

Julie Kennedy, President
Lisa Palmer, Vice President
Tom Fayram, Director
Greg Parks, Director
Nina Stormo, Director



**LOS OLIVOS COMMUNITY SERVICES DISTRICT
REGULAR MEETING**

Posted: 7-6-2024

July 10, 2024, 6PM (Pacific)

Los Olivos Grange Hall

2374 Alamo Pintado Ave, Los Olivos CA 93441

Please observe decorum and instructions from the President

This meeting will be held both in-person and electronically via Zoom meetings. In-person the meeting will be held at the following location:
St Mark's in the Valley Episcopal Church, Stacy Hall - 2901 Nojoqui Ave, Los Olivos CA 93441

The public will also be able to hear and participate electronically by using the following links:

On Zoom:

<https://us06web.zoom.us/j/86135156557?pwd=4sl90bmVH88b51RlbLhlyUaGD52CFf.1>

By Phone:

Meeting ID: 861 3515 6557 Passcode: 157483

One tap mobile: +16699006833,,86135156557#,,,,*157483# US (San Jose)

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MEETING AGENDA

1. CALL TO ORDER

President Kennedy called the meeting to order at: 6:00 PM

2. ROLL CALL

Present: President Kennedy, Vice President Palmer, Director Fayram, Director Parks, Director Stormo

Absent: None

3. PLEDGE OF ALLEGIANCE

After the Pledge, President Kennedy takes a moment to thank the firefighters and public safety responders for their efforts. She notes that there are two sandwich boards up in the community (Lavinia Campbell park and Post Office) with fire information on them.

Change to the agenda.

Counsel O'Neill has been under the weather, so item #9 will be tabled until the August 14 Regular meeting of the Board.

4. PUBLIC COMMENT

Members of the public may address the Board of Directors on any items of interest within the subject matter and jurisdiction of the Board but not on the agenda today (Gov. Code - 54954.3). The public may also request future agenda topics at this time. Speakers are limited to a maximum of 3 minutes. Due to the requirements of the Ralph M. Brown Act, the Board of Directors cannot take action today on any matter not on the agenda, but a matter raised during Public Comments can be referred to District staff for discussion and possible action at a future

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meeting.

President Kennedy opens the floor to public comment.

Sam Marmorstein and Mike Brady speak.

INFORMATIONAL ITEM:

Per public request, a brief report from the General Manager that conveys District status and updates is being added at the beginning of the agenda. This status report may touch on key items in the project plan or schedule. The General Manager will leave other detailed reporting, including budgetary reporting until the end of the meeting.

This item is informational only, no action will be taken, and no public comment will be received.

5. GENERAL MANAGER’S BRIEF DISTRICT STATUS REPORT

GM Savage notes that the important items are on the agenda for later tonight except for information regarding connection to the City of Solvang. He comments that he has responded to requests for data from WSC and that he will keep the pressure on both WSC and Carollo to ensure November deliverables. He mentions the WRDA grant and states that the District is part of the related bill, but there is no appropriation (funding) yet.

ADMINISTRATIVE ACTION ITEMS:

All matters listed hereunder constitute an administrative / consent agenda and will be acted upon by a single vote of the Board. Matters listed on the Consent Agenda will be read only at the request of a member of the Board, in which event the matter may be removed from the Consent Agenda and considered as a separate item. The public may comment on any of the items prior to the vote being taken by the Board.

6. CONSENT AGENDA

A. APPROVAL OF MEETING MINUTES

Meeting minutes of May 15, 2024.

Meeting minutes of June 12, 2024.

B. APPROVAL PAYMENT OF INVOICES RECEIVED ON OR BEFORE JUNE 28, 2024.

The invoices below have been reviewed by the Finance Subcommittee and are recommended for approval.

