



Notice of Regular Meeting Oceano Community Services District - Board of Directors Agenda

WEDNESDAY, April 25, 2018 – 5:30 P.M.

Oceano Community Services District Board Room
1655 Front Street, Oceano, CA

All items on the agenda including information items, may be deliberated. Any member of the public with an interest in one of these items should review the background material and request information on the possible action that could be taken.

All persons desiring to speak during any Public Comment period are asked to fill out a "Board Appearance Form" to submit to the General Manager prior to the start of the meeting. Each individual speaker is limited to a presentation time of THREE (3) minutes per item. Persons wishing to speak on more than one item shall limit his/her remarks to a total of SIX (6) minutes. This time may be allocated between items in one minute increments up to three minutes. Time limits may not be yielded to or shared with other speakers.

1. CALL TO ORDER:
2. ROLL CALL:
3. FLAG SALUTE:
4. AGENDA REVIEW:
5. CLOSED SESSION:

A. Pursuant to Government Code §54957: Performance evaluation – General Manager

6. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA: **(NOT BEGINNING BEFORE 6:00 PM)**

This public comment period provides an opportunity for members of the public to address the Board on matters of interest within the jurisdiction of the District that are not listed on the agenda. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

7. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. Operations - Field Supervisor Tony Marraccino
- ii. FCFA Operations - Chief Steve Lieberman
- iii. OCSD General Manager – Paavo Ogren
- iv. Sheriff's South Station - Commander Stuart MacDonald

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. Director Angello
- ii. Director Brunet
- iii. President White
- iv. Vice President Austin
- v. Director Coalwell

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

This public comment period provides an opportunity for members of the public to address the Board on matters discussed during Agenda Item #7 – Special Presentations and Reports. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

This agenda was prepared and posted pursuant to Government Code Section 54954.2. Agenda is posted at the Oceano Community Services District, 1655 Front Street, Oceano, CA. Agenda and reports can be accessed and downloaded from the Oceano Community Services District website at www.oceanocsd.org

ASSISTANCE FOR THE DISABLED If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Clerk of the Board at (805) 481-6730 for assistance at least three (3) working days prior to the meeting so necessary arrangements can be made.

ASISTENCIA A DISCAPACITADO Si usted está incapacitado de ninguna manera y necesita alojamiento para participar en la reunión de la Junta, por favor llame a la Secretaría de la Junta al (805) 481-6730 para recibir asistencia por lo menos tres (3) días antes de la reunión para que los arreglos necesarios puedan ser hechos.

8. CONSENT AGENDA ITEMS:

Public comment Members of the public wishing to speak on consent agenda items may do so when recognized by the Presiding Officer. To facilitate public comment we request persons wishing to speak to fill out a speak request form and give it to the General Manager. Public comment is limited to three (3) minutes.

- A. Review and Approval of Minutes for the Regular Meeting on April 11, 2018
- B. Review and Approval of Minutes for the Special Meeting on April 19, 2018
- C. Review and Approval of Cash Disbursements
- D. Submittal of the District's Fiscal Year 2017-18 Quarter 3 Treasurer Report

9. BUSINESS ITEMS:

Public comment Members of the public wishing to speak on public hearing items may do so when recognized by the Presiding Officer. To facilitate public comment we request persons wishing to speak to fill out a speak request form and give it to the General Manager. Public comment is limited to three (3) minutes.

- A. Review and discussion of 2018 Committee Assignments with modifications as deemed appropriate
- B. Consideration of a Recommendation to approve a resolution Directing Approval of the Five Cities Fire Authority Budget for Fiscal year 2018/19, and discussion of related issues.
- C. Consideration of a Recommendation to Approve a Resolution by a 4/5ths vote Delegating to the General Manager the Authority to Take Emergency Action to Replace the Oceano Lagoon Waterline between Maui Circle and Utah Avenue in accordance with Public Contract Code 22050
- D. Submittal for approval a Resolution authorizing the General Manager to execute intent to serve letters to new customers

10. HEARING ITEMS:

11. RECEIVED WRITTEN COMMUNICATIONS:

12. LATE RECEIVED WRITTEN COMMUNICATIONS:

13. FUTURE AGENDA ITEMS: District Policies Continued; update, Roles and Responsibilities with Related Agencies; Construction Documents, Five Cities Fire Authority 5, District Rules and Regulations, Seabreeze Mobile Home Park Continued

14. FUTURE HEARING ITEMS:

15. ADJOURNMENT:



Oceano Community Services District

Summary Minutes

Regular Meeting Wednesday, April 11, 2018 – 5:30 P.M.

Oceano Community Services District Board Room

1655 Front Street, Oceano, CA

1. **CALL TO ORDER:** at 5:30 p.m. by President White
2. **FLAG SALUTE:** led by President White
3. **ROLL CALL:** All Board members present. Also present, General Manager Paavo Ogren, District Legal Counsel Jeff Minnery, Business and Accounting Manager Carey Casciola, and Board Secretary Celia Ruiz.
4. **AGENDA REVIEW:** Agenda approved as presented.
5. **CLOSED SESSION:** was entered at approximately 5:35pm. Open session was resumed at approximate 6:02pm
No public comment
 - A. **Pursuant to Government Code §54957.6:** Conference with Labor Negotiators. Agency designated representative: General Manager, Paavo Ogren; Employee Organizations: a) Service Employees International Union 620 b) Unrepresented Management Positions

No reportable Action
6. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA (NOT BEGINNING BEFORE 6:00 PM):**
Public comment was received by Patty Welsh, Cynthia Repogle, and Sherly Gibson who provided a letter written by Director Brunet.
7. **SPECIAL PRESENTATIONS & REPORTS:**
 - a. **STAFF REPORTS:**
 - i. Operations - Field Supervisor Tony Marraccino – Field Supervisor Marraccino reported on 15 USA's, 8 work orders, 8 customer service calls, daily rounds, samples, Pier & Air Park line break, 1 SSO spill of 20 gallons was reported, and valve turning.
 - ii. FCFA - Chief Steve Lieberman – None
 - iii. OCSD General Manager – General Manager Ogren reported on FCFA & City Managers Meeting.
 - iv. Sheriff's South Station – Commander Stuart McDonald – None
 - b. **BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:**
 - i. Director Angello – None
 - ii. Director Brunet – None
 - iii. President White – None
 - iv. Vice President Austin – reported on SSLOCSD
 - v. Director Coalwell – reported on WRAC
 - c. **PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:**
Public comment was received by Patty Welsh.

8 CONSENT AGENDA:	ACTION:
a. Review and Approval of Minutes for the Regular Meeting on March 14, 2018	After an opportunity for public comment and brief Board discussion, staff recommendations were approved with a modification to Item 8c to increase the total disbursements to \$ 75,060.52 with the attached warrants with a motion from Vice President Austin, a second by Director Coalwell and a 5-0 vote. Director Brunet abstained from Item 8a. No public comment.
b. Review and Approval of Minutes for the Regular Meeting on March 28, 2018	
c. Review and Approval of Cash Disbursements	
d. Submittal for approval an Intent to Serve Letter to Arnaldo Gomez; 2251 La Verne St.; Assessor's Parcel No. 062-068-012	

9 A BUSINESS ITEM:	ACTION:
Approval of a Recommendation to Set May 16, 2018 as the Application Deadline for Fireworks Permits	After an opportunity for public comment and brief Board discussion, staff recommendations were approved with a motion from Director Coalwell, a second by Director Brunet and a 5-0 vote. Staff also indicated they would work on options to help ensure fireworks are cleaned up on July 5 th . Public comment was received by Cynthia Replogle.

9 B BUSINESS ITEM:	ACTION:
Review of the District's Budget Status as of March 31, 2018	After an opportunity for public comment and brief Board discussion, no action. No public comment.

9 C BUSINESS ITEM:	ACTION:
Review and discuss annual adjustments to water charges pursuant to Ordinance 2015-01 and consideration of decreasing post-drought consumption charges.	After an opportunity for public comment and brief Board discussion, no action taken. No public comment.

Board recessed between 7:00-7:10 pm

Vice President Austin was feeling ill and left meeting

9 D BUSINESS ITEM:	ACTION:
Update on the Lagoon waterline break and emergency efforts with Board direction as deemed appropriate.	After an opportunity for public comment and brief Board discussion, no action taken. No public comment.

9 E BUSINESS ITEM:	ACTION:
Consideration of Ballot and Voting for the San Luis Obispo County Local Agency Formation Commission Alternate Special District Member Representative	After an opportunity for public comment and brief Board discussion, the Board selected Ed Eby for the LAFCo Special District Member Representative with a motion from President White, a second by Director Angello and a 4-0 vote. No public comment.

10 HEARING ITEM:	ACTION:
<p>A Public Hearing to consider bids received for the District's permanent utility relocation work required by the County of San Luis Obispo for the Airpark Bridge Replacement Project and Board approval to perform the work among options that include utilizing the County contractor(s), awarding the work to the District's low bidder, or adopting a resolution, which must be approved by a 4/5ths vote, to reject all bids and to perform the work with District employees as allowed by California Public Contract Code Section 22038; with an associated budget adjustments up to \$125,000.</p>	<p>After an opportunity for public comment and brief Board discussion, a motion to continue item within 7 days of receiving notice from San Luis Obispo County informing the District of the lowest bidder with a motion from Director Coalwell, a second by Director Angello and a 4-0 vote. No public comment.</p>

- 11. **RECEIVED WRITTEN COMMUNICATIONS:** FCFA facebook postings & WSC Central Coast Blue
- 12. **LATE RECEIVED WRITTEN COMMUNICATIONS:** None
- 13. **FUTURE AGENDA ITEMS:** District Policies Continued; Regional Groundwater Sustainability Project (RGSP) update, Roles and Responsibilities with Related Agencies; Emergency Generator, Construction Documents, Five Cities Fire Authority 5 Year Strategic Plan, Sea Breeze Mobile Home Park Continued
- 14. **FUTURE HEARING ITEMS:** None
- 15. **ADJOURNMENT:** at approximately 8:30 pm



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: April 11, 2018
To: Board of Directors
From: Carey Casciola, Business and Accounting Manager
Subject: Agenda Item #8(C): Recommendation to Approve Cash Disbursements - **REVISED**

Recommendation

It is recommended that your Board approve the attached cash disbursements.

Discussion

The following is a summary of the attached cash disbursements:

Description	Check Sequence*	Amounts
	56882 - 56909	
Disbursements Requiring Board Approval prior to Payment:		
Regular Payable Register – paid 04/11/2018	56892 - 56909	\$20,780.90
Added Warrants – paid 04/11/2018	56910 - 56913	\$17,803.73
	Revised Subtotal:	\$38,584.63
Reoccurring Payments for Board Review (authorized by Resolution 2016-07):		
Payroll Disbursements – pay period ending 03/31/2018	N/A	\$27,993.68
Reoccurring Utility Disbursements – paid 03/28/2018	56882 - 56887	\$2,434.85
Reoccurring Health/Benefits – paid 03/28/2018	56888 - 56891	\$6,047.36
	Subtotal:	\$36,475.89
	Revised Grand Total:	\$75,060.52

Other Agency Involvement: n/a

Other Financial Considerations: Amounts are within the authorized Fund level budgets.

Results

The Board’s review of cash disbursements is an integral component of the District’s system of internal controls and promotes a well governed community.

Added Warrants

	Vendor	G/L Account	Account Name	Distribution
1	Central Coast Printing	01-5-4100-205	Mailing/Postage Service	\$ 1,740.51
2	Adamski Moroski Madden Cumberland & Green LLP	01-5-4100-223	General Legal	\$ 8,621.50
3	Adamski Moroski Madden Cumberland & Green LLP	02-5-4400-362	Groundwater Litigation	\$ 6,181.96
4	Rabobank Visa Card	Mult	CSDA, AWWA, Travel, Quick Books	\$ 1,009.76
5	White, Karen M.	01-5-4100-225	Board Stipends	\$ 250.00
				\$ 17,803.73

Total Warrants Added for 04/11/2018	\$ 17,803.73
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ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	-----AMOUNT-----	STATUS	FOLIO	CLEAR DATE
1-1001-000	4/11/2018	CHECK	056910	WHITE, KAREN M.	250.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056911	ADAMSKI MOROSKI MADDEN CUMBERL	14,803.46CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056912	CENTRAL COAST PRINTING	1,740.51CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056913	RABOBANK VISA CARD	1,009.76CR	OUTSTND	A	0/00/0000

TOTALS FOR ACCOUNT 1-1001-0

CHECK	TOTAL:	17,803.73CR
DEPOSIT	TOTAL:	0.00
INTEREST	TOTAL:	0.00
MISCELLANEOUS	TOTAL:	0.00
SERVICE CHARGE	TOTAL:	0.00
EFT	TOTAL:	0.00
BANK-DRAFT	TOTAL:	0.00

TOTALS FOR POOLED CASH FUND

CHECK	TOTAL:	17,803.73CR
DEPOSIT	TOTAL:	0.00
INTEREST	TOTAL:	0.00
MISCELLANEOUS	TOTAL:	0.00
SERVICE CHARGE	TOTAL:	0.00
EFT	TOTAL:	0.00
BANK-DRAFT	TOTAL:	0.00



Oceano Community Services District

Summary Minutes

Special Meeting Thursday, April 19, 2018 – 4:00 P.M.

