



December 5, 2024

TO: LOCSO Board of Directors
FROM: Ron Munds, General Manager
Laura Durban, Administrative Services Manager
SUBJECT: Agenda Item 8B- 12/05/2024 Board Meeting
Approve Prior Meeting Minutes

President
Marshall E. Ochyalski

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 minutes of the Board of Directors meeting held November 7, 2024 for your approval.

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 approve the minutes of the Board of Directors meeting held November 7, 2024.

Attachment
11/7/2024 Draft Board of Directors Meeting Minutes

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**DRAFT - Los Osos Community Services District – Board of Directors
Minutes of the Regular Meeting of November 7, 2024**

AGENDA ITEM	DISCUSSION OR ACTION
<p>0</p> <p>1. CALL TO ORDER FLAG SALUTE ROLL CALL</p>	<p>Vice President Womack called the meeting to order at 5:01 p.m.</p> <p>Roll Call: Chuck Cesena, Director – Present Matthew Fourcroy, Director – Present Troy Gatchell, Director – Absent Christine Womack, Vice President – Present Marshall Ochylski, President – Present – Arrived 5:02 p.m.</p> <p>The following Staff was present: Ron Munds, General Manager Daniel Cheung, District Counsel Laura Durban, Administrative Services Manager Margaret Falkner, Utilities Systems Manager</p>
<p>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS</p> <p>A. PUBLIC EMPLOYMENT</p>	<p>Vice President Womack announced Closed Session Pursuant to [Government Code §54957 (b)(1)]</p> <p>Public Comment - None</p>
<p>3. ADJOURN TO CLOSED SESSION</p>	<p>Vice President Womack Adjourned to Closed Session at 5:03 p.m.</p>
<p>4. RECONVENE TO OPEN SESSION - 6:30 PM</p>	<p>President Ochylski called the meeting to order at 6:41 p.m.</p>
<p>5. REPORT OUT OF CLOSED SESSION</p>	<p>President Ochylski reported “no reportable action” from the Closed Session and announced that the Committee would return to a closed session after the open session was adjourned.</p>
<p>6. PUBLIC SAFETY REPORTS</p> <p>A. Fire Department Report</p> <p>B. Sheriff Department Report</p> <p>C. California Highway Patrol Report</p>	<p>Written Report</p> <p>Commander Stuart MacDonald reported for October 2024 six assaults and batteries, 19 disturbances, one burglary, eight thefts, three vandalisms, zero mail thefts, one phone scam, 19 suspicious circumstances, 65 enforcement stops, and 51 preventative patrols.</p> <p>Lieutenant Tim Santoro reported six crashes for the month of October, including one hit-and-run, two DUIs, and three non-injury crashes.</p> <p>Public Comment - None</p>
<p>7. GENERAL ACTION ITEMS</p> <p>A. Receive a Presentation Regarding Waste Connections Proposed Solid Waste Rate Increase Analysis and Direct Staff to Set the Date of January 9, 2025, for a Public Hearing to Consider Adopting the New Solid Waste Rates</p>	<p>General Manager Munds provided a background on the solid waste rate application and methodology.</p> <p>Garth Schultz from R3 Consulting presented a background, a review of the 2025 Mission Country Disposal rate application, an analysis of the new recommended rates, details on the proposed rate-setting methodology, service enhancements, and rate comparisons.</p> <p>Public Comment – Richard Margetson inquired if changing the franchise fee can be easily done with rates being set for five years.</p> <p>Garth Schultz responded, if the franchise fee is lowered, it would be lower than the maximum rate, so there is no problem.</p> <p>A motion was made by Director Fourcroy that the Board:</p> <ol style="list-style-type: none"> 1. Tentatively support the 2025 solid waste rates as presented. 2. Approve the publication and mailing of a notice consistent with Article XIII D of the California Constitution and the Proposition 218 Omnibus Implementation Act (Proposition 218) as it relates to solid waste rates. 3. Set a hearing date of January 9, 2025 (as amended), to consider the adoption of the solid waste rates if there is not a majority protest in accordance with Proposition 218. 4. Tentatively support the new rate setting methodology to be implemented in 2026 pending revisions to the franchise agreement.

