

**Los Osos Community Services District  
Board of Directors  
Minutes of the Regular Meeting of August 1, 2013**

AGENDA ITEM	DISCUSSION OR ACTION
<p><b>1. CALL TO ORDER/FLAG SALUTE/ROLL CALL</b></p>	<p>President Moothart called the Closed Session Meeting to order at 6:02 p.m. and led the flag salute.</p> <p>Roll Call:            Marshall Ochylski, Director – Present            David Vogel, Director - Present            Michael Wright, Director - Present            Craig Baltimore, Vice President - Present            Leonard Moothart, President - Present</p> <p>The following Staff were present:            Margaret Falkner, Interim General Manager            Michael Seitz, District Legal Counsel            Ann Kudart, Administrative/Accounting Assistant</p>
<p><b>2. ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF CLOSED SESSION</b></p> <p><b>3. PUBLIC COMMENT</b></p> <p><b>4. ADJOURN TO CLOSED SESSION</b></p>	<p>District Legal Counsel Seitz announced that the Board would convene to Closed Session for the following:</p> <p>A. <u>PENDING LITIGATION (Government Code, §54956.9(a))</u>            Conference with Legal Counsel Regarding Existing Litigation (Formally Initiated):            - <i>In re Los Osos Community Services District (ND-06-10548)</i> United States Bankruptcy Court, Central District of California, Northern Division            - <i>LOCSD v. Golden State et al</i> (Groundwater Adjudication), Case No. CV04012 (San Luis Obispo Superior Court)</p> <p>B. <u>ANTICIPATED LITIGATION (Government Code, §54956.9(b)(1))</u>            Conference with Legal Counsel Regarding Anticipated Litigation – 1 Case</p> <p>C. <u>PERSONNEL (Government Code §54957)</u>            Public Employment            - Title: Full Time General Manager</p> <p>Public Comment – None.</p> <p>The Board adjourned to Closed Session at 6:04 p.m.</p>
<p><b>5. RECONVENE TO OPEN SESSION</b></p>	<p>The Board reconvened to Open Session at 7:07 p.m.</p> <p>The following Board Members were present:            Marshall Ochylski, Director – Left the meeting at 7:39 p.m.            David Vogel, Director            Michael Wright, Director            Craig Baltimore, Vice President            Leonard Moothart, President</p> <p>The following Staff were present:            Margaret Falkner, Interim General Manager            Michael Seitz, District Legal Counsel            Phill Veneris - Battalion Chief            Ann Kudart, Administrative/Accounting Assistant</p>
<p><b>6. RECEIVE REPORT OUT OF CLOSED SESSIONS OF August 1, 2013</b></p>	<p>District Counsel Seitz reported that the District's Amended Debt Adjustment Plan will be heard by the Bankruptcy Court on October 9, 2013 at 2:00 p.m. in Santa Barbara. In regards to the ISJ, Mr. Seitz reported that the District would be posting the Executive Summary of the Basin Management Plan on its website on August 2, 2013 with a link to the entire draft Basin Management Plan which would be on the County's website. He reported that the public review period would be for 60 days and that comments must be in writing. In regards to Items 2B Anticipated Litigation and 2C Personnel, Mr. Seitz reported that the Board heard reports from Legal Counsel, discussed the items but took no reportable action.</p> <p>Director Ochylski reported that copies of the draft Basin Management Plan would be available for review at the District office and at the Los Osos Library.</p> <p>President Moothart reported that there would be a public presentation of the Basin Management Plan and that the date will be announced.</p>

