

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

AGENDA ITEM	DISCUSSION	FOLLOW-UP
1. Call to Order Flag Salute Roll Call	<p>Chairperson Cesena called the meeting to order at 5:30 p.m.</p> <p><u>Roll Call:</u> James Bishop, Committee Member – Present Jan Harper, Committee Member – Present Leonard Moothart, Committee Member – Present 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>	
2. Approve UAC Minutes of June 19, 2024	<p>Chairperson Cesena presented the minutes for approval.</p> <p>Public Comment – None</p> <p>Committee Member Harper moved to approve the meeting minutes of June 19, 2024. The motion was seconded by Committee Member Moothart and carried with unanimous consent.</p>	Action – File approved minutes.
3. Basin Management Committee Update (July Meeting Cancelled)	<p>General Manager Munds commented that the BMC Meeting was cancelled, a Growth Management Ordinance meeting between the BMC and the County planned at the end of the month and executing a contract with the Bay Foundation to receive a grant for monitoring wells.</p> <p>Public Comment – None</p>	Action - None
4. S&T Mutual Water Company Water System Consolidation Request	<p>General Manager Munds presented a background, commenting on an S&T provided consolidation analysis, preference to consolidate with the District, shareholder outreach, what consolidation means to the District, potential grant funds, and ensuring no impact on District customers.</p> <p>Committee Member Ouellette inquired about additional staffing, the cost of water systems, cost sharing and rates.</p> <p>General Manager Munds responded that these inquiries would be a part of future discussions.</p> <p>Aaron Floyd, S&T Representative, responded to cost comparisons, tie in cost, age of the system, the SAFER Program, and potential rates to S&T customers being higher to offset costs to buy into the system.</p> <p>Committee Member Moothart inquired about S&T has any grants or debt.</p> <p>The Committee discussed the report, assets, and avoiding negative effects on current District water customers.</p> <p>Public Comment – Jeff Edwards commented on S&T expenditures and needing a reimbursement agreement for District for staff time spent on project and managing relationships with all water purveyors.</p> <p>Linde Owen commented on not-for-profit water purveyor, concrete pipes, costs, assets and voiced her support for the consolidation.</p> <p>Mark Zimmer, Golden State Water's (GSW) General Manager, thanked the Committee, commented on a good working relationship, inaccuracies in S&T's report including GSW's water resiliency, interconnection costs and rate comparison chart, and all purveyors need to discuss connecting of systems for better basin management.</p>	Action – The Committee recommended to the Board that the Board conceptually approve the water system consolidation request from S&T Mutual Water Company (S&T).

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	<p>Julie Tacker inquired about an S&T rate payor cost analysis, commented on ensuring GSW and LOCSD rate payers do not pay to consolidate, cost recovery, staffing, and customer billing.</p> <p>Richard Margetson commented on converting the rate chart for a true comparison, expenses exceeding revenues, and accurate costs to run the S&T system.</p> <p>The Committee discussed this Agenda Item as the beginning of the conversation and the longer process.</p> <p>Committee Member Ouellette recommended to the Board that the Board conceptually approve the water system consolidation request from S&T Mutual Water Company (S&T). The motion was seconded by Committee Member Bishop and carried with unanimous consent.</p>	
5. Utility Department Report	<p>Utility Systems Manager Falkner reported on June 2024's water production, well site production and runtime hours, water billing information, rainfall totals, and call-out records.</p> <p>The Committee discussed the report.</p> <p>Public Comment – None</p>	Action – None
6. Utilities Department Updates	<p>General Manager Munds provided updates on the Program C Well, HCP Implementation, PFAS detection, FEMA resubmittal, and the 2024–25 Budget approval.</p> <p>The Committee discussed the updates.</p> <p>Public Comment – Jeff Edwards commented on the implementation of HCP and provisions required.</p>	Action – None
7. Public Comments on items NOT on this Agenda	<p>Public Comment – Richard Margetson commented on the passing of Jim Quisenberry and his legacy.</p> <p>Julie Tacker commented on the PRAC meeting, park rubber chip project, messaging and community themselves should develop a non-profit to create a dog park.</p>	Action – None
8. Schedule the Next UAC Meeting	The next meeting of the Utilities Advisory Committee is scheduled to be held on Wednesday, August 21, 2024, at 5:30 p.m. unless otherwise noticed.	
9. Closing Comments by UAC Committee Members	<p>Committee Member Harper commented on S&T requesting consolidation.</p> <p>Committee Member Ouellette thanked everyone for their comments.</p>	
10. Adjournment	The meeting adjourned at 6:49 p.m.	