No.	Invoice Date	Invoice #	Provider	Amount
1	6/13/2024	00876.005 - 1	GSI – Monitoring wells – split sample, add constituents, report (Grant Reimbursable)	\$ 14,739.76
2	6/14/2024	00876.005 - 2	GSI – Monitoring wells – split sample, add constituents, report, lab reports, draft TM (Grant Reimbursable)	\$ 2,231.25
3	6/14/2024	7948	SDRMA – Annual Insurance	\$ 2,769.86
4	6/28/2024	20246	Savage – GM Services (Portions Grant Reimbursable)	\$ 6,345.99

Each year, the District is billed via a Journal Entry for usage of the County’s financial system, FIN. The amount billed for this past year is shown below. Payment was approved by the GM, consistent with his authorization.

No.	Invoice Date	Invoice #	Provider	Amount
1	6/10/2024	JOURNAL ENTRY	County of Santa Barbara FIN Usage	\$ 836.00

Project	Vendor	To Date (inc. above)	Remaining Authorization
Audit (Pre 2023)	Moss, Levy & Hartzheim, LLP	\$ 2,780.00	\$ 4,995.00
Audit (2023)	Moss, Levy & Hartzheim, LLP	\$ 0.00	\$ 2,900.00
Groundwater Wells	Various	\$ 107,215.50	\$ 14,229.50

Director Fayram requests that item 6a be split into two motions, one for each of the minutes.

GM Savage introduces the consent agenda. He notes that there is one unique item that he added to ensure transparency. Specifically that the Journal Entry for the use of County systems in included under the invoices section (6B).

President Kennedy opens the floor to public comment.

No requests speak.

Motion to approve the May 15 minutes.

Motion by: Director Parks, Second: Vice President Palmer

Voice vote: 4-0, with Director Fayram abstaining from the vote

Motion to approve the balance of the consent agenda.

Motion by: Director Fayram, Second: Vice President Palmer

Voice vote: 5-0

BUSINESS ITEMS:

7. CONSIDERATION OF MODIFICATIONS, INCLUDING PAY SCHEDULE, TO THE CONTRACT FOR THE GENERAL MANAGER

Following the June performance review of the General Manager, the Board of Directors will consider modifications to the General Manager's contract. The Board of Directors will specifically consider an increase in pay rate for the General Manager, the current rate as of July 1, 2024 is \$144.06. The General Manager is an independent contractor whose contract includes annual CPI increases. Other modifications to the General Manager's contract may also be considered during this item.

General Manager's recommendation: None.

President Kennedy introduces the item noting that she requested this item to be first on the agenda.

President Kennedy opens the floor to public comment.

No requests to speak.

President Kennedy comments that she would like to see a pay increase to the GM and that the Board is very pleased with his efforts. She suggests an increase to an hourly amount of \$150 for the GM services. Director Fayram clarifies that he believes the intent was an increase above the current rate. He expresses an interest in hearing what the rest of the Board has to say. Director Fayram suggests that perhaps the better approach would be to have GM Savage bring back a new three-year contract with the new rate built in. Director Stormo asks about whether a 10% increase is appropriate. Director Palmer comments that she was not at the closed session last month. She notes that GM Savage has been doing a great job for the District. She notes that she would be comfortable with \$150 an hour. She adds that GM Savage has been a good steward for the community.

GM Savage responds to Board commentary. He says that he is fine with the current approach to his pay and that he would decline any increase beyond what is in the contract already. He notes that he appreciates the Board's support, but that, like many in the community who donate time, he is fine with the way things are currently set up.

President Kennedy asks about other things that might help. The GM and Board have a brief discussion about perhaps establishing a new contract given that the existing contract with the GM is in its final year, excluding extensions.

Direction is given to staff to come back with a new three-year contract for the General Manager, with existing CPI increases, and automatic extensions for an additional three-years. The contract should come back to the full Board in August for a vote.

President Kennedy asks GM Savage about his membership on various subcommittees. GM Savage responds that it would be better, in his opinion, for him to support the subcommittees as the District GM as opposed to being an actual voting member of the subcommittees.

Director Fayram notes for the record the offer of \$150 an hour was offered to GM Savage, who acknowledged and subsequently declined the proposed increase in pay.