Oceano Community Services District Board Room

1655 Front Street, Oceano, CA

1. **CALL TO ORDER:** at 4:00 p.m. by President White
2. **FLAG SALUTE:** led by President White
3. **ROLL CALL:** All Board members present. Also present, General Manager Paavo Ogren, District Legal Counsel Jeff Minnery, Business and Accounting Manager Carey Casciola, and Board Secretary Celia Ruiz.
4. **PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:**
No public comment.
5. **CLOSED SESSION:** None

6 HEARING ITEMS:	ACTION:
<p>Continuance of Board Meeting April 11, 2018 Public Hearing Item 10</p> <p>A Public Hearing to consider bids received for the District's permanent utility relocation work required by the County of San Luis Obispo for the Airpark Bridge Replacement Project and Board approval to perform the work among options that include utilizing the County contractor(s), awarding the work to the District's low bidder, or adopting a resolution, which must be approved by a 4/5ths vote, to reject all bids and to perform the work with District employees as allowed by California Public Contract Code Section 22038; with an associated budget adjustments up to \$125,000.</p>	<p>After an opportunity for public comment and brief Board discussion, a resolution rejecting bids for the Airpark Drive Utility Relocation Project (No.2018-01) with finding that the project can be performed more economically by employees of the District and other related actions, were approved with modifications to the resolution to correct the bid opening date as April 5, 2018 and approval of April 19th, 2018 with a motion from Director Brunet, a second by Director Angello and a 5-0 roll call vote.</p> <p>No public comment.</p>

7. **ADJOURNMENT:** at approximately 4:15 pm



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: April 25, 2018

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: Agenda Item #8(C): Recommendation to Approve Cash Disbursements

Recommendation

It is recommended that your Board approve the attached cash disbursements.

Discussion

The following is a summary of the attached cash disbursements:

Description	Check Sequence*	Amounts
	56914 - 56937	
Disbursements Requiring Board Approval prior to Payment:		
Regular Payable Register – paid 04/25/2018	56922 - 56937	\$38,215.23
Subtotal:		\$38,215.23
Reoccurring Payments for Board Review (authorized by Resolution 2016-07):		
Payroll Disbursements – pay period ending	N/A	\$27,349.30
Reoccurring Utility Disbursements – paid 04/11/2018	56914 - 56919	\$6,661.70
Reoccurring Health/Benefits – paid 04/11/2018	56920 - 56921	\$201.03
Subtotal:		\$34,212.03
Grand Total:		\$72,427.26

Other Agency Involvement: n/a

Other Financial Considerations: Amounts are within the authorized Fund level budgets.

Results

The Board’s review of cash disbursements is an integral component of the District’s system of internal controls and promotes a well governed community.

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 056922 THRU 056937

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	4/20/2018	CHECK	056922	R&R ROLL-OFF LLC	425.88CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056923	PETTY CASH	55.90CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056924	BRISCO'S	64.63CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056925	DICKSON	167.98CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056926	ARAMARK	139.66CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056927	CENTRAL COAST TECHNOLOGY CONSU	220.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056928	ZENITH INSURANCE COMPANY	2,237.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056929	CLINICAL LAB OF SAN BERNARDINO	360.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056930	J.B. DEWAR, INC.	366.26CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056931	DIGITAL WEST NETWORKS, INC.	50.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056932	FLUID RESOURCE MANAGEMENT	978.75CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056933	GROVER BEACH, CITY OF	2,367.17CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056934	TOLMAN & WIKER INSURANCE SERVI	22,232.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056935	MOSS, LEVY & HARTZHEIM	7,000.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056936	RRM DESIGN GROUP	1,480.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/20/2018	CHECK	056937	TYERMAN'S BRAKE & ALIGMENT	70.00CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	38,215.23CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

Payroll Summary Report
Board of Directors - Agenda Date April 25, 2018

	(*)	
<u>Gross Wages</u>	3/31/2018	4/14/2018
Regular	\$23,142.38	\$23,009.52
Overtime Wages	\$1,333.07	\$912.35
Stand By	\$700.00	\$700.00
	<u>\$25,175.45</u>	<u>\$24,621.87</u>
	<u>\$25,175.45</u>	<u>\$24,621.87</u>
 <u>Disbursements</u>		
Net Wages	\$19,010.00	\$18,624.56
State and Federal Agencies	\$5,069.39	\$4,808.80
CalPERS - Normal	\$3,914.29	\$3,915.94
Total Disbursements processed with Payroll	<u>\$27,993.68</u>	<u>\$27,349.30</u>
	<u>\$27,993.68</u>	<u>\$27,349.30</u>
Health & Other (Disbursed with reoccurring bills)	\$3,553.40	\$3,553.40
	<u>\$3,553.40</u>	<u>\$3,553.40</u>
Total District Payroll Related Costs	<u>\$31,547.08</u>	<u>\$30,902.70</u>

(*) Previously reported in prior Board Meeting packet - provided for comparison.

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 056914 THRU 056919

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	4/11/2018	CHECK	056914	AGP VIDEO INC.	1,245.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056915	DIGITAL WEST NETWORKS, INC.	441.89CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056916	VERIZON WIRELESS	334.53CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056917	PACIFIC GAS & ELECTRIC	4,413.40CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056918	SO CAL GAS	137.38CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056919	STANLEY CONVERGENT SECURITY SO	89.50CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	6,661.70CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	6,661.70CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 056920 THRU 056921

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	4/11/2018	CHECK	056920	TASC -CLIENT INVOICES	54.67CR	OUTSTND	A	0/00/0000
1-1001-000	4/11/2018	CHECK	056921	SEIU LOCAL 620	146.36CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	201.03CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	201.03CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: April 25, 2018

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: Agenda Item #8D– Submittal of the District’s Fiscal Year 2017-18 Quarter 3 Treasurer Report

Recommendation

It is recommended that your Board receive and file the District’s 2017-18 Quarter 3 Treasurer Report.

Discussion

Government Code section 61053(f) requires the District Treasurer to report to the Board of Directors quarterly regarding the receipts, disbursements and the balances in each account controlled by the District. At the December 13th meeting your Board approved Resolution 2017-07 to adopt the District’s 2018 Investment Policy which is required by Government Code section 53646(A)(2). Section 7 of the Investment Policy requires the Financial Officer/ Treasurer to provide a quarterly report that identifies the District’s investments within 30 days after the end of each quarter. The attached worksheet has been prepared to review the District’s third quarter.

The District holds accounts with the County of San Luis Obispo and Rabobank. Attachment “A” provides a summary of each account held by the District which have been reconciled against the District’s general ledger.

Other Agency Involvement

The County of San Luis Obispo



Oceano Community Services District

Board of Directors Meeting

Other Financial Considerations

The 2017/18 Quarter 3 Budget review was presented at the April 11th meeting.

Results

Establishing compliance with both Government Code 61000-61250 regarding Community Service Districts and the District's Investment Policy will help ensure that the District's costs are managed properly and promotes prosperous and well governed communities.

Attachment A - 2017-18 Quarter 3 Treasurer Report

Oceano Community Services District
2017-18 Treasurer Report - Quarter 3

<u>Account</u>	<u>Month</u>	<u>Beginning Balance</u>	<u>Credits</u>	<u>Debits</u>	<u>Ending Balance</u>	<u>Total</u>
<u>County of San Luis Obispo Accounts:</u>						
Oceano CSD - Water Rev - 31215 (Revenue Bond)	Jan-18	\$102.79	\$0.30	\$0.00	\$103.09	
	Feb-18	\$103.09	\$0.00	\$0.00	\$103.09	
	Mar-18	\$103.09	\$0.00	\$0.00	\$103.09	
Oceano CSD - 41005	Jan-18	\$2,817,169.28	\$73,488.59	(\$550,315.70)	\$2,340,342.17	
	Feb-18	\$2,340,342.17	\$30,631.26	(\$34.12)	\$2,370,939.31	
	Mar-18	\$2,370,939.31	\$2,127.33	\$0.00	\$2,373,066.64	
Oceano CSD - 41045 (Sanitary District Bond - Paid Off)	Jan-18	\$4.15	\$0.01	\$0.00	\$4.16	
	Feb-18	\$4.16	\$0.00	\$0.00	\$4.16	
	Mar-18	\$4.16	\$0.00	\$0.00	\$4.16	\$2,373,173.89
<u>Rabobank Accounts:</u>						
Public Checking - 1101	Jan-18	\$225,110.23	\$613,493.08	(\$145,859.67)	\$692,743.64	
	Feb-18	\$692,743.64	\$412,412.18	(\$759,808.24)	\$345,347.58	
	Mar-18	\$345,347.58	\$146,588.84	(\$192,494.89)	\$299,441.53	
Public Investment Money Market - 5783	Jan-18	\$194,342.79	\$35.15	\$0.00	\$194,377.94	
	Feb-18	\$194,377.94	\$29.82	\$0.00	\$194,407.76	
	Mar-18	\$194,407.76	\$31.96	\$0.00	\$194,439.72	
Public Fund CD - 7655 (Water Fund Deposit)	Jan-18	\$23,984.15	\$12.39	\$0.00	\$23,996.54	
	Feb-18	\$23,996.54	\$12.00	\$0.00	\$24,008.54	
	Mar-18	\$24,008.54	\$11.61	\$0.00	\$24,020.15	
Public Investment Money Market - 0161 (Public Facilities Fees)	Jan-18	\$209,724.96	\$37.93	\$0.00	\$209,762.89	
	Feb-18	\$209,762.89	\$32.18	\$0.00	\$209,795.07	
	Mar-18	\$209,795.07	\$33.32	\$0.00	\$209,828.39	\$727,729.79
Total					\$3,100,903.68	



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: April 25, 2018

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: Agenda Item # 9A – Review and discussion of 2018 Committee Assignments with modifications as deemed appropriate

Recommendation

It is recommended that your Board review and discuss the 2018 Committee Assignments and modify as you deem appropriate.

Discussion

On December 13, 2017 the attached roster was decided as the Oceano Community Services District Committee Assignments. Recently, Director Burnett has expressed concern on his availability to meet on the update to the Memorandum Of Understanding (MOU) with the Services Employee International Union (SEIU) and related personnel policies. The work effort is expected to be extensive for the upcoming year as the goal of updating the MOU is to meet and confer with the union and the majority of these committee meetings will be held during business hours with OCSD staff and SEIU representatives.

Other Agency Involvement

n/a

Other Financial Considerations

n/a

Results

The election of Board Members to represent on committees promotes a well governed community.