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<p><b>7. ADMINISTER FIREFIGHTERS OATH TO NEW STATION 15-SOUTH BAY RESERVE FIREFIGHTERS</b></p>	<p>President Moothart administered the Firefighters Oath to the four new Station 15-South Bay Reserve Firefighters. Members of the firefighter's families came forward to pin on their badges and Battalion Chief Veneris introduced Station 15-South Bay's newest Reserve Firefighters Ryan Biberston, Mathew Gist, Casey Jenkins and John Curtis Reid to the public.</p>
<p><b>8. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA</b></p>	<p>District Counsel Seitz reported that the Board had taken Item 11L and Item 14 off the agenda and that the public could comment on those items at this point in the agenda.</p> <p>South Bay Community Center Board President Carol Moore announced the new Executive Board Officers including Vice President Richard Margetson, Secretary Ann Tiber, and Financial Officer Chuck Snead. Board Members include Carol Danielson, Phyllis Cameron, Joan Anderson, Tim Stagers and Chuck Cesena. She reported that the Board meets on the second Thursday of the month. Ms. Moore recognized Rosemarie Arnold upon her retirement as the SBCC longtime Manager. Secretary Ann Tiber presented Ms. Arnold with an album of cards and letters from the many grateful patrons she served over the years. Valerie Darnell was introduced as the Center's new manager.</p> <p>Linde Owen praised Station 15-South Bay and the good deeds they do for the community; she wished Ms. Arnold the best and welcomed Ms. Darnell. She commented on the Wastewater Project and the need for the Board to hold a Town Hall meeting.</p> <p>Julie Tacker echoed the previous speaker's high praises for the Fire Department and the Community Center. She commented on the draft Basin Management Plan and is interested to see how it dovetails with the dewatering of our basin as part of the Wastewater Project.</p> <p>Al Barrow welcomed Ms. Darnell as the Community Center's new manager. He commented on his resentment of the Federal government spying on Americans as a violation of his constitutional rights.</p> <p>Richard Margetson commented that LAFCO did not have to review the Debt Adjustment Plan asking why the District is paying them and commented that the Board was not representing the community. He commented on the dewatering being pumped into the Bay.</p>
<p><b>9. ADMINISTRATIVE AND COMMITTEE REPORTS</b></p> <p><b>A. CAL FIRE Report</b></p> <p><b>B. Utilities Department Report</b></p> <p><b>C. LOCAC Report</b></p> <p><b>D. Emergency Services Advisory Committee Report</b></p> <p><b>E. Utilities Advisory Committee Report</b></p> <p><b>F. Finance Advisory Committee Report</b></p> <p><b>G. Directors' Announcement of District and Community Interest and Reports on Attendance at Public Meetings, Training Programs, Conferences and Seminars</b></p>	<p>Director Ochylski left the dais.</p> <p>Chief Veneris reported on the emergency activities, training and special programs and projects and fire prevention actions during the month of June 2013 as submitted with the agenda. He reported that San Luis Ambulance is now receiving daily maps and updates of road closures throughout Los Osos during the Wastewater construction.</p> <p>Interim General Manager Falkner reported on the operations of the Utilities Department for the month of June 2013, reporting water production, consumption and revenue. She reported on Utility operations and maintenance for the water system, reported on Palisades well mitigation measures and reported on the crews continuing monitoring and groundskeeping in Bayridge Estates and Vista de Oro.</p> <p>Director Wright reported on his attendance at the July 25, 2013 LOCAC meeting reporting that there was no Sheriff's report or County staff report. He reported that Supervisor Gibson was in attendance. He reported on the County-wide Pavement Management Plan and SLOCOG's Mobility Master Plan, a regional study of Highway 101 and needed improvements.</p> <p>There was no Emergency Services Advisory Committee (ESAC) report. The next ESAC meeting will be held August 20, 2013.</p> <p>There was no Utilities Advisory Committee (UAC) report. The next UAC meeting will be held August 14, 2013.</p> <p>President Moothart reported on the Finance Advisory Committee (FAC) meeting. The Committee approved the minutes, reviewed the warrants and financials recommending approval. The Committee discussed the need for an Asset Replacement Plan and reviewed and recommended approval of Board Item 11E. The next FAC meeting will be held September 3, 2013.</p> <p>President Moothart terminated the Admin Allocation subcommittee and appointed Vice President</p>

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	Baltimore and Director Wright to an Ad Hoc committee to meet with staff, including Chief Veneris, to identify shortcomings and issues with the current Administrative allocations and report their findings at the next regular Board meeting.
<p><b>10. PUBLIC COMMENT FOR ADMINISTRATIVE AND COMMITTEE REPORTS AND THE CONSENT CALENDAR</b></p> <p><b>11. CONSENT CALENDAR</b>  <b>A. Receive Administrative and Committee Reports</b>  <b>B. Approve Meeting Minutes of July 11, 2013</b>  <b>C. Receive Warrant Register for July 2013</b>  <b>D. Receive Financial Statements for the Period Ending June 2013, and Cash and Investment Schedules and Reserves Schedule as of June 30, 2013</b>  <b>E. Adopt Resolution Amending the Fee Schedule of the Water Fund to Impose a Charge for Nonsufficient Funds Checks</b>  <b>F. Adopt Resolution Amending the Personnel Policy to Add Revised General Manager Job Description</b>  <b>G. Adopt Resolution Approving MOU between LOCS and SLOCEA for the Miscellaneous Employees Bargaining Unit</b>  <b>H. Not Used</b>  <b>I. Adopt Resolution Declaring used Items Surplus to District needs</b>  <b>J. Adopt Resolution Amending Section 11 of the District's Bylaws and Rules of Decorum</b>  <b>K. Receive Report from Cleath-Harris Geologists Palisades Well</b>  <b>L. Update on the Status of the 2002 Improvement Bond</b></p>	<p>President Moothart called for Public Comment for the items on the Administrative and Committee Reports and the Consent Calendar.</p> <p>Linde Owen commented on the loss of the Solid Waste franchise.</p> <p>Julie Tacker commented on the ISJ legal fees; the impact of the sewer construction on District staff; and requested an update on the County's nitrate testing.</p> <p>Al Barrow commented on production at Palisades Well disappearing due to seawater intrusion.</p> <p>Richard Margetson commented on the refusal of the County to report at the District meetings. He commented on disbanding the Admin Allocation subcommittee and the need to take advantage of the service and knowledge of committee members.</p> <p><b>A motion was made by Director Wright to receive and file the Administrative Reports, the Committee Reports, and to approve the Consent Calendar as presented. The motion was seconded by Director Vogel and carried with the following vote:</b></p> <p><b>Ayes: Directors Wright, Vogel, Baltimore, Moothart</b>  <b>Nays: None</b>  <b>Abstain: None</b>  <b>Absent: Ochylski</b></p>
<b>12. FUTURE AGENDA ITEMS</b>	<p>The Board discussed the District's responsibility to the community to provide Emergency Services and the need to extend another invitation to the County to give an update on the Wastewater Project with regards to Emergency Services response time being jeopardized due to the road construction.</p> <p>President Moothart requested Director Vogel draft a letter to the County.</p>
<b>13. CLOSING BOARD COMMENTS</b>	<p>Director Vogel commented on the Board's need to exercise its authority where needed.</p> <p>Director Wright reminded the public of the Los Osos Community Plan Update meetings.</p> <p>Vice President Baltimore welcomed the new Reserve Fire Fighters and encouraged the public to contact the Fire Department if interested in "Hands Only" CPR training.</p>

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	President Moothart thanked all the committee members for their much appreciated service to the community.
14. ADJOURNMENT	The meeting adjourned at 8:24 p.m.