8. DISCUSSION RELATED TO TEST SAMPLE RESULTS FOR DISTRICT GROUNDWATER MONITORING WELLS

The LOCSD successfully installed three new groundwater monitoring wells and tested all five wells earlier this year. GSI Water Solutions is expected to participate via Zoom to provide an overview of the results and answer questions. Final results of the testing were posted on the District's website, on June 24, 2024, at:

<https://www.losolivoscscsd.com/technical-studies-and-reports>

General Manager's recommendation: Receive and file.

Note: Due to Zoom issues, this item was heard after item 10.

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ownership, growth control, plus on-going maintenance and operations are all covered. Director Palmer suggests that Stantec and Regen be the “experts” giving the information with others being resources for people to ask/answer questions. She suggests that the next step may be to go back to Geoff Green and get his opinion as to the best way to set up the workshop, given it is his area of expertise. Director Fayram adds that he likes the layout used at the last workshop.

President Kennedy reopens the floor to public comment.

Alvie Whitaker, Mike Brady, Sam Marmorstein, and Micah Bartz speak.

Note: Zoom issues resolved, the Board returns to item 8.

11. CONSIDERATION OF THE DRAFT AUDIT REPORT FOR YEAR ENDING JUNE 30, 2023 (LOCSD FY 2022-23)

The Board of Directors consider the draft audit report submitted by Moss, Levy & Hartzheim for the fiscal year ended June 30, 2023 (LOCSD fiscal year 2022-23).

General Manager’s recommendation: Approval and direct President and/or General Manager to sign.

GM Savage notes that there are no findings in the draft report. He adds that at the Finance Subcommittee he raised a couple of questions about the draft audit, both were answered to his satisfaction by Alex Hom from ML&H. GM Savage adds that the final report will be returned as a future item on the Board’s agenda.

President Kennedy opens the floor to public comment.

No requests speak.

Motion to authorize the Board President to execute the draft audit report.

Motion by: Director Palmer, Second: Director Stormo

Voice vote: 5-0

12. CONSIDERATION OF RESOLUTION 24-06 – APPROPRIATIONS LIMIT FOR FY 2024-25 (GANN LIMIT)

Consideration of a resolution that states the appropriations limit, also known as the Gann limit, for the fiscal year ending June 30, 2025. The Gann Initiative, also known as Article XIII B of the Constitution of the State of California, mandates the calculation and adoption of an annual appropriations limit on various units of government, including the Los Olivos Community Services District, by adjusting the prior year’s appropriation limit for changes in inflation and population. The current LOCSD fiscal year (FY 2024-25) runs from July 1, 2024 to June 30, 2025.

General Manager’s recommendation: Approval.

GM Savage introduces the item noting that this is a required annual action by the District. The District essentially uses the same calculation for its special assessment tax as its Gann Limit.

President Kennedy opens the floor to public comment.

No requests speak.

Motion to approve Resolution 24-06 appropriations limit for FY 2024-25.

Motion by: Vice President Palmer, Second: Director Stormo

Roll Call vote: 5-0

13. CONSIDERATION OF RESOLUTION 24-07 – AUTHORIZING LEVY OF PROPERTY TAX ASSESSMENT AND CPI INCREASE

Consideration a resolution that authorizes a tax levy with consumer price index (CPI) increase and provides for collection via direct charge by the Santa Barbara County Auditor-Controller via placement on the secured tax bill of all parcels within the District, excluding exempt or partially exempt parcels pursuant to past action by the Board of Directors. Resolution 24-07 is an update to prior resolutions and District formation documents and will increase tax levies by three and nine-tenths percent (3.9%) over the prior amount. Most parcels will experience an annual amount of \$680.47 on their property tax bill. Given issues with obtaining the final list from the County of Santa Barbara, and statute driven dates regarding turning in of the District’s assessment lists, the General Manager is further requesting authorization for the General Manager and/or President to make technical changes to the list. Technical changes could include adjustments to names such as when a property transfer occurred or when a property moves from an individual to a trust, assessment amounts for split or joined parcels, changes in parcel

counts, changes consistent with adopted District policies, and other legally driven changes. Any change to the CPI amount applied would be based on a majority vote by the Board of Directors, in open session.

General Manager's recommendation: Approval, including authorization for General Manager and/or President to make technical changes as noted above.