Attachments: 2018 Committee Assignments

2018 COMMITTEE & SUBJECT MATTER ASSIGNMENTS

COMMITTEE ASSIGNMENTS TO OTHER AGENCY BOARDS AND COMMITTEES				Subject Matter Assignments / Expertise
SSLOCSD	Austin	White	1 st & 3 rd Wed/6:00/Jan.-June OCSD/July-Dec. Arroyo Grande City Council Chamber 215 E. Branch Arroyo Grande, CA 93420	Reclaimed Water
Five Cities Fire Authority	White	Coalwell	3 rd Fri./2:00/Grover Beach City Council Chamber 154 S. 8th St. Grover Beach, CA 93433	Emergency Services
Water Resource Advisory Comm. (WRAC)	Coalwell	Brunet	1 st Wed/1:30/SLO County Library Room 995 Palm St. San Luis Obispo, CA 93401	Regional Water Programs
Regional Water Mgt. Group (RWMG – IRWMP)	Brunet	Coalwell	9:00/SLO County Library Room 995 Palm St. San Luis Obispo, CA 93401	Regional Water Programs
Zone 3 (Lopez Water)	Brunet	Coalwell	3 rd Thurs Odd/6:30/Varies	Water Supply Contracts
State Water	Coalwell	Brunet	Varies	Water Supply Contracts
Oceano Advisory	White	n/a	4 th Mon/4:00/OCSD	County Land Use
RFP Ad Hoc Committee	Angello	Brunet	Approve 5/10/2017	
LIAISON AND SUBJECT MATTER ASSIGNMENTS				
Supervisor Liaison	Austin	Varies		
Airport Land Use	Angello	3 rd Wed /1:30/County Government Center Board of Supervisors Chamber 1055 Monterey St Room D170 San Luis Obispo, CA 93401		
CA (Local) Special District's Association	White	Varies (Usually Noon Fri) every other month		
Zone 1/1A	White	3 rd Tues Odd/3:00/Sheriff South Patrol Station 1681 Front St. (Highway 1) Oceano, CA 93445		
LAFCO	White	3 rd Thur/9:00/ County Government Center Board of Supervisors Chamber 1055 Monterey St San Luis Obispo, CA 93401		
RWQCB	Angello	Odd Months/Varies		
NCMA	Brunet	Subject Matter Assignment		
RGSP (Regional Groundwater Sustainability Project)	Coalwell	Subject Matter Assignment; Meetings with other agencies varies		
SLOCOG Sedimentation	White	Varies		
Budgets, Fees and Customer Rates and Charges	Angello	Subject Matter Assignment		
Real Property Lease and Franchises	Angello	Subject Matter Assignment		
Capital Improvement Program	Angello	Subject Matter Assignment		
Rules, Regulations, Policies and Procedures, including SEIU MOU	Brunet	Subject Matter Assignment		
District Plans and Projects	Brunet & Angello	Subject Matter Assignment		



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: April 25, 2018

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: Agenda Item # 9(B): Consideration of a Recommendation to approve a resolution Directing Approval of the Five Cities Fire Authority Budget for Fiscal year 2018/19, and discussion of related issues.

Recommendation

It is recommended that your Board approve the attached resolution, which approves the Five Cities Fire Authority fiscal year 2018/19 budget option subject to approval of a Memorandum of Agreement (MOA) with the cities of Arroyo Grande and Grover Beach, and alternatively, approves of the "Status Quo" budget option if a MOA is not approved with the cities.

Discussion

The staff report from the Five Cities Fire Authority (FCFA) on March 16, 2018 is attached. Two preliminary budgets were presented to the FCFA board for the purpose of providing direction to FCFA staff on preparing the FCFA budget for final approval.

- The "Strategic Plan" option includes funding to begin the transition of reserve firefighters to full-time firefighters, and the multi-year projections include other elements of the strategic plan. This option was supported by the FCFA Board on March 16, 2018.
- The "Status Quo" option essentially reflects funding for staffing levels that is included in the current budget, but which has resulted in staffing shortages and closure of the Oceano station on multiple occasions.

Also attached is an analysis of the District's funding contributions for each of the FCFA budget scenarios in relation to District property taxes and general fund costs. Although both scenarios indicate potential deficit spending for FCFA contributions, the "Status Quo" option is reasonably close to budget estimates and normal budget savings. In contrast, the "Strategic Plan" scenario has more significant budget deficits, including a deficit of \$(75,791) for fiscal year 2018/19, and a cumulative deficit of \$(820,340) over the next five years.



Although the deficit spending needed to support the Strategic Plan option is not sustainable, the attached resolution approves the Strategic Plan option subject to a Memorandum of Agreement (MOA) between the District and the cities of Arroyo Grande and Grover Beach. If an MOA is not approved, then the attached resolution provides for the approval of the Status Quo option.

Concepts of the MOA were discussed with your Board on March 28, 2018, at which time your Board directed the General Manager to work with the City Managers and the FCFA Fire Chief on what, at that time, was characterized as a "Joint Powers of Authority (JPA) Restructuring Agreement," and which is now termed the MOA. The primary principles that need to be addressed in the MOA are amendments to the existing JPA that would be needed to implement the Strategic Plan, including consideration of changes in the funding formula, and issues that would need to be addressed in 2018/19 if sufficient funding cannot be established for subsequent years and the existing JPA is no longer feasible.

Attached are the agenda materials from the March 28th meeting that address the need for the MOA. Staff will provide a verbal update on the MOA work effort. The FCFA meeting agenda of April 20, 2018 includes a verbal update by Chief Lieberman on the budget and the MOA and your Board will also be provided an update on those FCFA discussions at your meeting. Lastly, a draft of the MOA may be available at your Board meeting although any action on the MOA would need to be on a subsequent agenda.

In addition to the resolution and an update on the MOA, two additional attachments are included that reflect the existing special tax approved in Los Osos and the proposed tax for Cambria. The Los Osos tax is based on land use whereas the Cambria tax is equal for each parcel. This information is provided for general discussion on tax options to consider and would be needed to support the FCFA Strategic Plan budget funding in future years.

Other Agency Involvement and Financial Considerations

Five Cities Fire Authority, the cities of Arroyo Grande and Grover Beach

Results

Approving the attached resolution supports avoiding an impasse on the FCFA budget for fiscal year 2018/19.

Attachments:

- Resolution Approving FCFA 2018-19 Budget
- A. Multi-Year Fire Fund Budget Analysis - Originally presented March 28, 2018
- B. MOA related handouts - Originally presented March 28, 2018
- C. Five Cities Fire Authority Staff Report - March 16, 2018
- D. Special Tax Information (Los Osos and Cambria)

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO: 2018 - __**

**A RESOLUTION DIRECTING APPROVAL OF THE FIVE CITIES FIRE AUTHORITY
BUDGET FOR FISCAL YEAR 2018/19**

WHEREAS, the Oceano Community Services District (District) is a member agency of the Five Cities Fire Authority (FCFA), which was created in 2010 upon approval of a Joint Powers of Authority Agreement (JPA Agreement) by the District and the cities of Arroyo Grande and Grover Beach; and

WHEREAS, on September 22, 2017, the FCFA Board of Directors adopted the Five Cities Fire Authority Strategic Plan; and

WHEREAS, on November 17, 2017, the FCFA Board of Directors began considering direction to the FCFA Fire Chief regarding whether to implement a plan for a phased transition of the Reserve Firefighter program from part time to full time employees; and

WHEREAS, on March 16, 2018, the FCFA Board of Directors received two preliminary budget proposals for the purpose of providing feedback to FCFA staff for further development of the Fiscal Year 2018-19 FCFA budget; and

WHEREAS, the two budget proposals were termed the "Status Quo" and the "Strategic Plan" budget options and included five year budget projections for each option; and,

WHEREAS, the draft minutes of the March 16, 2018 FCFA Board of Directors indicated support for the Strategic Plan budget option, including reference to statements by the District's representative, FCFA Board member White, that "Oceano Community Services District is looking for ways to support the "Strategic Plan" budget; and,

WHEREAS, on March 28, 2018, the District Board of Directors reviewed and discussed the FCFA budget options presented at the FCFA Board meeting of March 16, 2018; and,

WHEREAS, at their meeting of March 28, 2018, the District Board of Directors also reviewed information from District staff that included an estimated District General Fund deficit in fiscal year 2018/19 of \$(20,739) if the Status Quo budget is adopted and an estimated District General Fund deficit in fiscal year 2018/19 of \$(75,791) if the Strategic Plan budget is adopted; and,

WHEREAS, at their meeting of March 28, 2018, the District Board of Directors also reviewed information from District staff that included an estimated cumulative 5 year District General Fund deficit of \$(149,552) based on multi-year budget projections utilizing Status Quo budget assumption and an estimated cumulative 5 year District General Fund deficit of \$(820,340) based on multi-year budget projections utilizing Strategic Plan budget assumption; and,

WHEREAS, the Status Quo budget option for FCFA provides a level of service and staffing that is generally consistent with the JPA Agreement; and,

WHEREAS, the Strategic Plan budget option for FCFA provides a level of service and staffing that is greater than that provided in the JPA Agreement and includes funding for a phased transition of the Reserve Firefighter program from part time to full time employees; and,

WHEREAS, increasing service levels and staffing warrants amendments to the JPA Agreement, including consideration of amendments to the funding formula that determines the annual budget contributions from each of the member agencies to the FCFA; and,

WHEREAS, although at the District meeting of February 13, 2018 the District Board provided direction to their FCFA representatives to vote "no" on the fiscal year 2018/19 FCFA budget, on March 28, 2018, the Board provided direction to the District General Manager that included working with FCFA Chief Lieberman and City Managers on restructuring (i.e. amending) the JPA Agreement; and

WHEREAS, the District General Manager has met and conferred with FCFA Chief Lieberman and the City Managers, including preparation of a draft JPA restructuring agreement, which has been renamed as a Memorandum of Agreement; and,

WHEREAS, the Memorandum of Agreement provides for approval of the FCFA 2018/19 Strategic Plan budget option while also providing terms that require reconsideration of the JPA Agreement by all member agencies during fiscal year 2018/19 and terms that could result in the mutual termination of the FCFA JPA as of July 1, 2019 if the three member agencies of FCFA are not able to agree on JPA Agreement amendments during fiscal year 2018/19.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Oceano Community Services District that:

1. The foregoing recitals are true and correct.
2. That the Fiscal Year 2018/19 FCFA Strategic Plan budget is approved as presented to the FCFA Board of Directors on March 16, 2018 provided that a Memorandum of Agreement is also approved by the District, the City of Arroyo Grande and the City of Grover Beach prior to the regular FCFA Board meeting in June 2018.
3. That the Fiscal Year 2018/19 FCFA Status Quo budget is approved as presented to the FCFA Board of Directors on March 16, 2018 if a Memorandum of Agreement is not approved by the District, the City of Arroyo Grande and City of Grover Beach prior to the regular FCFA Board meeting in June 2018.
4. The District Board members that are appointed to the FCFA Board of Directors are hereby ordered to vote on the FCFA Fiscal Year 2018/19 budget consistent with direction provided in this resolution.

PASSED AND ADOPTED by the Board of Directors of the Oceano Community Services District on April 25, 2018 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

President, Board of Directors
of the Oceano Community Services District

ATTEST:

Board Secretary of the
Oceano Community Services

APPROVED AS TO FORM:

Jeffrey A. Minnery, District Counsel

Oceano CSD

March 28, 2018 Board Meeting

Draft Preliminary 2018/19 Budget Projections

	<u>BUDGET</u> <u>2017/18</u>	<u>PROPOSED</u> <u>BUDGET (a)</u> <u>2018/19</u>	<u>PROPOSED</u> <u>BUDGET (b)</u> <u>2018/19</u>	
ESTIMATED PROPERTY TAX REVENUES	\$968,120	\$1,012,947	\$1,012,947	5%
LESS: Lighting Fund Costs	\$53,683	\$55,293	\$55,293	3%
NET PROPERTY TAX REVENUES	<u>\$914,437</u>	<u>\$957,654</u>	<u>\$957,654</u>	
FIRE FUND COSTS				
FCFA	\$806,464	\$987,362	\$932,310	11%
GROVER - Dispatch	\$30,650			
OCSD - Overhead	\$31,965	\$32,924	\$32,924	3%
OCSD - Other	\$12,775	\$13,158	\$13,158	3%
TOTAL FIRE FUND	<u>\$881,854</u>	<u>\$1,033,444</u>	<u>\$978,392</u>	
DEFICIT	<u>\$32,583</u>	<u>(\$75,791)</u>	<u>(\$20,739)</u>	

Notes:

