

**OCEANO COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES**

**WEDNESDAY**

**FEBRUARY 25, 2009**

**OCEANO**

The Meeting was called to order by President Mann at 6:32 P.M.

1. Roll Call

Present: President Mann, Vice President Hill, Director Dahl, Director Dean,  
Director Lucey

Absent: None

Staff Present: Kevin D. Walsh, Secretary to the Board/General Manager, Gina A. Davis,  
Deputy Secretary to the Board/Administrative Assistant, Philip T. Davis, Utility  
Operations Supervisor, Alex Simas, District Legal Counsel

Staff Absent: Brian Leathers, Fire Captain

2. Flag Salute

President Mann led the flag salute.

3. Public Comment

None

4. Board Member Items / Discussion

President Mann stated that on December 23, 2003 the Oceano sewer system had sustained damage due to an earthquake. She stated the District is fortunate to have a local and very notable construction company such as R. Baker Construction is to be repairing the damage done on Strand Alley and Pier Avenue. The Santa Barbara County Chapter of CSDA recently awarded R. Baker Construction Contractor of the Year.

5. Review and Approval of Minutes

- a. January 20, 2009 (Goal Setting Meeting)
- b. February 04, 2009 (Special Meeting)
- c. February 10, 2009 (Special Meeting)
- b. February 11, 2009

Director Dean stated the Minutes for February 11, 2009, Paragraph 1 of Commander Hascall's monthly report should be corrected to state there was a bust of a "Cock-Fighting Ring" and not a "Cook-Fighting Ring".

**After a request for public comment, none being given, upon motion by Director Dean, and second by VP Hill, the Minutes of January 20, 2009, February 04, 2009, February 10, 2009, and February 11 2009, as corrected, were unanimously approved.**

6. Reports

a. Administrative Assistant

AA Davis reported on the District Administration Department operations for January, 2009.

**OCEANO COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES**

**WEDNESDAY**

**FEBRUARY 25, 2009**

**OCEANO**

b. Utility Operations Supervisor

UOS Davis reported on the Water and Sewer Department operations for January, 2009. In response to Director Lucey's question, UOS Davis stated that the District is currently using all of its Lopez water Allotment, and the District is only receiving 15% of its State water allotment. Accordingly, to meet daily demand, the District is pumping more groundwater.

7. Fire Items

None

8. Utility Items

a. Cleaning and Inspection of District Sewer and Water Lines

President Mann introduced this item.

**Therefore, after a request for public comment, none being given, upon motion by Director Dean, and second by VP Hill, and the following roll call, to wit:**

**AYES:                 Director Dean, VP Hill, Director Dahl, Director Lucey  
                              President Mann**

**NOES:                 None**

**ABSENT:             None**

**The Board approved the Continuance of the Water and Sewer Declaration of Emergency.**

b. Request to County for Transfer of DRI Funds for 2009

GM Walsh introduced this item, and introduced Tony Navarro, County Planning Department, who then gave a PowerPoint presentation on the subject. Tony Navarro's explained the various grants that were available to the District.

Director Lucey asked if the County of San Luis Obispo had any plan to help resolve the homeless problem in our area. Mr. Navarro stated that the County is in progress of adopting the Federal Ten-Year Program to End Homelessness.

President Mann inquired whether the County of San Luis Obispo could apply for a CDBG Grant to resolve some of the drainage issues in Oceano. Mr. Navarro stated that the County has applied for these grants for San Miguel and other unincorporated areas and suggested the Board pursue this matter with the County.

Mr. Navarro stated on March 17, 2009 is the deadline for him to have the staff report completed for the reallocation of the Disaster Recovery Initiative (DRI) Funds. President Mann stated that each Board member should send letter of support to request reallocation of the DRI Funds.

**OCEANO COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES**

**WEDNESDAY**

**FEBRUARY 25, 2009**

**OCEANO**

Therefore, after a request for public comment, none being offered, upon the motion of VP Hill, and second by Director Dean, the Board unanimously agreed, by voice vote to send individual letters to each County Supervisors for the reallocation of DRI funds and authorized President Mann to sign a separate letter to the Board of Supervisors on the behalf the Board.

9. Administrative Items

a. Old Business

(1) Distribution of the Codification Sections

Director Dean reported the District is currently operating under old United Fire Code (UFC) codes which are now called the International Fire Code (IFC). She stated that the newest version of the IFC codes was printed in 2007.

The Fire Committee was able to go through all of the District's fire code and will be looking at a cost recovery system. Any request for a change to the current code will not be considered until 2010.

Director Dean stated Chief Hubert will be contacting Templeton CSD to inquire how their Will-Serve Process is carried out.