GM Savage introduces the item. He describes the process that is used by the County to provide assessment data and then submit it to the Auditor/Tax Collector for placement on individual tax bills. GM Savage then talks about the difficulties of timing when the Assessor won't entertain a request for the assessment data until July 8 and the Auditor would like the final answer on July 26. He notes what is written in the agenda about providing authorization for the President and/or GM to make technical adjustments related to parcels. He thanks Supv. Hartmann's office for attempting to reconcile the dates and help with the overall process.

Director Fayram says that the process GM Savage is proposing is perfectly appropriate. He notes that there are often corrections, such as the technical ones mentioned, made in other County processes after initial due dates.

President Kennedy opens the floor to public comment.

Kathryn Rohrer speaks.

Motion to approve item 13 with the technical adjustments as outlined by the General Manager.

Motion by: Director Fayram, Second: Director Stormo

Roll Call vote: 5-0

INFORMATIONAL ITEMS:

These items are informational only, no action will be taken, and no public comment will be received.

14. REPORTS

A. SUBCOMMITTEE REPORTS

Finance Subcommittee (President Kennedy Chair) – President Kennedy notes that the Finance Subcommittee did meet, recommending invoices and the audit.

Grants Subcommittee (President Kennedy Chair) – President Kennedy notes that the Subcommittee did not meet.

Project Management Subcommittee (Vice President Palmer Chair) – Vice President Palmer notes that the Subcommittee did not meet. She adds that the next meeting is scheduled for later this month.

Technical Subcommittee (Director Fayram Chair) – Director Fayram notes that the Subcommittee did not meet.

B. GENERAL MANAGER AND DISTRICT ENGINEER COMMENTS

The GM and DE will give reports on any meetings that they attended on behalf of the District, report on various District-related activities and/or provide status on projects. The GM may also review Budget Reports. See the packet for more details.

Notable upcoming meeting items:

August – (August 21) Collections Workshop – St. Mark's Church – Stacy Hall

November – WCS and/or Carollo deliverables

GM Savage walks through his status report, upcoming calendar and a couple of financial reports. He adds that he did receive notice that the Water Resources Development Act Funding Opportunity request of \$462,500 has been written into law, but there is no associated appropriation at this time. He adds that he is working to get a contract at the LA District offices for the Army Corps of Engineers so he can reach out to familiarize them with our efforts.

For District Engineer Pike, GM Savage notes that DE Pike is nearly finished with the Draft Final report for the California Water Recycling Funding (WRF) grant write-up, which will bring the District the remaining \$75,000.

15. DIRECTORS COMMENTS

Directors will give reports on any meetings that they attended on behalf of the Board and/or choose to comment on various District-related activities. Directors may also request future agenda topics at this time.

President Kennedy – She will be hosting coffee with a director on July 19 at 8:30 at Lefty's. She adds that she

believes Suffolk County NY did a hybrid ownership model. She requests that the Technical Subcommittee get restarted on looking at "in District" treatment.

Vice President Palmer – Makes comments on siting of a treatment facility in the community. She asks what deliverables, what information can we put together so that when we get to that point, we have more insight when we get the information on City of Solvang. Adds that CSDA may be an opportunity to find other Districts that have gone through what we are doing.

Director Fayram – Mentions the coffee with the Director. He had two attendees last Friday.

Director Parks – Comments that having sites in mind are best when you move to having discussions about treatment.

Director Stormo – Circles back to workshop, having information from other communities that have had septic failures would be helpful.

16. ADJOURNMENT

Motion to adjourn at 7:35PM.

Motion by: Vice President Palmer, Second: Director Fayram

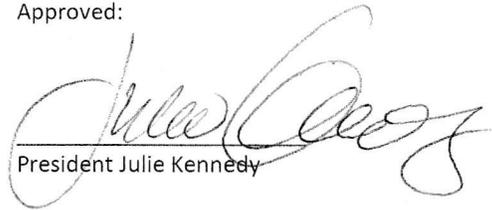
Voice vote: 5-0

Respectfully submitted:



Guy W. Savage
General Manager – Los Olivos Community Services District

Approved:



President Julie Kennedy