

**Los Osos Community Services District
Minutes of the Utilities Advisory Committee Meeting
January 17, 2018 at 5:30 p.m. at the District Office**

AGENDA ITEM	DISCUSSION	FOLLOW-UP
1. Call to Order, Flag Salute and Roll Call	<p>Chairperson Cesena called the meeting to order at 5:31 p.m. and led the flag salute.</p> <p><u>Roll Call:</u> Jan Harper, Committee Member – Present Lee Harry, Committee Member – Absent Gene Heyer, Committee Member – Present Leonard Moothart, Committee Member – Present Ron Munds, Committee Member – Present Chuck Cesena, Chairperson – Present</p> <p><u>Staff:</u> Renee Osborne, General Manager Jose Acosta, Utility Systems Manager Ann Kudart, Administrative Services Manager</p>	
2. Approval of UAC Minutes of November 15, 2017	<p>Public Comment – None</p> <p>Committee Member Munds made a motion to approve the minutes. The motion was seconded by Committee Member Moothart and approved unanimously.</p>	Action – File approved minutes.
3. Recap of January 17, 2018 Basin Management Committee (BMC) Meeting	<p>Chairperson Cesena provided a detailed update of the discussions at today's BMC meeting including their 2018 Budget, a new contract with Cleath-Harris for annual monitoring reports, that the Coastal Commission approved the County's amended rebate program and outreach programs to include postcards and Town Hall meetings, and the County's Recycled Water Program.</p> <p>Public Comment – Richard Margetson commented on BMC's discussion regarding Recycled Water contracts.</p> <p>Lynette Tornatzky commented that upgrading the main along LOVR may not be needed.</p>	
4. Updates Regarding Utilities Department Projects a. Drainage-8 th Drainage Project b. Meter Replacement Program	<p>Utility Systems Manager Acosta reported that Alpha Electric completed the installation of the 8th Street Drainage panel prior to the last storm and that the new diesel pump arrived today and the crew will install and have it running by the end of the week.</p> <p>He reported that 31% of the meters have been replaced and by 2020 should be at 100% with replacement every 10 years.</p> <p>Utility Systems Manager Acosta reported that he is gathering quotes for the 8th Street Building and that we're looking at approximately \$100,000 for the completed project.</p> <p>Regarding the drainage permit, Mr. Acosta reported that the District is working with the Water Resource Control Board to complete the permitting process, that all fees have been paid, and that the District is in compliance and operating properly. He is reviewing all permits required by the District.</p>	
5. Update/Review of District Water Conservation Program	<p>General Manager Osborne reported on the community-wide water conservation plan and that drawing entries will be collected from the elementary schools at the beginning of February and that the videos from Los Osos Middle School should be ready by mid-February; that the Chamber has sent out sponsorship forms and that she has collected \$400; and once the entries have been collected she will bring them back to the Committee to choose their entry winner.</p> <p>Public Comment – None</p>	

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<p>6. Review of Board Item Regarding Mid-Year Budget Adjustments Bayridge and Vista</p> <p style="padding-left: 40px;">Drainage</p> <p style="padding-left: 40px;">Wastewater</p> <p style="padding-left: 40px;">Water</p>	<p>General Manager Osborne reported that FAC had reviewed the adjustments and recommended Board approval; that there is no more spending in Bayridge Estates and Vista de Oro, that the District is waiting on the County to accept the transfer contracts, and the negative balances will be repaid without interest.</p> <p>Regarding Drainage, only \$20,000 of the \$63,000 that was budgeted for salaries will be needed thereby bringing down the Drainage Budget \$43,510 for total expenses of \$48,050 plus \$86,000 in Capital Improvements at 8th Street.</p> <p>GM Osborne reported that Wastewater has a negative roll over balance and that legal expenses regarding the bankruptcy were higher than expected. The negative roll over balance will need to be addressed.</p> <p>Utility Systems Manager Acosta reported that \$50,000 was budgeted for meter replacement in FY17/18 however no meters were replaced from July through October and \$20,000 was reallocated within the Water Fund. He reported that increased changes are for additional funds for unforeseen pavement issues and for vehicle repairs and maintenance.</p> <p>General Manager Osborne reported an additional \$2,000 was added to Water Conservation to cover the campaign should there be no donations; that double General Ledger coding has been cleaned up with GL Code 9155 Interagency Cost Sharing ISJ moved to Professional Consulting BMC.</p> <p>Public Comment – Richard Margetson commented on property taxes; asked if there was ever an agreement to reduce the interest on the IBank loan; and, asked if the Drainage capital improvement costs were coming out of the reserves.</p> <p>Committee Member Harper made a motion that the Committee recommend to the Board that the mid-year adjustments be accepted including any adjustments to revenue that might need to be made to Water as discussed and all changes that the General Manager suggested for Drainage. The motion was seconded by Committee Member Moothart and approved unanimously.</p>	<p>Action: The Committee recommended that the mid-year adjustments be accepted including needed adjustments to Water revenue as discussed and all changes suggested by the General Manager for Drainage.</p>
<p>7. Public Comments on Items NOT on this Agenda</p>	<p>Linde Owen encouraged simple banners regarding water conservation be put up now and continued water conservation messages on the electronic board as the community needs to know we are in a water crisis.</p>	
<p>8. Schedule Next UAC Meeting</p>	<p>The next meeting of the Utilities Advisory Committee is scheduled to be held on Wednesday, February 21, 2018 at 5:30 p.m. unless otherwise noticed.</p>	
<p>9. Closing Comments by UAC Committee Members</p>	<p>Committee Member Harper requested that the dryland farmers recycled water issue be discussed at UAC.</p> <p>Chairperson Cesena commented on the repair of the leak by the property owner at 3rd and Santa Maria.</p>	
<p>10. Adjournment</p>	<p>The meeting adjourned at 6:31 p.m.</p>	