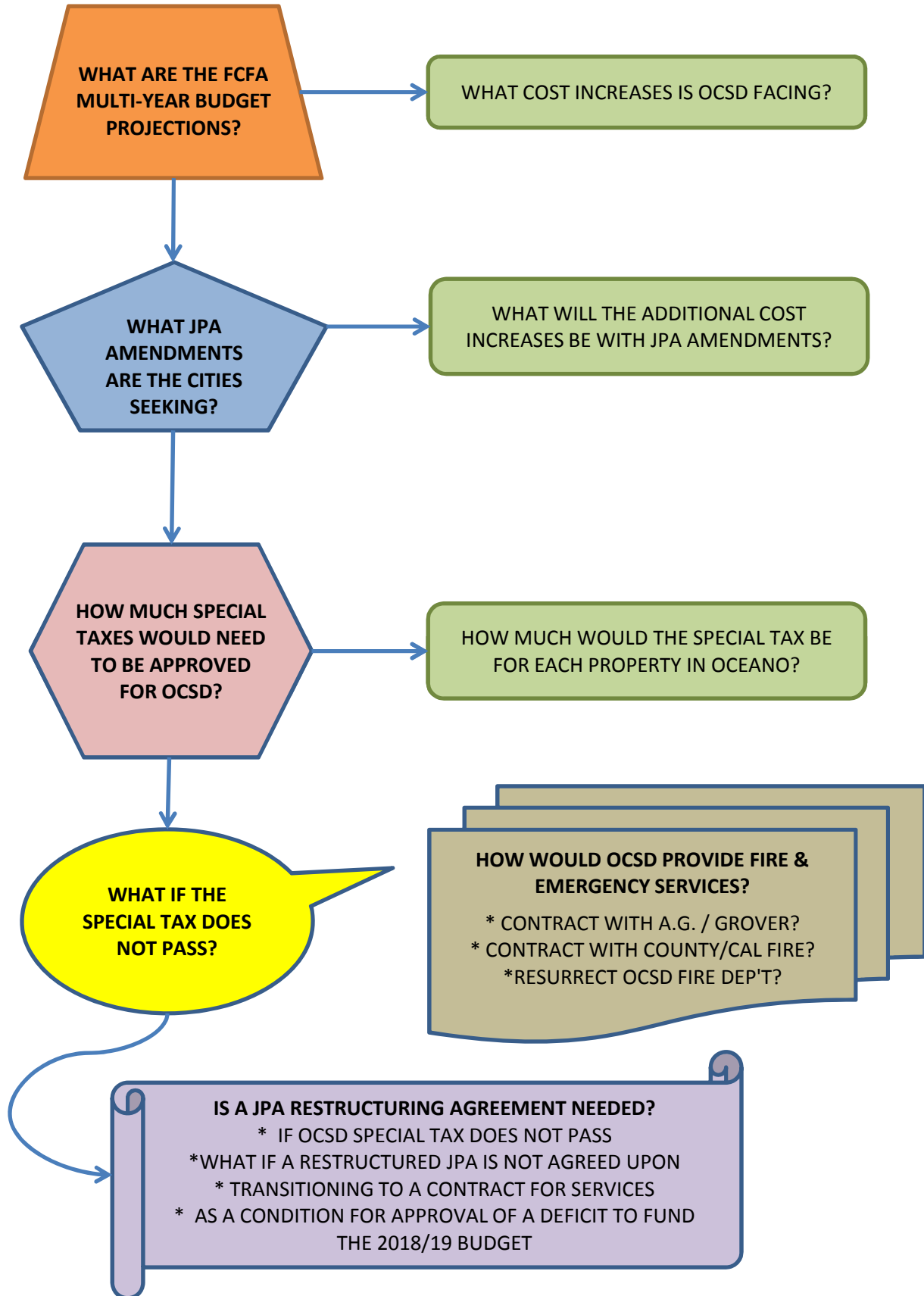
BUDGET (a) - Based on the Strategic Plan

BUDGET (b) - Based on Status Quo Staffing

Oceano CSD
 March 28, 2018 Board Meeting
 Draft Preliminary 2018/19 Budget Projections

STATUS QUO (STAFFING) MULTI-YEAR PROJECTIONS											
	STRATEGIC PROPOSED BUDGET (a) 2018/19	BUDGET 2017/18	PROPOSED BUDGET (b) 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23				
ESTIMATED PROPERTY TAX REVENUES	\$1,012,947	\$968,120	\$1,012,947	\$1,043,335	\$1,074,635	\$1,106,875	\$1,140,081	4.6%	3.0%	3.0%	3.0%
LESS: Lighting Fund Costs	\$55,293	\$53,683	\$55,293	\$56,952	\$58,661	\$60,421	\$62,233	3%	3%	3%	3%
NET PROPERTY TAX REVENUES	<u>\$957,654</u>	<u>\$914,437</u>	<u>\$957,654</u>	<u>\$986,383</u>	<u>\$1,015,975</u>	<u>\$1,046,454</u>	<u>\$1,077,847</u>				
FIRE FUND COSTS											
FCFA	\$987,362	\$806,464	\$987,362	\$974,987	\$996,056	\$1,030,855	\$1,055,000	4.6%	2.2%	3.5%	2.3%
GROVER - Dispatch	\$32,924	\$30,650	\$32,924	\$33,912	\$34,929	\$35,977	\$37,056	3%	3%	3%	3%
OCSO - Overhead	\$13,158	\$12,775	\$13,158	\$13,553	\$13,960	\$14,378	\$14,810	3%	3%	3%	3%
TOTAL FIRE FUND	<u>\$1,033,444</u>	<u>\$881,854</u>	<u>\$1,033,444</u>	<u>\$1,022,452</u>	<u>\$1,044,945</u>	<u>\$1,081,210</u>	<u>\$1,106,866</u>				
DEFICIT	<u>(\$75,791)</u>	<u>\$32,583</u>	<u>(\$20,739)</u>	<u>(\$36,069)</u>	<u>(\$28,970)</u>	<u>(\$34,756)</u>	<u>(\$29,018)</u>				

Oceano CSD		STRATEGIC PLAN MULTI-YEAR PROJECTIONS					
March 28, 2018 Board Meeting							
Draft Preliminary 2018/19 Budget Projections							
	BUDGET 2017/18	STATUS QUO PROPOSED BUDGET (b) 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	
ESTIMATED PROPERTY TAX REVENUES	\$968,120	\$1,012,947 4.6%	\$ 1,043,335 3.0%	\$ 1,074,635 3.0%	\$ 1,106,875 3.0%	\$ 1,140,081 3.0%	
LESS: Lighting Fund Costs	\$53,683	\$55,293	\$56,952 3%	\$58,661 3%	\$60,421 3%	\$62,233 3%	
NET PROPERTY TAX REVENUES	<u>\$914,437</u>	<u>\$957,654</u>	<u>\$986,383</u>	<u>\$1,015,975</u>	<u>\$1,046,454</u>	<u>\$1,077,847</u>	
FIRE FUND COSTS							
FCFA	\$806,464	\$932,310	\$1,083,705 9.8%	\$1,129,260 4.2%	\$1,210,148 7.2%	\$1,249,521 3.3%	
GROVER - Dispatch	\$30,650	\$32,924	\$33,912 3%	\$34,929 3%	\$35,977 3%	\$37,056 3%	
OCSD - Overhead	\$31,965	\$13,158	\$13,553 3%	\$13,960 3%	\$14,378 3%	\$14,810 3%	
OCSD - Other	\$12,775	\$978,392	\$1,131,170	\$1,178,149	\$1,260,503	\$1,301,387	
TOTAL FIRE FUND	<u>\$881,854</u>	<u>\$978,392</u>	<u>\$1,131,170</u>	<u>\$1,178,149</u>	<u>\$1,260,503</u>	<u>\$1,301,387</u>	
DEFICIT	<u>\$32,583</u>	<u>(\$20,739)</u>	<u>(\$144,787)</u>	<u>(\$162,174)</u>	<u>(\$214,049)</u>	<u>(\$223,539)</u>	
CUMMULATIVE DEFICITS			<u>(\$220,577)</u>	<u>(\$382,751)</u>	<u>(\$596,801)</u>	<u>(\$820,340)</u>	



Oceano Community Services District
Board Meeting - March 28, 2018
Draft Concepts for a JPA Restructuring Agreement

Concepts for a JPA Restructuring Agreement

- Based on direction from March, 2018 FCFA Board meeting.
- Needs to be approved by all three agencies by June 1, 2018 to avoid a 2018/19 budget impasse.
- Establishes the FCFA "Strategic Plan" budget scenario for 2018/19, including a one-time only budget deficit (for OCSD).
- Requires each agency to negotiate in good faith a restructured JPA so that:
 - Lessons learned since the JPA was created in 2010 can be addressed.
 - The funding formula / methodology can be addressed.
 - Future certainty for FCFA can be established.
- Establishes a deadline for each agency to adopt the restructured JPA.
 - Deadline of a date to be determined - December 31, 2018 - February 28, 2019.
 - Establishes June 30, 2019 as the end-date for a three-agency FCFA if a restructured JPA is not agreed upon by all three agencies.
- Requires each agency to negotiate in good faith a contract for services for Oceano.
 - If an OCSD special tax does not pass.
 - If the three agencies cannot agree on a restructured JPA and FCFA becomes a two-agency department (Arroyo Grande and Grover Beach).



STAFF REPORT

TO: Chair and Board Members MEETING DATE: March 16, 2018

**FROM: Stephen Lieberman, Fire Chief/Executive Officer
Debbie Malicoat, Treasurer**

SUBJECT: Consideration of Preliminary FY 2018-19 Budget

RECOMMENDATION

It is recommended that the Board of Directors (Board) receive two preliminary budget proposals and provide feedback to staff for further development of the FY 2018-19 Budget.

At the February Board meeting, direction was provided regarding the prioritization of several items from the recently adopted Strategic Plan. This direction was provided in an effort to assist with the development of the next FCFA budget.

BACKGROUND

Staff has prepared proposed budgets based on two different scenarios and is seeking Board input and further direction on the proposals in order to develop a final budget for FCFA for the 2018-19 fiscal year. In addition, based on requests from the jurisdictions for a longer-term view of funding requirements, additional budget projections for the next four years are provided.

The first scenario is based on the prioritization of items in the strategic plan, as discussed at the February Board meeting. Significant budget assumptions in the "Strategic Plan" scenario include:

- Maintain professional fire safety, emergency medical, and public assistance services
 - Present a 12-month operating budget and begin coordination with member communities for a possible 2-year budget plan commencing in fiscal year 2019/2020
 - Reserve Firefighters enrolled in PERS effective July 1, 2018
 - Three (3) Full Time Firefighters effective July 1, 2018 (corresponding reduction of 3 Reserve Firefighters)
 - Implementation of Acting Battalion Chief Program effective July 1, 2018
 - Increase Career Employee Overtime to include two (2) Reserve Firefighter Academies – 420 hours each
 - Migrate fire dispatch services to the County of San Luis Obispo (CAL FIRE) - \$165,000 (\$16,000 increase)
 - Estimated Mobile Data Computer (MDC) annual support costs (associated with dispatch migration) - \$30,000
-

- Reduction in Vehicle Maintenance – <\$25,000>
- Reduction in Machinery & Equipment (SCBA purchase) - <\$35,000>
- Replacement of one set of heavy extrication tools (identified in adopted Strategic Plan) - \$18,000
- Replacement of obsolete phone system (identified in adopted Strategic Plan) - \$30,000
- Future vehicle replacement funding of \$118,000 annually, beginning in 2019-20

In this scenario, the proposed expenditure budget is \$722,400 higher than the current year amended budget, after removing the one-time purchase and funding for the replacement of the self-contained breathing apparatus (SCBA). This was removed from the analysis in order to provide a more "apples-to-apples" comparison of the baseline budget, exclusive of significant one-time events.

Given the fiscal circumstances of each of the three jurisdictions, staff also prepared a "status quo" budget. In this case, status quo is defined as identification of the costs that would be associated with providing the same level of service as the FCFA is providing today. No increase in service level or change in staffing levels is proposed. Significant budget assumptions in the "Status Quo" scenario include:

- Maintain professional fire safety, emergency medical, and public assistance services
- Present a 12-month operating budget and begin coordinating with member communities for a possible 2-year budget plan commencing in fiscal year 2019/2020
- Reserve Firefighters enrolled in PERS effective July 1, 2018
- Increase Career Employee Overtime to include two (2) Reserve Firefighter Academies – 420 hours each
- Migrate fire dispatch services to the County of San Luis Obispo (CAL FIRE) - \$165,000 (\$16,000 increase)
- Estimated Mobile Data Computer (MDC) annual support costs (associated with dispatch migration) - \$30,000
- Reduction in Vehicle Maintenance – <\$25,000>
- Reduction in Machinery & Equipment (SCBA purchase) - <\$35,000>
- Replacement of one set of heavy extrication tools (identified in adopted Strategic Plan) - \$18,000
- Replacement of obsolete phone system (identified in adopted Strategic Plan) - \$30,000
- No future vehicle replacement funding

In this scenario, the proposed expenditure budget is \$424,500 higher than the current year amended budget, again after removing the SCBA purchase. This represents a 15% increase in costs. In either scenario, there are increases largely driven by a couple of factors that are outside the control of the FCFA Board or member jurisdictions. These include:

- CalPERS increasing pension costs for current employees
- Enrolling Reserve Firefighters in CalPERS, based on a recent change in interpretation of the City of Arroyo Grande's contract (this is still pending additional information from CalPERS, however for budget projection purposes, the cost of enrollment as of July 1, 2018 has been included)
- Workers' Compensation insurance premiums will increase by approximately \$50,000 beginning in 2018-19 and are likely to remain high for the five year period given the FCFA's loss history

In addition, the budget scenarios make assumptions about retaining a Reserve Firefighter program, at least at some level and therefore include costs associated with bringing a Reserve Firefighter onboard, which are approximately \$11,500 per employee, as outlined below.

