEMS</p> <p>A. Discussion Regarding Basin Management Committee Budget</p>	<p>President Ochylski reported that this item was for discussion and that the Board would not be taking action. Vice President Storm asked how much of this money has already been spent. President Ochylski reported that this is for expenses beginning January 1, 2016 and that the District would need to fund administrative costs. He directed staff to determine the allocated amounts that have been spent on "ISJ" line items in the budget and the remaining balance. He announced the topics of discussion for the upcoming Basin Management Committee's February 17th meeting.</p> <p>Public Comment: Keith Wimer, Julie Tacker, and Richard Margetson spoke.</p>
<p>B. Authorize the Transfer of General Fund Contingency Monies from the Solid Waste Fund 650 to Fire Fund 301</p>	<p>Legal Counsel Seitz gave a brief summary of the item as submitted in the agenda packet and reported that he had spoken to the Auditor regarding the backdating of this item and keeping money in this fund.</p> <p>District Accountant Doyel reported that he too spoke with the Auditor and that backdating should have been done at the end of the last fiscal year and that the Auditor's recommendation was to totally wipe it off the books and report in the General fund. He stated that the money they have is \$1,615 more. Allocations are done at the end of the fiscal year. Mr. Doyel reported that the Auditor would report a finding on the audit if the money was left in the account. He requested that the Board make the decision as to where to move this money. He spoke to the issue of the Fire fund being unable to meet Schedule A and also the costs of the Basin Management Committee.</p>

AGENDA ITEM	DISCUSSION
B. Authorize the Transfer of General Fund Contingency Monies from the Solid Waste Fund 650 to Fire Fund 301 (continued)	<p>Director Wright noted that this item would be vetted out by ESAC.</p> <p>Public Comment: Julie Tacker, Lynette Tornatzky, and Richard Margetson spoke.</p> <p>A motion was made by Vice President Storm to amend the resolution to transfer the money to the general fire reserve. There was not second and the motion failed.</p> <p>A motion was made by Director Wright that the Board adopt Resolution 2016-03 to transfer the Solid Waste Contingency Funds designated fund 650, to a new fund created in the Fire Fund 301, to direct staff to create such a Fire Mitigation Reserve Fund within 301, and to transfer these funds from Solid Waste Contingency Fund to that Fund. The motion was seconded by Director Tornatzky and carried with the following roll call vote:</p> <p>Ayes: Wright, Tornatzky, Cesena, Storm, Ochylski Nays: None Absent: None Conflicts: None</p>
8. ADJOURNMENT	The meeting adjourned at 6:35 p.m.