



March 7, 2024

**TO:** LOCSO Board of Directors  
**FROM:** Ron Munds, General Manager  
Laura Durban, Administrative Services Manager  
**SUBJECT: Agenda Item 10A – 03/07/2024 Board Meeting**  
Receive Administrative, Committee Reports, and Approved  
Committee Minutes

**President**  
Marshall E. Ochylski

**Vice President**  
Christine M. Womack

**Directors**  
Charles L. Cesena  
Matthew D. Fourcroy  
Troy C. Gatchell

**General Manager**  
Ron Munds

**District Accountant**  
Robert Stilts, CPA

**Unit Chief**  
John Owens

**Battalion Chief**  
Paul Provence

**DESCRIPTION**

Attached are the approved minutes from meetings in February 2024.

**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 receive and file the presented Administrative, Committee Reports and Approved Committee Minutes***

Attachment

Finance Advisory Committee Minutes 01/02/2024  
Utilities Advisory Committee Minutes 01/17/2024

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**Los Osos Community Services District  
Minutes of the Finance Advisory Committee Meeting  
January 2, 2024, at 5:30 p.m. at the District Office**

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<p><b>1. Call to Order Flag Salute Roll Call</b></p>	<p>Chairperson Womack called the meeting to order at 5:30 p.m. and led the flag salute.</p> <p><u>Roll Call:</u></p> <p>Chuck Cribbs, Committee Member – Present Lisa Gonzalez, Committee Member – Present Gary J. Freiberg, Committee Member – Present Lee Hood, Committee Member – Present Keith, Swanson, Committee Member – Present Marshall Ochylski, Vice Chairperson – Absent Christine, Womack, Chairperson – Present</p> <p><u>Staff:</u> Ron Munds, General Manager Laura Durban, Administrative Services Manager</p>	
<p><b>2. Approve FAC Meeting Minutes of December 4, 2023</b></p>	<p>Administrative Services Manager Durban presented the minutes for approval.</p> <p>Public Comment - None</p> <p><b>Committee Member Swanson made a motion that the Finance Committee approve the minutes of the FAC held December 4, 2023. The motion was seconded by Committee Member Gonzalez and passed with unanimous consent.</b></p>	<p><b>Action: File Approved Minutes</b></p>
<p><b>3. Review of Board Item Amending and Updating the District's Investment Policy</b></p>	<p>General Manager Munds presented providing a history and a summary of the recommended changes.</p> <p>The Committee discussed the Policy.</p> <p>General Manager Munds commented on how the Financial Officer reports to the Board.</p> <p>Chairperson Womack commented that the full list/table, from the State of California's Sheet of allowable investment, be included in the investment policy.</p> <p>The Committee discussed the rate of interest and yield to show how much the District earns.</p> <p>Public Comment - None</p> <p><b>Committee Member Gonzalez made a motion to recommended to the Board that the Board adopt Resolution 2024-01 amending and updating the District's Investment Policy and to include the full list of allowable investment options as provided by the State of California. The motion was seconded by Committee Member Cribbs and passed with unanimous consent.</b></p>	<p><b>Action: The Committee recommended that the Board adopt Resolution 2024-01 amending and updating the District's Investment Policy and include the full list of allowable investment options as provided by the State of California.</b></p>
<p><b>4. Review of Board Item Approval of Two-Year Extension of Audit Services</b></p>	<p>General Manager Munds presented providing background and reasons for recommending the extension of a 2-year contract.</p> <p>The Committee discussed the recommendation.</p> <p>Public Comment - None</p> <p><b>Committee Member Freiberg recommended to the Board, that the Board approve a two-year contract extension with Fechter &amp; Company CPAs for auditing services for an amount not to exceed \$24,000 in year four and year five. The motion was seconded by Committee Member Hood and passed with unanimous consent.</b></p>	<p><b>Action: The Committee recommended that the Board that the Board approve a two-year contract extension with Fechter &amp; Company CPAs for auditing services for an amount not to exceed \$24,000 in year four and year five.</b></p>