○ Pre-Employment Physical	\$ 500
○ Structural Turnouts/Helmet	\$ 4,000
○ Wildland Equipment/Uniforms	\$ 2,000
○ 420 Hour Academy	\$ 5,000
Total per Reserve	\$11,500

Dispatch services are currently provided by the Grover Beach Police Department with Arroyo Grande and Oceano contracting directly with Grover Beach. Law enforcement agencies throughout San Luis Obispo County are planning a joint purchase of a next generation Computer Aided Dispatch/Records Management System (CAD/RMS) software solution. The FCFA would be placed in the situation of having to purchase a \$40,000 fire-related software solution to remain with Grover Beach, along with a cost increase. The County Fire Chiefs Association recently adopted a strategic plan that included a priority focus on moving towards a consolidated fire dispatch center. After a financial analysis, it would be both more fiscally and operationally prudent to enter into a contract with the County of San Luis Obispo (CAL FIRE) for dispatch services. The proposed budget includes an assumption for CAL FIRE dispatch costs, and Arroyo Grande and Oceano would be able to eliminate these costs from their individual budgets.

The current JPA agreement provides for a four-part formula to allocate the costs between each of the member agencies. The four components are: population, assessed value, service levels at inception, and service calls. The first three components of the formula remain relatively stable from year to year. However, call volume can fluctuate significantly from one year to the next, which can cause more volatility to the member agencies' funding allocations. During calendar year 2017, which is used in the allocation for the 2018-19 budget, call volume (and the proportion of calls) occurring in the Oceano CSD area increased, which is the primary driver for the change in allocation calculated.

The number and proportion of calls for service may not remain at this same level during the course of the five years presented, however, this is the current funding formula and the application of that formula results in the following allocation of the "Status Quo" scenario between the agencies:

Agency	Current Allocation \$	Current Allocation %	Proposed Allocation \$	Proposed Allocation %	Variance \$
Arroyo Grande	\$ 2,062,347	47%	\$ 2,381,079	47%	\$ 318,732
Grover Beach	1,491,753	34%	1,697,842	34%	206,089
OCSD	808,530	19%	932,310	19%	123,780

FISCAL IMPACT

There is no fiscal impact to receiving the information and providing direction to staff, however, significant fiscal impacts may be incurred based on the direction provided.

ALTERNATIVES

The following alternatives are provided for the Board's consideration:

1. Provide other direction to staff.

ATTACHMENTS

Proposed FY 2018-19 Budget and projection – "Strategic Plan" Scenario
 Proposed FY 2018-19 Budget and projection – "Status Quo" Scenario

PREPARED BY

D. Malicoat, Treasurer

FIVE CITIES FIRE AUTHORITY
BUDGET SUMMARY
For the Fiscal Year Ending June 30, 2018

"Strategic Plan" Scenario

	Actual		Amended Budget	Proposed Budget	Projection			
	2016	2017 Unaudited			2018	2019	2020	2021
	Beginning Fund Balance	\$ 231,367	\$ 232,821	\$ 381,290	\$ 334,190	\$ 334,190	\$ 452,190	\$ 570,190
Revenues	4,144,525	4,728,028	4,573,330	5,342,830	5,855,468	6,102,277	6,540,282	6,753,637
Expenditures:								
Salaries & Benefits	3,557,700	3,643,541	3,763,600	4,419,700	4,710,800	5,020,300	5,421,050	5,636,405
Services & Supplies	490,739	561,399	604,700	719,400	763,788	779,064	794,645	810,538
Equipment Replacement	675,475	602,018	150,900	102,500	161,650	83,683	105,357	87,464
Debt Service		326,876	101,230	101,230	101,230	101,230	101,230	101,230
Total Expenditures	4,723,914	5,133,834	4,620,430	5,342,830	5,737,468	5,984,277	6,422,282	6,635,637
Prior period adjustment								
Other financing sources (uses)	580,843	554,275						
Change in Fund Balance	1,454	148,469	(47,100)	(0)	118,000	118,000	118,000	118,000
Ending Fund Balance	\$ 232,821	\$ 381,290	\$ 334,190	\$ 334,190	\$ 452,190	\$ 570,190	\$ 688,190	\$ 806,190
Designated Reserve	\$ 55,000	\$ 55,000	\$ -	\$ -	\$ 118,000	\$ 236,000	\$ 354,000	\$ 472,000
Undesignated Fund Balance	177,821	326,290	334,190	334,190	334,190	334,190	334,190	334,190
Total Fund Balance	\$ 232,821	\$ 381,290	\$ 334,190	\$ 334,190	\$ 452,190	\$ 570,190	\$ 688,190	\$ 806,190

**FIVE CITIES FIRE AUTHORITY
BUDGET
For the Fiscal Year Ending June 30, 2018**

"Strategic Plan" Scenario

ACT	ACCOUNT NAME	Actual		Amended Budget	Proposed Budget	Variance	Projection				
		2016	2017 Unaudited				2018	2019	2020	2021	2022
	REVENUES										
4301	INTEREST	\$ 1,981	\$ 3,490	\$ 1,300	\$ 700	\$ (600)	\$ 700	\$ 700	\$ 700	\$ 700	
4422	ARROYO GRANDE FIRE REIMBURSEMENT	1,846,134	2,241,766	2,062,347	2,523,661	461,314	2,773,185	2,891,170	3,100,666	3,202,639	
4428	FEMA REVENUE			-		-					
4443	GROVER BEACH FIRE REIMBURSEMENT	1,284,929	1,417,661	1,491,753	1,798,108	306,355	1,973,578	2,056,547	2,203,868	2,275,577	
4444	OCEANO FIRE REIMBURSEMENT	754,337	779,965	808,530	987,362	178,832	1,083,705	1,129,260	1,210,148	1,249,521	
4458	STATE GRANT	-		-		-					
4491	SAFER GRANT										
4462	LOCAL GRANT	10,361	29,719	10,600		(10,600)					
4726	FIRE IMPACT FEES	4,398	4,101	1,000	3,000	2,000	3,000	3,000	3,000	3,000	
4729	FIRE-FIRST RESPONDER SUPPORT	21,954	22,228	20,600	21,000	400	21,300	21,600	21,900	22,200	
4730	STRIKE TEAM REIMBURSEMENT	158,255	186,322	155,500		(155,500)					
4803	SALES-EQUIPMENT/MATERIALS	24,000		12,700		(12,700)					
4807	EXPENSE RECOVERY	38,176	42,776	9,000	9,000						
4816	PROCEEDS FROM DEBT ISSUANCE	580,843	554,275								
	GRAND TOTAL REVENUES	\$ 4,725,368	\$ 5,282,303	\$ 4,573,330	\$ 5,342,830	\$ 769,500	\$ 5,855,468	\$ 6,102,277	\$ 6,540,282	\$ 6,753,637	

FIVE CITIES FIRE AUTHORITY
BUDGET
For the Fiscal Year Ending June 30, 2018

"Strategic Plan" Scenario

ACT	ACCOUNT NAME	Actual		Amended Budget	Proposed Budget	Variance	Projection			
		2016	2017 Unaudited				2018	2019	2020	2021
EXPENDITURES										
5101	SALARIES FULL-TIME	1,273,174	1,201,809	1,711,200	2,125,200	414,000	2,360,100	2,483,700	2,776,000	2,861,400
5102	SALARIES PERMANENT PART-TIME	21,118	19,492	16,400	46,400	30,000	46,400	46,400	46,400	46,400
5103	SALARIES TEMPORARY PART-TIME	384,069	372,210	368,000	262,800	(105,200)	131,400	131,400	-	-
5105	SALARIES OVERTIME	418,473	570,525	266,800	426,900	160,100	445,600	455,400	476,500	487,600
5106	SALARIES - STRIKE TEAM OVERTIME	100,890	116,321	155,500	-	(155,500)	-	-	-	-
5108	HOLIDAY PAY	73,976	71,603	69,400	101,800	32,400	106,900	104,300	111,500	115,400
5109	SICK LEAVE PAY	45,248	42,504	-	-	-	-	-	-	-
5110	ANNUAL LEAVE BUY BACK	3,565	9,327	7,000	7,000	-	7,000	7,000	7,000	7,000
5111	VACATION BUY BACK	36,793	43,337	45,000	45,000	-	45,000	45,000	45,000	45,000
5112	SICK LEAVE BUY BACK	2,736	927	4,000	4,000	-	4,000	4,000	4,000	4,000
5113	VACATION LEAVE PAY	58,531	63,522	-	-	-	-	-	-	-
5114	COMPENSATION PAY	43,923	42,766	-	-	-	-	-	-	-
5115	ANNUAL LEAVE	19,296	23,448	-	-	-	-	-	-	-
5121	PERS RETIREMENT	436,063	425,736	441,700	520,100	78,400	571,300	661,000	718,000	758,100
5122	SOCIAL SECURITY	163,531	165,026	161,700	222,300	60,600	231,200	241,100	254,500	261,800
5123	PARS RETIREMENT	5,735	5,856	5,800	700	(5,100)	700	700	700	700
5126	STATE DISABILITY INS. (SDI)	14,369	14,113	12,200	18,800	6,600	19,700	20,300	21,700	22,500
5127	DEFERRED COMPENSATION	2,420	2,707	3,000	3,000	-	3,000	3,600	3,600	3,600
5131	HEALTH INSURANCE	300,319	312,332	345,800	424,000	78,200	520,900	580,700	698,400	746,400
5132	DENTAL INSURANCE	21,425	18,865	20,800	25,100	4,300	28,900	30,000	33,200	33,200
5133	VISION INSURANCE	5,096	4,810	5,400	6,400	1,000	7,500	7,900	9,100	9,100
5134	LIFE INSURANCE	2,203	2,092	2,400	2,900	500	3,300	3,400	3,800	3,800
5135	LONG TERM DISABILITY INSURANCE	7,090	7,628	8,400	8,800	400	8,800	9,800	9,900	9,900
5136	RETIREES HEALTH INSURANCE	5,337	8,239	6,500	8,200	1,700	8,200	8,200	8,200	8,200
5141	WORKERS COMPENSATION	104,300	98,148	101,000	154,500	53,500	155,000	170,500	187,550	206,305
5142	UNEMPLOYMENT INSURANCE	7,599	(402)	5,000	5,000	-	5,000	5,000	5,000	5,000
5143	UNIFORM ALLOWANCE	-	-	-	-	-	-	-	-	-
5147	EMPLOYEE ASSISTANCE PROGRAM	421	600	600	800	200	900	900	1,000	1,000
Subtotal Salaries & Benefits		3,557,700	3,643,541	3,763,600	4,419,700	656,100	4,710,800	5,020,300	5,421,050	5,636,405

