



**Oceano Community Services District**  
**Summary Minutes**  
**Regular Meeting Wednesday, October 11, 2023 – 6:00 P.M.**  
**Location: OCSD BOARD ROOM**

1. **CALL TO ORDER:** Called at approximately 6:05 p.m. by President Villa
2. **ROLL CALL:** Board members present: President Villa, Vice President Gibson, Director Austin, Director Joyce-Sunesson and Director Varni.  
 Staff present: Will Clemens, General Manager, Carey Casciola, Business & Accounting Manager and Daniel Cheung, Legal Counsel.
3. **FLAG SALUTE:** Led by President Villa
4. **AGENDA REVIEW:**

Agenda accepted as presented with a motion by Director Varni with a second from President Villa and a 5-0 roll call.

Julie Tacker	Provided comment regarding the order of the agenda.
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5. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:**

Julie Tacker	Provided comment regarding redactions.
April Dury	Provided comments regarding future agenda items.

6. **SPECIAL PRESENTATIONS & REPORTS**

**A. STAFF REPORTS:**

- i. **Sheriff's South Station** – Commander Keith Scott  
 September 2023 report  
 Calls for Service 419 (385 previous year)  
 Assault & Battery 4 (domestic violence)  
 Disturbance Calls 42  
 Burglary 2  
 Thefts 5 / Mail Thefts 2  
 Vandalism 3  
 Assist other agencies 29  
 Suspicious Circumstances 6  
 Enforcement Stops 77  
 -0- Narcan use  
 Arrests 21
- ii. **Five Cities Fire Authority** – Steve Lieberman, Fire Chief - Absent
- iii. **Operations** - Utility Systems Manager - Tony Marraccino  
 Lopez 95.9% full (47,958 AF)  
 -0- SSO  
 Lopez water 58 AF Pumped 1 AF (for sample purposes only)  
 Continuing with weekly and monthly samples  
 21 work orders / 9 USAs / 8 Customer Service Calls  
 Completed first of the month equipment runs  
 Continuing with sewer jetting  
 SSMP is complete (preventative maintenance)  
 Valve turning / replacing meters and raising boxes / trash pick up  
 4 in valve separated and was rebuilt in place

**iv. OCSD General Manager – Will Clemens**

Hearing assistance devices have been installed in the Board Room and are available. Staff is looking into options for new director chairs in the board chamber. The District was not awarded a grant by Clean California, only 18% of applicants were awarded. Stormwater capture bids close this week. Met with the subcommittee for the State Water Subcontractors Advisory Committee to discuss opportunities for subcontractors to sell state water on a temporary basis.

**v. Legal Counsel – Daniel Cheung - Presentation from Legal Counsel Regarding Brown Act Requirements and Confidential Closed Session Communications**

Julie Tacker	Provided comments regarding 6v and past closed session items.
Clark D'Souza	Provided comments regarding item 10A.
April Dury	Provided comments regarding 6v and past closed session items.

**C. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:**

- i. President Villa – None**
- ii. Vice President Gibson – None**
- iii. Director Austin – Reported on the South San Luis Obispo Sanitation District (SSLOCSD)10/4/2023 meeting.**
- iv. Director Joyce-Suneson – Read a statement regarding item 10A**
- v. Director Varni – Reported on an upcoming event, Dia de los Muertos.**

President Villa recessed the meeting at approximately 7:05 pm.  
President Villa reconvened the meeting at approximately 7:10 pm.

President Villa requested the Board move into the closed session at approximately 7:15pm.

**14. CLOSED SESSION ITEMS:**

**A. Conference with Real Property Negotiator (Gov. Code §54956.8)** It is the intention of the Board to meet in closed session to have a conference with its Real Property Negotiators concerning the following: Property Descriptions: APN 062-271-023:024; 062-051-021; 022, 062-271-006, 062-271-026, 062-271-001; 003; 027, and 062-261-022; 080. Agency Negotiators: Oceano Community Services District, Will Clemens. Parties with whom Negotiating: County of San Luis Obispo, John Nilon. Instructions to County Negotiator: Price, Terms, and Conditions.

**B. Pursuant to Government Code §54956.9 (d)(4):** Conference with District Counsel regarding initiation of litigation. Number of cases: one (1).

Julie Tacker	Provided comments regarding both closed session items. In support of a performance evaluation of the General Manager.
April Dury	In support of a performance evaluation of the General Manager.
Bonnie Ernst	Asked a point of clarification on the order of the agenda.

Director Austin made a motion to adjourn to closed session with a second from Vice President Gibson and a 3-2 roll call vote. Director Varni and Director Joyce-Suneson dissented.

President Villa announced the return from closed session at approximately 8:45pm.