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<b>5. Review of Board Item Regarding Approval of Warrant Register for December 2023</b>	<p>General Manager Munds presented commentary on some of the unique Warrants.</p> <p>Public Comment – None</p> <p><b>Committee Member Gonzales made a motion to recommend to the Board, that the Board approve the Warrant Register for the period December 2023. The motion was seconded by Committee Member Freiberg and passed with unanimous consent.</b></p>	<b>Action:</b> The Committee recommended that the Board approve the Warrant Register for December 2023.
<b>6. Review of Board Item Regarding Financial Reports for the Period Ending November 30, 2023</b>	<p>General Manager Munds presented the Financial Reports going fund by fund.</p> <p>The Committee discussed the financials.</p> <p>Public Comment – None</p> <p><b>Committee Member Cribbs made a motion to recommend to the Board, that the Board receive and file the Financials for the period ending November 30, 2023. The motion was seconded by Committee Member Swanson and passed with unanimous consent.</b></p>	<b>Action:</b> The Committee recommended that the Board receive and file the Financials for the period ending November 30, 2023.
<b>7. General Manager Update</b>	<p>General Manager Munds provided an update on the 16<sup>th</sup> Street North Tank, Program C Well, and the Skyline Groundwater Monitoring Well.</p> <p>The Committee discussed the Skyline Monitoring Well.</p> <p>Public Comment – None</p>	<b>Action:</b> None
<b>8. Public Comments on Items NOT on this Agenda</b>	Public Comment – None	
<b>9 Schedule Next FAC Meeting</b>	The next meeting of the Financial Advisory Committee is scheduled for Tuesday, January 29, 2024 at 5:30 p.m. unless otherwise noted.	
<b>9. Closing Comments by FAC Committee</b>	Chairperson Womack wished everyone a Happy New Year.	
<b>10. Adjournment</b>	The meeting adjourned at 6:58 p.m.	

**Los Osos Community Services District  
Minutes of the Utilities Advisory Committee Meeting  
January 17, 2024 at 5:30 p.m. at the District Office**

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<b>1. Call to Order Flag Salute Roll Call</b>	<p>Chairperson Cesena called the meeting to order at 5:30 p.m.</p> <p><u>Roll Call:</u> James Bishop, Committee Member – Arrived at 5:34 p.m. Jan Harper, Committee Member – Present Leonard Moothart, Committee Member – Absent Pam Ouellette, Committee Member – Present Matthew Tallone, Committee Member – Absent Matthew Fourcroy, Vice-Chairperson – Absent Chuck Cesena, Chairperson – Present</p> <p><u>Staff:</u> Ron Munds, General Manager Margaret Falkner, Utility Systems Manager Laura Durban, Administrative Services Manager</p>	
<b>2. Approve UAC Minutes of December 6, 2023</b>	<p>Chairperson Cesena presented the minutes for approval.</p> <p>Public Comment – None</p> <p><b>Committee Member Harper moved to approve the meeting minutes of December 6, 2023. The motion was seconded by Committee Member Ouellette and carried with unanimous consent.</b></p>	<b>Action – File approved minutes.</b>
<b>3. Basin Management Committee Update</b>	<p>General Manager Munds provided updates on PFAS monitoring, the Executive Directors Report, the BMC website, the well database, BMC accomplishments, the Title 19 water purveyor letter, officers retained, and draft chloride metrics.</p> <p>Public Comment – None</p>	<b>Action – None</b>
<b>4. Fiscal Year 2023-24 Mid-Year Budget Adjustment Review for Funds 500 &amp; 800</b>	<p>General Manager Munds commented on major adjustment requests and impacts to budget Funds 500 and 800.</p> <p>Committee members discussed the 16th Street Tank and South Bay Lower Aquifer well projects, and the rising cost of electricity.</p> <p>Public Comment – Richard Margetson inquired about the increase in commercial revenues.</p> <p><b>Committee Member Bishop made a motion to recommend that the UAC recommend to the Board the adoption of the Mid-Year budget adjustments for Funds 500 and 800 as presented. The motion was seconded by Committee Member Ouellette and carried with unanimous consent.</b></p>	<b>Action – Recommended to the Board the adoption of the Mid-Year budget adjustments for Funds 500 and 800 as presented.</b>
<b>5. Utility Department Report</b>	<p>Utility Systems Manager Falkner reported on December 2023's water production, well site production and runtime hours, water billing revenues, and rainfall totals.</p> <p>General Manager Munds commented on the well runtimes.</p> <p>Public Comment – Richard Margetson inquired about the increase in consumption in December.</p>	<b>Action – None</b>
<b>6. Utilities Department Updates</b>	<p>General Manager Munds provided updates on the 16th Street North Tank Project, Program C Well Phases, the BMC's Skyline Monitoring Well Project, and the Title 19 water purveyor letter.</p> <p>The Committee discussed and inquired about the updates.</p> <p>Public Comment – None</p>	<b>Action – None</b>

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<b>7. Public Comments on items NOT on this Agenda</b>	Public Comment – None	
<b>8. Schedule the Next UAC Meeting</b>	The next meeting of the Utilities Advisory Committee is scheduled to be held on Wednesday, February, 21, 2024, at 5:30 p.m. unless otherwise noticed.	
<b>9. Closing Comments by UAC Committee Members</b>	Committee Member Harper inquired about the recently acquired well at Palisades.  General Manager Munds responded that the plan is to convert it into a monitoring well.	
<b>10. Adjournment</b>	The meeting adjourned at 6:06 p.m.	