FIVE CITIES FIRE AUTHORITY
 BUDGET
 For the Fiscal Year Ending June 30, 2018

"Strategic Plan" Scenario

ACT	ACCOUNT NAME	Actual		Amended Budget	Proposed Budget	Variance	Projection			
		2016	2017 Unaudited				2018	2019	2020	2021
5201	SUPPLIES - OFFICE	5,980	6,948	7,000	7,000	-	7,140	7,283	7,428	7,577
5206	SUPPLIES - EMS	7,511	6,586	10,000	15,000	5,000	15,300	15,606	15,918	16,236
5208	POSTAGE/MAILING	1,967	1,930	1,800	1,800	-	1,836	1,873	1,910	1,948
5255	SPECIAL DEPARTMENT SUPPLIES	13,757	20,459	23,100	24,000	900	24,480	24,970	25,469	25,978
5272	PROTECTIVE/SAFETY CLOTHING	27,591	71,835	35,000	40,000	5,000	40,800	41,616	42,448	43,297
5273	SMALL TOOLS	3,254	2,247	3,000	3,000	-	3,060	3,121	3,184	3,247
5276	UNIFORMS			20,000	25,000	5,000	25,500	26,010	26,530	27,061
5301	ADVERTISING	697	-	1,000	1,000	-	1,020	1,040	1,061	1,082
5303	CONTRACTUAL SERVICES	116,423	122,019	108,500	270,000	161,500	305,400	311,508	317,738	324,093
5306	PRINTING SERVICES	1,429	1,809	4,000	4,000	-	4,080	4,162	4,245	4,330
5315	PRE-EMPLOYMENT PHYSICALS	1,687	7,535	9,200	11,000	1,800	11,220	11,444	11,673	11,907
5316	JOB RECRUITMENT EXPENSE	1,477	961	2,000	2,000	-	2,040	2,081	2,122	2,165
5324	FORENSIC MANDATE SERVICES	1,450	30	1,800	1,800	-	1,836	1,873	1,910	1,948
5325	HAZMAT/SAFETY PROGRAM	14,500	13,046	15,500	15,500	-	15,810	16,126	16,449	16,778
5401	UTILITIES	41,339	43,244	45,000	45,000	-	45,900	46,818	47,754	48,709
5403	TELECOMMUNICATIONS	29,269	22,559	30,000	30,000	-	30,600	31,212	31,836	32,473
5501	CONFERENCE/TRAINING	18,444	9,145	12,000	12,000	-	12,240	12,485	12,734	12,989
5512	TRAVEL	-	4,720	3,500	4,000	500	4,080	4,162	4,245	4,330
5503	MEMBERSHIPS & SUBSCRIPTIONS	3,048	2,368	3,700	3,700	-	3,774	3,849	3,926	4,005
5504	PUBLIC RELATIONS	7,158	4,050	6,000	5,000	(1,000)	5,100	5,202	5,306	5,412
5508	MISC EXPENSE	1,650	1,423	2,500	2,500	-	2,550	2,601	2,653	2,706
5553	RENT-BUILDING AND LAND	15,000	15,000	15,000	15,000	-	15,300	15,606	15,918	16,236
5555	BANK CHARGES	-	66	300	300	-	306	312	318	325
5576	LIABILITY INSURANCE-JPA SHARE	12,884	13,634	18,000	18,000	-	18,360	18,727	19,102	19,484
5599	WEED ABATEMENT	8,573	10,326	12,000	12,000	-	12,240	12,485	12,734	12,989
5601	MAINTENANCE - VEHICLES	91,689	94,966	100,000	75,000	(25,000)	76,500	78,030	79,591	81,182
5602	MAINTENANCE - OFFICE EQUIPMENT	3,591	2,988	3,600	3,600	-	3,672	3,745	3,820	3,897
5603	MAINTENANCE - MACH & EQUIP	8,730	31,328	53,000	15,000	(38,000)	15,300	15,606	15,918	16,236
5604	MAINTENANCE - BUILDINGS	9,886	7,170	8,000	8,000	-	8,160	8,323	8,490	8,659

FIVE CITIES FIRE AUTHORITY
BUDGET
For the Fiscal Year Ending June 30, 2018

"Strategic Plan" Scenario

ACT	ACCOUNT NAME	Actual		Amended Budget	Proposed Budget	Variance	Projection			
		2016	2017 Unaudited				2018	2019	2020	2021
5605	MAINTENANCE - GROUNDS	582	499	2,000	1,000	(1,000)	1,020	1,040	1,061	1,082
5606	MAINTENANCE - RADIO COMMUNICATIONS	8,087	6,670	8,200	8,200	-	8,364	8,531	8,702	8,876
5608	GAS & OIL	33,086	35,838	40,000	40,000	-	40,800	41,616	42,448	43,297
	Subtotal Services & Supplies	490,739	561,399	604,700	719,400	114,700	763,788	779,064	794,645	810,538
5803	LEASE PURCHASE PAYMENTS		326,876	101,230	101,230	-	101,230	101,230	101,230	101,230
	Subtotal Debt Service	-	326,876	101,230	101,230	-	101,230	101,230	101,230	101,230
6101	DATA PROCESSING EQUIPMENT	1,544	10,607	16,000	40,000	24,000	38,000	18,760	39,135	19,918
6103	COMPUTER LICENSING SOFTWARE	21,815	16,202	50,000	32,500	(17,500)	47,650	48,603	49,575	50,567
6201	MACHINERY & EQUIPMENT	10,180	16,378	15,500	30,000	14,500	16,000	16,320	16,646	16,979
6301	VEHICLES	641,936	558,831	69,400		(69,400)	60,000			
	FUTURE VEHICLE REPLACEMENT					-	118,000	118,000	118,000	118,000
	Subtotal Equip Replacement	675,475	602,018	150,900	102,500	(48,400)	279,650	201,683	223,357	205,464
	GRAND TOTAL EXPENDITURES	\$ 4,723,914	\$ 5,133,834	\$ 4,620,430	\$ 5,342,830	\$ 722,400	\$ 5,855,468	\$ 6,102,277	\$ 6,540,282	\$ 6,753,637

4) 25% based on proportion of service calls

Arroyo Grande	1,987	53%
Grover Beach	1,198	32%
OCSD	583	15%
Total service calls	3,768	

Calendar 2017 total response info from Chief Lieberman
Based on situs - where call occurs, not which station respon

Allocation:

Arroyo Grande	693,749
Grover Beach	418,275
OCSD	203,551

Haz Mat direct allocation

Arroyo Grande	5,000
Grover Beach	5,000
OCSD	2,000

Debt service - 2nd engine allocation

Arroyo Grande	-
Grover Beach	21,943
OCSD	12,887

Total Allocation

	Allocation	Current	Variance	% Increase
Arroyo Grande	2,523,661	2,062,347	461,314	22%
Grover Beach	1,798,108	1,491,753	306,355	21%
OCSD	987,362	808,530	178,832	22%
	5,309,130	4,362,630	946,500	22%

FIVE CITIES FIRE AUTHORITY
BUDGET SUMMARY
For the Fiscal Year Ending June 30, 2018

"Status Quo" Scenario

	Actual		Amended Budget	Proposed Budget	Projection				
	2016	2017 Unaudited			2018	2019	2020	2021	2022
Beginning Fund Balance	\$ 231,367	\$ 232,821	\$ 381,290	\$ 334,190	\$ 334,190	\$ 334,190	\$ 334,190	\$ 334,190	\$ 334,190
Revenues	4,144,525	4,728,028	4,573,330	5,044,930	5,267,168	5,381,477	5,570,082	5,701,037	
Expenditures:									
Salaries & Benefits	3,557,700	3,643,541	3,763,600	4,121,800	4,240,500	4,417,500	4,568,850	4,701,805	
Services & Supplies	490,739	561,399	604,700	719,400	763,788	779,064	794,645	810,538	
Equipment Replacement	675,475	602,018	150,900	102,500	161,650	83,683	105,357	87,464	
Debt Service		326,876	101,230	101,230	101,230	101,230	101,230	101,230	
Total Expenditures	<u>4,723,914</u>	<u>5,133,834</u>	<u>4,620,430</u>	<u>5,044,930</u>	<u>5,267,168</u>	<u>5,381,477</u>	<u>5,570,082</u>	<u>5,701,037</u>	
Prior period adjustment									
Other financing sources (uses)	580,843	554,275							
Change in Fund Balance	<u>1,454</u>	<u>148,469</u>	<u>(47,100)</u>	<u>-</u>	<u>(0)</u>	<u>-</u>	<u>0</u>	<u>(0)</u>	
Ending Fund Balance	<u>\$ 232,821</u>	<u>\$ 381,290</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>
Designated Reserve	\$ 55,000	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Undesignated Fund Balance	177,821	326,290	334,190	334,190	334,190	334,190	334,190	334,190	334,190
Total Fund Balance	<u>\$ 232,821</u>	<u>\$ 381,290</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>	<u>\$ 334,190</u>

**FIVE CITIES FIRE AUTHORITY
BUDGET
For the Fiscal Year Ending June 30, 2018**

"Status Quo" Scenario

ACT	ACCOUNT NAME	Actual		Amended Budget	Proposed Budget	Variance	Projection			
		2016	2017 Unaudited				2018	2019	2020	2021
REVENUES										
4301	INTEREST	\$ 1,981	\$ 3,490	\$ 1,300	\$ 700	\$ (600)	\$ 700	\$ 700	\$ 700	\$ 700
4422	ARROYO GRANDE FIRE REIMBURSEMENT	1,846,134	2,241,766	2,062,347	2,381,079	318,732	2,491,611	2,546,178	2,636,305	2,698,840
4428	FEMA REVENUE	-	-	-	-	-	-	-	-	-
4443	GROVER BEACH FIRE REIMBURSEMENT	1,284,929	1,417,661	1,491,753	1,697,842	206,089	1,775,570	1,813,943	1,877,322	1,921,297
4444	OCEANO FIRE REIMBURSEMENT	754,337	779,965	808,530	932,310	123,780	974,987	996,056	1,030,855	1,055,000
4458	STATE GRANT	-	-	-	-	-	-	-	-	-
4491	SAFER GRANT	-	-	-	-	-	-	-	-	-
4462	LOCAL GRANT	10,361	29,719	10,600	-	(10,500)	-	-	-	-
4726	FIRE IMPACT FEES	4,398	4,101	1,000	3,000	2,000	3,000	3,000	3,000	3,000
4729	FIRE-FIRST RESPONDER SUPPORT	21,954	22,228	20,600	21,000	400	21,300	21,600	21,900	22,200
4730	STRIKE TEAM REIMBURSEMENT	158,255	186,322	155,500	-	(155,500)	-	-	-	-
4803	SALES-EQUIPMENT/MATERIALS	24,000	-	12,700	-	(12,700)	-	-	-	-
4807	EXPENSE RECOVERY	38,176	42,776	9,000	9,000	-	-	-	-	-
4816	PROCEEDS FROM DEBT ISSUANCE	580,843	554,275	-	-	-	-	-	-	-
	GRAND TOTAL REVENUES	\$ 4,725,368	\$ 5,282,303	\$ 4,573,330	\$ 5,044,930	\$ 471,600	\$ 5,267,168	\$ 5,381,477	\$ 5,570,082	\$ 5,701,037

FIVE CITIES FIRE AUTHORITY
BUDGET
For the Fiscal Year Ending June 30, 2018

"Status Quo" Scenario

ACT	ACCOUNT NAME	Actual		Amended	Proposed	Variance	Projection			
		2016	2017 Unaudited	Budget 2018	Budget 2019		2020	2021	2022	2023
EXPENDITURES										
5101	SALARIES FULL-TIME	1,273,174	1,201,809	1,711,200	1,855,700	144,500	1,893,000	1,944,200	1,995,600	2,033,900
5102	SALARIES PERMANENT PART-TIME	21,118	19,492	16,400	46,400	30,000	46,400	46,400	46,400	46,400
5103	SALARIES TEMPORARY PART-TIME	384,069	372,210	368,000	394,200	26,200	394,200	394,200	394,200	394,200
5105	SALARIES OVERTIME	418,473	570,525	266,800	381,700	114,900	389,300	397,100	405,000	413,000
5106	SALARIES - STRIKE TEAM OVERTIME	100,890	116,321	155,500	-	(155,500)	-	-	-	-
5108	HOLIDAY PAY	73,976	71,603	69,400	94,300	24,900	95,800	97,200	98,700	100,100
5109	SICK LEAVE PAY	45,248	42,504	-	-	-	-	-	-	-
5110	ANNUAL LEAVE BUY BACK	3,565	9,327	7,000	7,000	-	7,000	7,000	7,000	7,000
5111	VACATION BUY BACK	36,793	43,337	45,000	45,000	-	45,000	45,000	45,000	45,000
5112	SICK LEAVE BUY BACK	2,736	927	4,000	4,000	-	4,000	4,000	4,000	4,000
5113	VACATION LEAVE PAY	58,531	63,522	-	-	-	-	-	-	-
5114	COMPENSATION PAY	43,923	42,766	-	-	-	-	-	-	-
5115	ANNUAL LEAVE	19,296	23,448	-	-	-	-	-	-	-
5121	PERS RETIREMENT	436,063	425,736	441,700	495,700	54,000	539,100	609,300	650,300	683,200
5122	SOCIAL SECURITY	163,531	165,026	161,700	208,500	46,800	211,800	216,400	221,000	224,500
5123	PARS RETIREMENT	5,735	5,856	5,800	700	(5,100)	700	700	700	700
5126	STATE DISABILITY INS. (SDI)	14,369	14,113	12,200	18,400	6,200	18,600	18,900	19,200	19,500
5127	DEFERRED COMPENSATION	2,420	2,707	3,000	3,000	-	3,000	3,000	3,000	3,000
5131	HEALTH INSURANCE	300,319	312,332	345,800	360,300	14,500	384,600	410,600	438,400	468,200
5132	DENTAL INSURANCE	21,425	18,865	20,800	21,800	1,000	22,200	22,200	21,800	21,800
5133	VISION INSURANCE	5,096	4,810	5,400	5,400	-	5,500	5,500	5,700	5,700
5134	LIFE INSURANCE	2,203	2,092	2,400	2,500	100	2,600	2,600	2,500	2,500
5135	LONG TERM DISABILITY INSURANCE	7,090	7,628	8,400	8,800	400	8,800	8,800	8,900	8,900
5136	RETIREE'S HEALTH INSURANCE	5,337	8,239	6,500	8,200	1,700	8,200	8,200	8,200	8,200
5141	WORKERS COMPENSATION	104,300	98,148	101,000	154,500	53,500	155,000	170,500	187,550	206,305
5142	UNEMPLOYMENT INSURANCE	7,599	(402)	5,000	5,000	-	5,000	5,000	5,000	5,000
5143	UNIFORM ALLOWANCE	-	-	-	-	-	-	-	-	-
5147	EMPLOYEE ASSISTANCE PROGRAM	421	600	600	700	100	700	700	700	700
Subtotal Salaries & Benefits		3,557,700	3,643,541	3,763,600	4,121,800	358,200	4,240,500	4,417,500	4,568,850	4,701,805