AGENDA ITEM	DISCUSSION OR ACTION
<p style="text-align: center;">(Continued)</p> <p>B. Review of the Proposed Changes to District's Reserves Policies</p>	<p>The motion was seconded by Vice President Womack and carried with the following vote:</p> <p>Ayes: Directors Fourcroy, Womack, Cesena, Ochylski Nays: Abstain: Absent: Gatchell</p> <p>General Manager Munds provided background, updates, and recommendations for modifications to the reserve policies.</p> <p>Public Comment – Richard Margetson inquired about the allocation of the \$200,000 from the recommended elimination the Water Quality, Water Conservation and ISJ reserves and moving the funds to rate stabilization and capital outlay. He also asked for clarification on the ability to adjust the Franchise Fee and rates in future years when the recommended reserve amount is met.</p> <p>General Manager Munds commented on obtaining direction from the Board at a future meeting on the allocation of \$200,000 to rate stabilization and capital outlay.</p> <p>District Counsel Cheung commented on the Boards ability to lower the Franchise Fee.</p> <p>A motion was made by Vice President Womack that the Board:</p> <ol style="list-style-type: none"> 1. Tentatively approve the changes to the Reserves Policies as presented and 2. Direct staff to bring back the amended Reserves Policies for adoption at the December 5, 2024, Board meeting. <p>The motion was seconded by Director Cesena and carried with the following vote:</p> <p>Ayes: Directors Womack, Cesena, Fourcroy, Ochylski Nays: Abstain: Absent: Gatchell</p>
<p>C. Review of the Results of the San Luis Obispo County Fire/Cal Fire Five-Year Billing Audit for Fire Service</p>	<p>General Manager Munds provided background, including the Release and Settlement Agreement, the upcoming renegotiation of the current contract and the outcome of the five-year overpayment audit.</p> <p>Public Comment – Richard Margetson commented on moving the fund balance to Capital Outlay.</p> <p>A motion was made by President Ochylski that the Board:</p> <ol style="list-style-type: none"> 1. Accept the San Luis Obispo County Fire Schedule A overpayment audit results and the settlement amount of \$1,199, 437.00; and 2. Approve the Release and Settlement Agreement and authorize the Board President to sign. <p>The motion was seconded by Director Fourcroy and carried with the following vote:</p> <p>Ayes: Directors Ochylski, Fourcroy, Cesena, Womack, Nays: Abstain: Absent: Gatchell</p>
<p>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</p>	<p>Public Comment – Richard Margetson commented on the December 14, 2024, Needs and Wishes fundraiser. The proceeds will be split between 40 Prado and SLO NOOR.</p>
<p>9. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p>A. Utilities Department Report</p> <p>B. General Manager Report</p>	<p>Written Report</p> <p>General Manager Munds provided updates on the shutting down of the Upper Aquifer well, Program C well project, SCADA Project contract award, Growth Management Ordinance, Habitat Conservation Plan, and the Regional Hazard Mitigation Plan kickoff.</p>

AGENDA ITEM	DISCUSSION OR ACTION
<p>C. Los Osos/Baywood Park Chamber of Commerce Report</p> <p>D. Los Osos Community Advisory Council (LOCAC) Report</p> <p>E. Parks and Recreation Committee Meeting Report</p> <p>F. Utilities Advisory Committee Meeting Report</p> <p>G. Finance Advisory Committee Meeting Report</p> <p>H. Emergency Services Advisory Committee Meeting Report</p> <p>I. Basin Management Committee Meeting Report</p> <p>J. Directors' Announcements of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences, and Seminars</p> <p>K. Response to Previously Asked Questions</p>	<p>None</p> <p>Director Cesena reported that LOCAC has an opening in District One, the 10/29/24 Board of Supervisors hearing, and the issues with the HCP being delayed due to funding and implementing questions.</p> <p>No Meeting</p> <p>Director Cesena reported topics discussed were the County's town hall meeting, the Basin Management Committee and Fund 500 reserve policies.</p> <p>Vice President Womack reported that it had been recommended that the warrant registration be approved and that the financial reports and quarterly investment report be received and filed.</p> <p>No Meeting. Next meeting will be on November 21, 2024.</p> <p>General Munds reported that the County's town hall meeting, preliminary budget, and the transient model and Habitat Conservation Plan were discussed.</p> <p>Director Cesena reported that he attended the Board of Supervisors meeting.</p> <p>None</p>
10. PUBLIC COMMENT FOR ITEMS ON THE ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT AGENDA	Public Comment – None
<p>11. CONSENT AGENDA</p> <p>A. Receive Administrative, Committee Reports, and Approved Committee Minutes</p> <p>B. Approve Meetings Minutes of October 4, 2024</p> <p>C. Approve Warrant Register for October 2024</p> <p>D. Receive Financial Report for Period Ending September 30, 2024</p> <p>E. Approve LOCSD Board of Directors 2025 Meeting Schedule</p> <p>F. Receive Quarterly Investment Report for Q3 2024</p>	<p>A motion was made by Director Fourcroy that the Board receive and file the presented Administrative Committee Reports and Approved Committee Minutes. The motion was seconded by Director Cesena and carried with the following vote:</p> <p>Ayes: Directors Fourcroy, Cesena, Womack, Ochylski Nays: Abstain: Absent: Gatchell</p>
12. DISCUSSION OF PULLED CONSENT ITEMS	None
13. FUTURE AGENDA ITEMS	Director Fourcroy commented on additional funding for Cabrillo Estates, and additional staffing and potential succession planning for major work initiatives.
14. ADJOURN TO CLOSED SESSION	President Ochylski Adjourned to Closed Session at 8:02 p.m.

AGENDA ITEM	DISCUSSION OR ACTION
15. RECONVENE TO OPEN SESSION	President Ochylski called the meeting to order at 8:15 p.m. A motion was made by Director Fourcroy to instruct General Manager Munds to negotiate a contract for legal services with RWG Law and to bring it back to the December board meeting for approval. The motion was seconded by Director Womack and carried with unanimous consent.
16. CLOSING BOARD COMMENTS	Director Fourcroy thanked all firms that responded to the legal RFP. President Ochylski commented on the Needs and Wishes fundraiser on December 14, 2024.
17. ADJOURNMENT	The meeting was adjourned at 8:18 p.m.

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