

Tom Fayram, President
Brad Ross, Vice-President
Julie Kennedy, Director
Lisa Palmer, Director
Greg Parks, Director



LOS OLIVOS COMMUNITY SERVICES DISTRICT
BUDGET WORKSHOP
May 10, 2023

Posted: 5-7-2023

This workshop will commence at the later of 6:15 PM or
the conclusion of the Los Olivos Community Services District Regular Meeting
which begins at 6:00 PM

St Mark's in the Valley Episcopal Church, Stacy Hall
2901 Nojoqui 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/82515801920?pwd=VHFQd1VDZUVucFZXZEVEVhZVjkhkQT09>
By Phone:
Meeting ID: 825 1580 1920 Passcode: 378600
One tap mobile +16694449171,,82515801920#,,,,*378600# US

The Los Olivos Community Services District is committed to ensuring equal access to meetings. In compliance with the American Disabilities Act, if you need special assistance to participate in the meeting or need this agenda provided in a disability-related alternative format, please call 805.500.4098 or email to losolivoscsd@gmail.com. Any public records, which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at a location to be determined in Los Olivos, California 93441.

MEETING AGENDA

1. CALL TO ORDER

Meeting was called to order at 6:42 PM

2. PUBLIC COMMENTS

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 District 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 meeting.

President Fayram opens the meeting to public comment.

Kathryn Rohrer, Anna Marie Gott, Paul Rohrer, and Michelle de Werd speak.

3. BUDGET WORKSHOP

The Board will review and discuss the budget for the upcoming fiscal year (FY 2023-24). The Board may provide direction to the General Manager and others; but no action will be taken.

GM Savage walks through the handouts provided as part of the workshop packet, as well as the addendums. He references the slides provided as part of the April regular meeting to show the Proposition 218 work plan. Focusing on the budget spreadsheet, he makes several comments. He notes that grant funding was not included in the budget being shown because of the uncertainty that grant funds will be received. He adds that in his opinion, it

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would only be appropriate to include the grant funds as a revenue source if they are a “guaranteed” source. As it relates to the largest dollar figure \$590,000 (7460 – Professional and & Special Services), shown in red, GM Savage references the Notes to the right of the budget spreadsheet. He notes that he only included those items which are projected to be completed next fiscal year. He points out that because of the Board’s prior commentary, additional groundwater wells were not included. He further adds when it comes to the environmental costs, which span both FY 2023-24 and FY 2024-25, he only included the costs that would be incurred in FY 2023-24 and did not include costs that would be incurred in FY 2024-25.

President Fayram opens the meeting to public comment.

Paul Rohrer, Anna Marie Gott, and Kathryn Rohrer speak.

Vice President Ross confirms that a balanced budget must be adopted. He recommends we redouble our efforts to bring in EHS and State grant funds that are outstanding. He asks that we include each of the projects as a part of the budget schedule. President Fayram asks Counsel Trindle if budget amendments (adjustments) could be made through the year. Counsel Trindle clarifies that a budget can be amended throughout the year, assuming specific processes are followed. This would allow the District to pursue grant funding and then, once funding is identified, amend the budget to allocate the funding to specific activities.

Director Palmer comments that she would have liked to have had a staff memo outlining more of the assumptions included in the slides. Director Palmer asks what the order of magnitude is for outstanding funds from the EHS grant. After a period of time, GM Savage responds that he believes the amount to be approximately \$66,800, if he includes the outstanding billings for the initial Effluent Disposal Study and the Groundwater Monitoring wells. In consideration of the 60% design number, she asks about the critical path to get us to a project description, into the pipeline for grants, and to environmental review.

Director Parks asks about the 60% design and if it is the “Stantec” design. GM Savage responds that the 60% design could be completed by anyone. He adds that it could include STEP, STEG, and/or gravity collection, secondary or tertiary treatment, and effluent disposal options. General discussion about 60% design follows. Director Parks asks about the \$50k for assessment engineer. GM Savage responds that is who determines the actual cost to each parcel owner.

Director Kennedy comments on what is required, minimally, to get us to a Prop 218 vote. President Fayram responds that the Technical Committee will attempt to complete its first draft this month. He notes that it is a starting point for discussion with the full Board. President Fayram notes that what is presented in the base budget is what it takes for the LOCSD to exist as an entity. He comments on specific items such as District Counsel costs. He notes that the reason the District holds its meetings when it does is so that there can be a three-way split with two other jurisdictions (Santa Maria Valley, Isla Vista) for Counsel Trindle’s costs. He reminds the Board that some level of reserves should be kept. He suggests that the Base Budget, plus any grant funds that come in and associated work is complete, is his opinion of how things should proceed. President Fayram then talks about grants and required grant match funding.

GM Savage recaps his understanding of what should be included in the FY 2023-24 budget, stating that it is essentially the Base Budget as presented, plus pursuit of grants of everything shown on the April “Prop 218 Plan” slides. And, that the roughly \$66k of unallocated funds be included as potential Professional and Special Services.

Vice President Ross then asks a number of clarifying questions about what is shown as “Ending Balance” on the spreadsheet and Reserves.

Director Palmer asks about the roughly \$66k that may be coming from the EHS grants. GM Savage confirms that the funds are for work already completed and that the grant concluded as of 12/31/2022. She adds that anything related to the groundwater monitoring wells should be pushed out unless it is completely funded. From a plan perspective, she thinks groundwater monitoring wells should be pushed out of FY 2023-24.

Director Kennedy reraises the conversation about a grant workshop. GM Savage responds that he will make it happen if that is the will of the Board.

Vice President Ross asks a process question about how the District would move forward with the Base Budget; but, wants to be clear that as grant funds come in, the related work will get started as soon as possible. President Fayram describes how the process would work. A general discussion ensues about priority of tasks and application

of grant funds. Based on the ensuing discussion, the project management sub-committee will draft a plan to prioritize the addition of tasks as a function of receiving additional grant funds.

President Fayram opens the meeting to public comment.

Allie Andersen and Tom Nelson speak.

Based on public comment and commentary from the Board, Counsel Trindle clarifies that if members of the community are added to a subcommittee, such as the Grant subcommittee, it would be a Brown Act meeting. He adds that if an existing subcommittee opens their meeting to the public and the public participates, it does not necessarily need to be noticed in the same manner as a Brown Act meeting.


4. ADJOURNMENT

Motion to adjourn at 8:01 PM.

Motion by: Director Palmer, Second: Director Parks

Voice vote: 5-0

PREPARED AND SUBMITTED BY GUY W. SAVAGE,
GENERAL MANAGER



APPROVED :



TOM FAYRAM, PRESIDENT