



Date: January 31, 2022

To: LOCSD Finance Advisory Committee

From: Ron Munds, General Manager

Subject: **Agenda Item 7 – 01/31/2022 FAC Meeting**
General Manager's Update

President
Matthew D. Fourcroy

Vice President
Charles L. Cesena

Directors
Troy C. Gatchell
Marshall E. Ochylski
Christine M. Womack

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
Eddy Moore

Battalion Chief
Paul Provence

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Offices:
2122 9th Street, Suite 110
Los Osos, CA 93402

Phone: 805/528-9370
FAX: 805/528-9377

www.losososcsd.org

- **Utilities Capital Projects:** Progress on the Program C Well, 8th St. Upper Aquifer Well and 16th Street Tank Rehabilitation and Coating Project picked up during January.

-The work on the 8th St. Upper Aquifer began last week. There will still be some delays in completing the project due to supply chain issues with the electrical components. If all goes according to schedule, it is anticipated the project will be completed in April.

-The 16th St. Tank project was slated to begin in early January, but COVID related workforce issues have delayed the start date of the Project. The Project should be underway at the beginning of February and completed by April.

-Staff was notified by the County that the Program C Well Project Minor Use Permit is moving to hearing in early March. Staff is moving forward with assembling the bid package for the well drilling and pipeline phases of the project. We do not have a project schedule at this time. Additionally, the District should hear back from the State on the grant submittal for the project by the end of February.

- **Five-Year Water Rate Study.** Staff has collected the necessary data to begin the study. The 2016 Rate Study Working Group comprised of Rob Miller, Richard Margetson and myself will be reviewing the information, developing a presentation and points for consideration during the next several weeks. It is anticipated that a preliminary draft of the information will be presented to the FAC at the February 28th meeting.

- **Solid Waste Franchise Agreement.** Staff and the County have been in negotiations to assign the Solid Waste Franchise Agreement back to the District. The Board will be reviewing the assignment agreement and terms and conditions of the assignment at the February 3rd Board meeting. Once finalized, this will bring an estimated \$120,000 a year of revenue to the District.

- **Looking Ahead.** Staff is working on a fairly significant revision to the District's Purchasing Policy. Progress has been delayed so a schedule for completion is uncertain at this time. Also, staff will begin the preparation of the 2022-2023 Fiscal Year budget after the mid-year adjustments are complete. The draft budget should be to the FAC in May.