FIVE CITIES FIRE AUTHORITY
 BUDGET
 For the Fiscal Year Ending June 30, 2018

"Status Quo" Scenario

ACT	ACCOUNT NAME	Actual		Amended Budget	Proposed Budget	Variance	Projection			
		2016	2017 Unaudited	2018	2019		2020	2021	2022	2023
5201	SUPPLIES - OFFICE	5,980	6,948	7,000	7,000	-	7,140	7,283	7,428	7,577
5206	SUPPLIES - EMS	7,511	6,586	10,000	15,000	5,000	15,300	15,606	15,918	16,236
5208	POSTAGE/MAILING	1,967	1,930	1,800	1,800	-	1,836	1,873	1,910	1,948
5255	SPECIAL DEPARTMENT SUPPLIES	13,757	20,459	23,100	24,000	900	24,480	24,970	25,469	25,978
5272	PROTECTIVE/SAFETY CLOTHING	27,591	71,835	35,000	40,000	5,000	40,800	41,616	42,448	43,297
5273	SMALL TOOLS	3,254	2,247	3,000	3,000	-	3,060	3,121	3,184	3,247
5276	UNIFORMS			20,000	25,000	5,000	25,500	26,010	26,530	27,061
5301	ADVERTISING	697	-	1,000	1,000	-	1,020	1,040	1,061	1,082
5303	CONTRACTUAL SERVICES	116,423	122,019	108,500	270,000	161,500	305,400	311,508	317,738	324,093
5306	PRINTING SERVICES	1,429	1,809	4,000	4,000	-	4,080	4,162	4,245	4,330
5315	PRE-EMPLOYMENT PHYSICALS	1,687	7,535	9,200	11,000	1,800	11,220	11,444	11,673	11,907
5316	JOB RECRUITMENT EXPENSE	1,477	961	2,000	2,000	-	2,040	2,081	2,122	2,165
5324	FORENSIC MANDATE SERVICES	1,450	30	1,800	1,800	-	1,836	1,873	1,910	1,948
5325	HAZMAT/SAFETY PROGRAM	14,500	13,046	15,500	15,500	-	15,810	16,126	16,449	16,778
5401	UTILITIES	41,339	43,244	45,000	45,000	-	45,900	46,818	47,754	48,709
5403	TELECOMMUNICATIONS	29,269	22,559	30,000	30,000	-	30,600	31,212	31,836	32,473
5501	CONFERENCE/TRAINING	18,444	9,145	12,000	12,000	-	12,240	12,485	12,734	12,989
5512	TRAVEL	-	4,720	3,500	4,000	500	4,080	4,162	4,245	4,330
5503	MEMBERSHIPS & SUBSCRIPTIONS	3,048	2,368	3,700	3,700	-	3,774	3,849	3,926	4,005
5504	PUBLIC RELATIONS	7,158	4,050	6,000	5,000	(1,000)	5,100	5,202	5,306	5,412
5508	MISC EXPENSE	1,650	1,423	2,500	2,500	-	2,550	2,601	2,653	2,706
5553	RENT-BUILDING AND LAND	15,000	15,000	15,000	15,000	-	15,300	15,606	15,918	16,236
5555	BANK CHARGES	-	66	300	300	-	306	312	318	325
5576	LIABILITY INSURANCE-JPA SHARE	12,884	13,634	18,000	18,000	-	18,360	18,727	19,102	19,484
5599	WEED ABATEMENT	8,573	10,326	12,000	12,000	-	12,240	12,485	12,734	12,989
5601	MAINTENANCE - VEHICLES	91,689	94,966	100,000	75,000	(25,000)	76,500	78,030	79,591	81,182
5602	MAINTENANCE - OFFICE EQUIPMENT	3,591	2,988	3,600	3,600	-	3,672	3,745	3,820	3,897
5603	MAINTENANCE - MACH & EQUIP	8,730	31,328	53,000	15,000	(38,000)	15,300	15,606	15,918	16,236
5604	MAINTENANCE - BUILDINGS	9,886	7,170	8,000	8,000	-	8,160	8,323	8,490	8,659

FIVE CITIES FIRE AUTHORITY
BUDGET
For the Fiscal Year Ending June 30, 2018

"Status Quo" Scenario

ACT	ACCOUNT NAME	Actual		Amended Budget	Proposed Budget	Variance	Projection			
		2016	2017 Unaudited				2018	2019	2020	2021
5605	MAINTENANCE - GROUNDS	582	499	2,000	1,000	(1,000)	1,020	1,040	1,061	1,082
5606	MAINTENANCE - RADIO COMMUNICATIONS	8,087	6,670	8,200	8,200	-	8,364	8,531	8,702	8,876
5608	GAS & OIL	33,086	35,838	40,000	40,000	-	40,800	41,616	42,448	43,297
Subtotal Services & Supplies		490,739	561,399	604,700	719,400	114,700	763,788	779,064	794,645	810,538
5803	LEASE PURCHASE PAYMENTS		326,876	101,230	101,230	-	101,230	101,230	101,230	101,230
Subtotal Debt Service		-	326,876	101,230	101,230	-	101,230	101,230	101,230	101,230
6101	DATA PROCESSING EQUIPMENT	1,544	10,607	16,000	40,000	24,000	38,000	18,760	39,135	19,918
6103	COMPUTER LICENSING SOFTWARE	21,815	16,202	50,000	32,500	(17,500)	47,650	48,603	49,575	50,567
6201	MACHINERY & EQUIPMENT	10,180	16,378	15,500	30,000	14,500	16,000	16,320	16,646	16,979
6301	VEHICLES	641,936	558,831	69,400		(69,400)	60,000			
	FUTURE VEHICLE REPLACEMENT					-				
Subtotal Equip Replacement		675,475	602,018	150,900	102,500	(48,400)	161,650	83,683	105,357	87,464
GRAND TOTAL EXPENDITURES		\$ 4,723,914	\$ 5,133,834	\$ 4,620,430	\$ 5,044,930	\$ 424,500	\$ 5,267,168	\$ 5,381,477	\$ 5,570,082	\$ 5,701,037

4) 25% based on proportion of service calls

Arroyo Grande	1,987	53%
Grover Beach	1,198	32%
OCSD	<u>583</u>	15%
Total service calls	3,768	

Calendar 2017 total response info from Chief Lieberman
Based on situs - where call occurs, not which station responds

Allocation:

Arroyo Grande	654,476
Grover Beach	394,596
OCSD	192,028

Haz Mat direct allocation

Arroyo Grande	5,000
Grover Beach	5,000
OCSD	2,000

Debt service - 2nd engine allocation

Arroyo Grande	-
Grover Beach	21,943
OCSD	12,887

Total Allocation

		Allocation %	Current	Variance	% Increase
Arroyo Grande	2,381,079	47.5%	2,062,347	318,732	15%
Grover Beach	1,697,842	33.9%	1,491,753	206,089	14%
OCSD	<u>932,310</u>	18.6%	<u>808,530</u>	123,780	15%
	5,011,230		4,362,630	648,600	15%

RESOLUTION NO. 2014-09

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
APPROVING THE CPI RATE INCREASE FOR THE SPECIAL FIRE TAX
AND SETTING ASSESSMENTS FOR THE SPECIAL FIRE TAX
FOR PURPOSES OF FIRE PROTECTION AND PREVENTION
AND DIRECTING THEIR COLLECTION BY THE COUNTY
IN THE FISCAL YEAR 2014/2015 TAX ROLL**

WHEREAS, the Los Osos Community Services District ("District") pursuant to Government Code § 53978 is authorized to provide fire protection services; and

WHEREAS, the voters of the Los Osos Community Services District ("District") approved Measure A-05 that adopted Ordinance 2005-01 that repealed the prior special tax and adopted a new special tax for the purposes of obtaining, furnishing, operating and maintaining fire department equipment and/or apparatus, real property and facilities, for fire protection services, rescue services, emergency response services and other services relating to the personnel and for no other purpose; and

WHEREAS, Ordinance 2005-01, Section 6 provides as follows:

MAXIMUM TAX AMOUNTS. The maximum amount of tax imposed on each parcel pursuant to this ordinance shall be determined as follows:

- A. *Commencing fiscal year 2005/2006 a maximum special tax rate of Thirteen Dollars and Fifty-Two Cents (\$13.52) per unit of benefit, to be adjusted each year thereafter not to exceed the average of the percentage changes in the Consumer Price Index (CPI) for all items for the San Francisco/Oakland/San Jose and the Consumer Price Index for all items in Los Angeles/ Anaheim/ Riverside at June 30 of the current year over the previous year's average of those indexes on the same date.*

WHEREAS, in accordance with the formula contained in the ordinance, several increases have been adopted through the years with the last increase of thirty-four cents (\$0.34) adopted for Fiscal Year 2013/14 setting the rate to \$15.22 per unit of benefit; and

WHEREAS, the average percentage change in the Consumer Price Index for the period from June 30, 2013 to June 30, 2014 has been determined to be an increase of 1.86% or twenty-eight cents (\$0.28) setting the rate to fifteen dollars and fifty cents (\$15.50) per unit of benefit, exhibited as follows:

SCHEDULE OF BENEFITS

Property Classification/Land Use	Number of Benefit Units Per Parcel	Examples for Fiscal Year 2014/15
Residential/Single Family Dwelling	5 Units Per Dwelling Unit	Total of \$77.50 Per Year
Residential/Secondary Dwelling on Parcel	4 Units Per Dwelling Unit	Amount dependent on number of dwellings on parcel
Residential Care Facility	5 Units plus 1/Patient Room	Amount Dependent on Size
Condominium	4 Units Per Dwelling Unit	Amount Dependent on Size
Duplex/Triplex/Fourplex	4 Units Per Dwelling Unit	Amount Dependent on Size
Apartment	3 Units Per Dwelling Unit	Amount Dependent on Size
Mobile Home	3 Units Per Dwelling Unit	Total of \$46.50 Per Year
Commercial/Manufacturing/Storage	1 Unit Per 300 S.F. or Less	Amount Dependent on Size
Schools and Churches	1 Unit Per 300 S.F. or Less	Amount Dependent on Size
Preschools/Daycares	1 Unit Per 300 S.F. or Less	Amount Dependent on Size
Unimproved/Agriculture Property 1 Acre or Less	1 Unit Per Acre or Less	Amount Dependent on Size
Unimproved/Agriculture Property Over 1 Acre	1 Unit/Acre Maximum of 5	Amount Dependent on Size
Property for Vehicle Storage	2 Units Per Acre or Less	Amount Dependent on Size
Barns/Shops Over 300 Square Feet	2 Units Per Building	Total of \$31.00 Per Year
Transit Container Storage	1 Unit Per Container	Total of \$15.50 Per Year
Motel/Hotel/Bed and Breakfast	3 Units Per Rental Room	Amount Dependent on Size
Golf Courses/Recreational Facilities	1 Unit Per Acre/Maximum of 5	Amount Dependent on Size

WHEREAS, the Emergency Advisory Committee (ESAC), in conjunction with CALFIRE staff, and the Finance Advisory Committee (FAC) recommended the rate of fifteen dollars and fifty cents (\$15.50) per unit of benefit; and

WHEREAS, General Property Taxes that fund fire functions declined for the last five years and although these slightly increased, full recovery of lost tax revenues will take many more years; and

WHEREAS the Fire Fund has no other means to fund increases in costs of equipment and materials on account of inflation; and

WHEREAS, the Board finds that the funds generated annually by this Special Fire Tax rate is necessary to prudently operate Station 15-South Bay in Fiscal Year 2014/15; and

WHEREAS, the Board held a hearing on this date pursuant to a published notice and before the adoption of this resolution to receive public input, including any objections to adopting the proposed increase on the rate and setting the Special Fire Tax rate for Fiscal Year 2014/15.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

1. That the findings and recitations in Paragraphs 1 through 10 are true and correct;
2. That the Board of Directors hereby confirms and levies the Special Fire Tax on all properties within the Los Osos Community Services District a rate of Fifteen Dollars and Fifty Cents (\$15.50) per unit of benefit for the Fiscal Year 2014/15, in accordance with the Schedule of Benefits listed above; and
3. That this special tax on the parcels of real property within the Los Osos Community Services District shall be established, imposed and levied in the amounts as listed in EXHIBIT A and as so confirmed shall appear as separate items on the Fiscal Year 2014/15 tax bill of each parcel of property so listed; and
4. That said special tax shall be collected at the same time and in the same manner as general taxes levied for collection by the County pursuant to Government Code § 61115(b).