District Legal Counsel, Daniel Cheung provided the following report out of closed session:  
 14A: The Board of Directors provided directions to staff.

14B: On July 22, 2022, District auditors discovered that sick and vacation leave had been modified by an employee. The District followed up on this discovery and took appropriate action. The employee referenced in the audit findings was placed on Administrative Leave on August 19, 2022, and terminated effective September 10, 2022. The board met in closed session and authorized a forensic auditor to assess the extent of the theft in its meeting on November 9, 2022.

The process for checks and balances at OCSD is to have the employee processing payroll prepare the leave accruals and then have the manager check and approve the leave accruals every two weeks with payroll. This process was always followed; however, the District financial software contained a weakness that allowed the employee to circumvent the process. It should be noted that the District experienced no financial loss as a result of the finding related to leave accruals.

As noted in the financial audit, District management worked with the software provider to install system requirements where one employee initiates the accrual and a second to approve within the system. The audit findings from June 28, 2023, were provided to the District on June 26, 2023, and posted on the following day as an addendum to the June 28, 2023, agenda making them available to the Board and the public. Physical copies were also available at the board meeting.

The forensic auditor concluded his report on August 22, 2023. On August 25, 2023, this information was provided to the District Attorney and the OCSD is cooperating with their investigation.

**RETURNED TO 6B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS**

**v. Director Varni** – Reported on closed session.

President Villa recessed the meeting at approximately 8:50 pm.  
 President Villa reconvened the meeting at approximately 8:55 pm.

President Villa requested the Board move to Item 7.

<b>7. CONSENT AGENDA:</b>	<b>ACTION:</b>
<ul style="list-style-type: none"> <li>a) Review of the Minutes for the Special Meeting held on September 21, 2023</li> <li>b) Review of the Minutes for the Regular Meeting held on September 27, 2023</li> <li>c) Review of Cash Disbursements</li> <li>d) Adoption of Plans and Specifications and Authorization of Advertisement for Construction Bids for the Water Storage Tank Rehabilitation Project (Contract No. 2023-03)</li> <li>e) Recommendation to adopt a resolution entering the Joint Powers Agreement of the Fire Risk Management Services to provide health benefits to District Employees</li> <li>f) Approval of a budget expenditure request of \$1,175 by the Oceano Parks and Recreation Committee for a Dia de los Muertos event at the Oceano Community Center and acceptance of a \$99 donation from Walmart</li> </ul>	<p>After an opportunity for public comment, Board and staff discussion, a motion was made by President Villa to approve consent agenda 7A-7F items as presented with a second from Director Joyce-Sunesson and a 5-0 roll call vote.</p> <p>Public Comment:            Julie Tacker – Provided comment on minutes and future agenda items.            April Dury – Provided comments regarding legal costs.</p>

**RETURNED TO 6B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS**

**v. Director Varni – Reported on closed session.**

**RETURNED TO 6C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS: None**

Director Austin made a motion to continue the remaining agenda items to the next regularly scheduled Board meeting with a second from Vice President Gibson and a 5-0 roll call vote.

**Public Comment:**

Julie Tacker	In support of removing items 10A – 10C from the next agenda.
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<b>8A. BUSINESS ITEMS:</b>	<b>ACTION:</b>
Continuation of Item 8A from the Regular Meeting of September 27, 2023 - Discussion and consideration of revisions to the bylaws regarding the Oceano Community Services District Board of Director's decision-making processes	The item was continued and will be brought to the next Board Meeting.

<b>8B. BUSINESS ITEMS:</b>	<b>ACTION:</b>
Continuation of Item 8A from the Regular Meeting of September 13, 2023 - Discussion and consideration of OPARC duties, governing policies and procedures, and committee membership, and proposed resolution and bylaws concerning the same	The item was continued and will be brought to the next Board Meeting.

**9. HEARING ITEMS:** Continued to the next Board Meeting.

**10. RECEIVED WRITTEN COMMUNICATIONS:** Continued to the next Board Meeting.

- A.** Correspondence from Vice President Gibson
- B.** Correspondence from Julie Tacker
- C.** Correspondence from Deputy District Attorney, Kenneth Jorgensen

**11. LATE RECEIVED WRITTEN COMMUNICATIONS:** Continued to the next Board Meeting.

**12. FUTURE AGENDA ITEMS:**

Director Varni made a motion to place a performance evaluation for the General Manager on the next agenda under closed session with a second from Director Joyce-Suneson.

**13. FUTURE HEARING ITEMS:** Continued to the next Board Meeting.

**15. ADJOURNMENT:** President Villa made a motion to adjourn the meeting at 9:20 pm with a second from Director Austin and a 5-0 roll call vote.