Director Dean stated another change the Fire Committee was made aware of is that any new home that is 1,000 square feet or larger must be fitted with a fire sprinkler system. This new requirement would also make it mandatory for the house to have a 1-inch water meter to accommodate the sprinkler system.

President Mann asked if any of the other Committees have made appointments to meet with GM Walsh. Director Dean stated the Water Committee would be meeting on March 4, 2009, after the SSLOCD meeting. President Mann stated the Sewer Committee will be meeting after the new GM is selected and UOS Davis is back from vacation.

GM Walsh stated that there will be no changes in the current policies for the Fire Department, and fireworks sales in Oceano will not be affected this year.

(2) General Manager Recruitment

GM Walsh stated the Special Board Meeting held on February 10, 2009, the Board was able to narrow the applicants from 40 to 8 applicants with 3 alternates. At this point there are 6 remaining applicants whom the Professional Committee will be interviewing on February 26, 2009, with a Meet & Greet with the Board and Staff at 6 p.m. The Board will then conduct final interviews on February 27, 2009, with the same applicants.

(3) Halcyon Mobile Home Parks

GM Walsh stated the Grande Estates Mobile Home Park and Halcyon Estates have both signed the Contracts with the District. GM Walsh stated that he has authorized The Wallace Group to begin the necessary work on the LAFCO application process.

**OCEANO COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES**

**WEDNESDAY**

**FEBRUARY 25, 2009**

**OCEANO**

GM Walsh stated that both parks will have the District added to their insurance policies if that already has not been completed. GM Walsh recommended the insurance certificates be received at the District prior to the LAFCO application being submitted.

(4 & 5) Water and Sewer Master Plans and Rate Studies

Steve Tanaka, The Wallace Group, stated that District staff is currently working on a detailed list of information that is required. The Wallace Group has reviewed the 2004 Water Master Plan supplied by Garing & Taylor, as well as the Water and Sewer Atlas maps and drawings.

Director Lucey stated that she would like to contact Mr. Tuckfield, of Tuckfield & Associates, regarding the basis upon which he will be conducting the rate study.

**President Mann announced a recess at 8:29 P.M.**

**President Mann reconvened the meeting at 8:34 P.M.**

b. New Business

(1) Quarterly Investment Report

AA Davis reported on the Quarterly Investment Report for the period ending December 31, 2008.

VP Hill stated that the he was concerned about the amount being held in various accounts as the FDIC will only insure up to \$250,000.00. AA Davis explained that the District had only retained that high of a balance for a short time due to payments that were made to the County of San Luis Obispo, and normal practice is to only keep an amount that is within FDIC guidelines.

DLC Simas stated the rules of FDIC Insurance for the on-demand and CD-type accounts.

**After a discussion, the Board decided all Restricted Reserves and Facility Fees accounts keep no greater than \$250,000.00 balance with the difference being transferred to LAIF.**

(2) Annual Review of District Investment Policy

GM Walsh presented this item, and stated that in his opinion the Reserve Policy and the Investment Policy should be separated.

**Therefore, after a request for public comment, none being offered, upon the motion of VP Hill, and second by Director Dean, and the following roll call, to wit:**

**AYES: VP Hill, Director Dean, Director Dahl, Director Lucey,  
President Mann**

**OCEANO COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES**

**WEDNESDAY**

**FEBRUARY 25, 2009**

**OCEANO**

**NOES: NONE**

**ABSENT: NONE**

The Board approved the re-adoption of the current District Investment Policy.

Therefore, after a request for public comment, none being offered, upon the motion of VP Hill, and second by Director Dean and the following roll call, to wit:

**AYES: VP Hill, Director Dean, Director Dahl, Director Lucey, President Mann**

**NOES: None**

**ABSENT: None**

The Board approved the policy to direct staff to distribute District funds such that funds in a commercial institution do not to exceed FDIC limits.

(3) Annual Review of District Rules of Order

DLC Simas presented the item. Director Dean stated that it was unnecessary to review the Rules of Order annually, and they should only be reviewed at the request of the Board.

DLC Simas stated the Rules of Order will change from Annual review to only viewing after an election year. He will have the changes completed so the Board can adopt them at the next scheduled meeting of March 11, 2009.

(4) Drainage Issues

President Mann introduced the item. She stated that after the presentation by Mr. Navarro, the District now knows whom to lobby to in order to possibly get the drainage problem resolved in Oceano. She wanted to clarify that this discussion of drainage problems is for the entire Community of Oceano, not just Highway 1.

Director Dean asked if the Community Enhancement Committee would be better suited to handle this item. Director Lucey stated that it was her feeling the Board as a whole should be handling this as it is such a large problem for the Community.

Director Dean stated that possibly the County should be requiring some of the smaller projects, such as an addition done to an existing residence, to contain their storm water. These small projects add to the drainage problem.

Director Lucey stated the Board should draft a plan and present it to the County.

**OCEANO COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES**

**WEDNESDAY**

**FEBRUARY 25, 2009**

**OCEANO**

**After a lengthy discussion, a request for public comment, none being offered, the Board decided to have staff draft a letter to California State Representative Lois Capps, and our other State representatives concerning the drainage problem in Oceano.**

10. Reports from District Representatives

a. PRESIDENT BARBARA MANN

President Mann reported on the CSDA meeting held February 20, 2009, she was able to attend via telephone. She stated that there were not enough District's participating to re-elect David Brooks for the available seat on the Board; there were only 12 votes cast and he needed 18. LAFCO will now be sending a letter to all Districts requesting that they nominate a person for that position.

b. VICE PRESIDENT JIM HILL

VP Hill reported on the SSLOCSD Meeting held on February 18, 2009. He stated that the final payment for the repairs and overhaul of the digester was approved. VP Hill stated the SSLOCSD has re-adopted the current investment policy. VP Hill stated that a progress payment was made for the manhole project. VP Hill also stated the SSLOCSD authorized the replacement of one of the Chemical Tanks.

c. DIRECTOR VERN DAHL

Director Dahl reported on the OAC meeting held February 23, 2009. He stated the Committee is supporting an application of an older project for five lots off of Surf Street and the Committee hopes the street will get paved, also.

d. DIRECTOR PAMELA DEAN

Director Dean reported on the Fire Consolidation meeting held February 20, 2009. She stated the Grant guidelines were discussed, and the Feds are looking for accountability of applications by performing audits.

Director Dean stated the ladder truck application will be processed by the City of Arroyo Grande and Chief Hubert will be listed as the host. This ladder truck will be used by all Fire Departments as needed.

Director Dean stated the preliminary cost allocation for the consolidation was released. The report was divided into four categories. One is population; Oceano has 21% of the population out of the four fire departments. The second category is call volume; Oceano has 20% of the calls that were made through dispatch. The third category is assessed value; Oceano has 13%. The final category is stations dedicated, in which Oceano has 27%. Director Dean stated that after considering these four categories, OCSD's shared cost at this point would be 20%.

**OCEANO COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES**

**WEDNESDAY**

**FEBRUARY 25, 2009**

**OCEANO**

Director Dean stated that Allan Hancock College will no longer be used as a training facility, and that Cuesta College is being considered to be the main site for training in this area. The fire departments are also looking at getting a bond for public training and a public training station.

Director Dean stated that the Oceano Fire Department would be receiving \$54,610.00 from the Off-Road Vehicle Fund. She suggested that a thank you letter be sent to Chief Hubert as he played a key role in getting the funds.

Director Dean reported on the Fire Committee meeting held on February 24, 2009. She stated that there are 110 calls to date. Director Dean stated that Captain Angello went on a call on the beach and should be recognized for his efforts. Director Dean stated the sand problem on Strand Way was discussed and it does not display a problem for the Fire Department access for emergency calls.

e. DIRECTOR MARY LUCEY

Director Lucey stated that she will give her report on the Special District Institute held on February 19-21, 2009 at the March 11, 2009 meeting.

11. General Manager Items / Discussion

GM Walsh stated the Audit for 2006-2007 is almost complete.

GM Walsh stated the Harassment Prevention training has been tentatively scheduled for Saturday, April 25, 2009. Director Dahl stated that he would not be able to attend the training if held on that date. GM Walsh stated that he would contact other districts to see if possibly Director Dahl would be able to attend at a different time.

12. Board Member Discussion

None

13. Consideration of Warrants

VP Hill recused himself from the warrant for notary services due to the fact it was for his wife's company.

**Thereafter, after a request for public comment, none being offered, upon the motion of Director Dahl, second by Director Lucey, the Board approved the warrant for notary services by unanimous voice vote, with VP Hill abstaining.**

**Thereafter, after a request for public comment, none being given, upon the motion of Director Dahl, second by VP Hill, the Board unanimously approved the remaining warrants.**

**OCEANO COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES**

**WEDNESDAY**

**FEBRUARY 25, 2009**

**OCEANO**

14. Public Comment  
None
15. Written Communications  
None

The Meeting was adjourned by President Mann at 9:40 P.M.

Kevin D. Walsh, Secretary to the Board