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

Ayes: _____
 Noes: _____
 Absent: _____
 Conflicts: _____

The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 7th day of August, 2014.

 R. Michael Wright
 Vice President, Board of Directors
 Los Osos Community Services District

ATTEST:

APPROVED AS TO FORM:

 Kathy A. Kivley
 General Manager and Secretary to the Board

 Michael W. Seitz
 District Legal Counsel

RESOLUTION 03-2018
February 8, 2018

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CAMBRIA COMMUNITY SERVICES DISTRICT
CALLING A SPECIAL ELECTION FOR SUBMISSION TO THE VOTERS OF A
PROPOSED ORDINANCE FOR LEVY OF A SPECIAL TAX ON REAL PROPERTY
LOCATED WITHIN THE DISTRICT TO FUND THREE (3) FULL TIME FIREFIGHTERS
AND RELATED INCREASE IN THE DISTRICT'S APPROPRIATION LIMIT, AND
REQUESTING CONSOLIDATION OF SAID SPECIAL ELECTION WITH THE JUNE 5,
2018 CONSOLIDATED STATEWIDE DIRECT PRIMARY ELECTION**

WHEREAS, numerous studies have concluded that Firefighter staffing levels directly affect the level of fire protection and prevention service delivery and that a constant staffing level of a first in, four-person engine company is necessary to provide for the overall safety of the Firefighters and the community; and

WHEREAS, on September 10, 2015 the Board of Directors (Board) accepted the 2015 SAFER Grant Award (Grant) under which the Cambria Community Services District (CCSD) received funding for three (3) additional Firefighters for a two-year period, and which allowed for the addition of one Firefighter on daily staffing and provided for a four-person engine company consisting of a Captain, Engineer, SAFER-funded Firefighter and a reserve Firefighter; and

WHEREAS, at the time the Grant was accepted, it was understood that unless additional funding became available, at the end of the period of time covered by the Grant, the SAFER-funded Firefighter positions would end and the staffing would have to go back to a three-person staffed engine; and

WHEREAS, three-person staffed engines limit Firefighters to a defensive posture whereby they can simply respond to a working fire, surround it and drown it, which potentially can lead to preventable losses of both life and property; and

WHEREAS, in June, 2017, as part of the approval of the 2017-2018 fiscal year budget, the Board approved the transfer of \$84,000 from General Fund reserves to continue to pay for the salaries of the SAFER-funded Firefighters; however, it has been determined that the District has insufficient funds to continue the four-person engine company staffing in future years; and

WHEREAS, pursuant to the provisions of Government Code Section 61121(a) and Government Code Sections 50075, et seq., the Board is authorized to levy a special tax, subject to the approval of the voters; and

WHEREAS, in order to provide the best fire protection services to Cambria and have a Fire Department staffed and prepared to provide aggressive interior fire attack when appropriate, and accomplish both victim rescue and property conservation, additional funding must be sought to continue to provide for four-person engine companies and therefore the Board desires to place a ballot measure before the voters at the June 5, 2018 election for approval of a proposed Ordinance to levy a special tax on real property within the District to fund three (3) full time firefighters; and

WHEREAS, in accordance with the requirements of Government Code Section 50077, on February 5, 2018, the Board of Directors conducted a noticed public hearing on the issue of whether to place such a measure on the ballot. The notice included the date, time and place of the public hearing, a general explanation of the matter to be considered, and a statement of where additional information could be obtained. The February 5, 2018 public hearing was continued to February 8, 2018; and

WHEREAS, the Board of Directors desires to have the County of San Luis Obispo render certain services in connection with the special election; and

WHEREAS, pursuant to Elections Code Sections 10555 and 10400 et seq., said election may be consolidated with any other election, pursuant to the procedures set forth in the Elections Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cambria Community Services District as follows:

1. The Board of Directors hereby finds and determines that the foregoing recitals are true and correct.
2. The Board of Directors hereby calls a special election to be held on June 5, 2018 on the question of adopting a special tax to fund three (3) full time firefighters.
3. It is hereby requested that the Board of Supervisors of San Luis Obispo County consolidate the special election of the CCSD to be held on June 5, 2018 with any other San Luis Obispo County General Election held on the same date. This request is made pursuant to Elections Code §§ 10555 and 10400, et seq. The Board of Directors agrees to reimburse the County of San Luis Obispo in full for services performed relating to this election, upon presentation of an invoice.

The purpose of the election shall be for the voters in the District to vote on the following question:

CAMBRIA COMMUNITY SERVICES DISTRICT MEASURE _____	YES	
Shall Cambria Community Services District Ordinance 01-2018, which imposes an annual special tax of sixty-two dollars and fifteen cents (\$62.15) on each parcel of real property in the Cambria Community Services District to fund three (3) full time firefighters, be approved and shall the Cambria Community Services District appropriations limit be increased by the amount of this voter-approved tax?	NO	

4. In accordance with Elections Code Section 13119, the Ballot shall contain the following Fiscal Impact Statement:

FISCAL IMPACT STATEMENT FOR A SPECIAL TAX FOR THE PURPOSE OF FUNDING THREE (3) FULL TIME FIREFIGHTERS TO BE IMPOSED ON ALL PARCELS OF REAL PROPERTY IN THE CAMBRIA COMMUNITY SERVICES DISTRICT EACH FISCAL YEAR [Elections Code Section 13119]

Rate of tax to be levied: \$62.15 per parcel located in the Cambria Community Services District. The tax will also be subject to annual CPI adjustments.

Amount of money to be raised annually: \$378,025 (estimated).

Duration of the tax: The authorization to levy the tax pursuant to this Ordinance does not expire.

The tax information estimates in this statement reflect the District's current determination of the number of taxable parcels, which is based on certain assumptions. The actual amount of money raised in each year the tax is levied may vary due to factors including, but not limited to, variations in the number of taxable parcels within the District and inflation.

5. The Board of Directors hereby approves the proposed Ordinance in the form attached to this Resolution as Exhibit A and incorporated herein by this reference, to be submitted to the voters, which shall be included in its entirety with the ballot measure. The proposed measure is a special tax as defined in Article XIII C of the California Constitution and shall not take effect unless and until approved by a vote of at least a 2/3 majority of the voters voting on the question in the election.
6. The District Clerk is hereby directed to file a certified copy of this Resolution with the San Luis Obispo County Board of Supervisors.

By vote on the motion of Director Wharton, seconded by Director Pearson, Resolution No. 03-2018 is hereby adopted this 8th day of February, 2018.

AYES: 4

NOES: 0

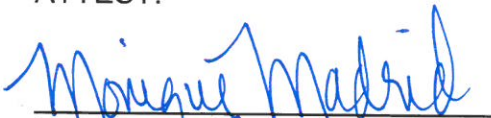
ABSENT: 1 (Farmer)



Amanda Rice
President, Board of Directors



ATTEST:



Monique Madrid
District Clerk

APPROVED AS TO FORM:



Timothy J. Carmel
District Counsel

EXHIBIT A

ORDINANCE NO. 01-2018

CAMBRIA COMMUNITY SERVICES DISTRICT

AN ORDINANCE FOR LEVY OF A SPECIAL TAX ON
REAL PROPERTY LOCATED WITHIN THE CAMBRIA COMMUNITY
SERVICES DISTRICT TO FUND THREE (3) FULL TIME FIREFIGHTERS AND TO
INCREASE THE DISTRICT'S APPROPRIATION LIMIT BY THE
AMOUNT OF THE VOTER-APPROVED TAX

WHEREAS, numerous studies have concluded that Firefighter staffing levels directly affect the level of protection and prevention service delivery and that a constant staffing level of a first in, four-person engine company is necessary to provide for the overall safety of the Firefighters and the community; and

WHEREAS, on September 10, 2015 the Board of Directors (Board) accepted the 2015 SAFER Grant Award (Grant) under which the Cambria Community Services District (District) received funding for three additional Firefighters for a two-year period, and which allowed for the addition of one Firefighter on daily staffing and provided for a four-person engine company consisting of a Captain, Engineer, SAFER-funded Firefighter and a reserve Firefighter; and

WHEREAS, at the time the Grant was accepted, it was understood that unless additional funding became available, at the end of the period of time covered by the Grant, the SAFER-funded Firefighter positions would end and the staffing could return to a three-person staffed engine; and

WHEREAS, three-person staffed engines limit Firefighters to taking a defensive posture and simply respond to a working fire, surround it and drown it, which potentially can lead to preventable losses of both life and property; and

WHEREAS, in June, 2017, as part of the approval of the 2017/2018 fiscal year budget, the Board approved the transfer of \$84,000 from General Fund reserves to continue to pay for the salaries of the SAFER funded Firefighters, however, it has been determined that the District has insufficient funds to continue the four-person engine company staffing in future years; and

WHEREAS, in order to provide the best fire protection services to Cambria and have a Fire Department staffed and prepared to provide aggressive interior fire attack when appropriate, and accomplish both victim rescue and property conservation, additional funding must be sought to continue to provide for four-person engine companies and therefore the Board of Directors has placed a ballot measure before the voters at the June 5, 2018 election for approval of this Ordinance to levy a special tax on real property within the District to fund three (3) full time firefighters and a related increase in the District's appropriation limit.

NOW, THEREFORE, THE PEOPLE OF THE CAMBRIA COMMUNITY SERVICES DISTRICT DO ORDAIN as follows:

Section 1. Authority.

This Ordinance is adopted pursuant to Article XIII A, Section 4, Article XIII B, Section 4, and Article XIII C, Section 2 of the California Constitution; Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code; Article 3.7 (commencing with Section 53720) of Chapter 4 of Division 2 of Title 5 of the Government Code; Government Code Section 53978; and Government Code Section 61121(a).

Section 2. Fiscal Impact Statement [Elections Code Section 13119]

Rate of tax to be levied: \$62.15 per parcel located in the Cambria Community Services District. The tax will also be subject to annual CPI adjustments.

Amount of money to be raised annually: \$378,025 (estimated).

Duration of the tax: The authorization to levy the tax pursuant to this Ordinance does not expire.

The tax information estimates in this statement reflect the District's current determination of the number of taxable parcels, which is based on certain assumptions. The actual amount of money raised in each year the tax is levied may vary due to factors including but not limited to variations in the number of taxable parcels within the District and inflation.

Section 3. Tax Imposed and Purpose of Tax.

A special tax for the purpose of funding three (3) full time Firefighters shall be imposed on all parcels of real property in the Cambria Community District for each fiscal year, commencing with fiscal year 2018-2019. The maximum amount of the special tax for fiscal year 2018/19 shall be \$62.15 per parcel.

Beginning with fiscal year 2019/20 and for each fiscal year thereafter, the maximum amount of the special tax shall increase by the average percentage by which the Consumer Price Indexes for All Urban Consumers in both the San Francisco-Oakland-San Jose Area and the Los Angeles-Riverside-Orange County Area, published by the Bureau of Labor Statistics of the United States Department of Labor, or any successor to those indices, increased in the twelve (12) months prior to March of the calendar year in which the adjustment is made.

The records of the San Luis Obispo Assessor as of March 1st of each year shall be used to identify each parcel for the calculation of the special tax applicable to that parcel in the following fiscal year. For the purposes of this Ordinance, the term "parcel" shall mean a parcel of real property having a separate assessor's parcel number as shown on the last equalized assessment roll of San Luis Obispo County.

Section 4. Exemptions.

- A. To the extent required by California and Federal law, the following parcels shall be exempt from the tax imposed by this Ordinance:
1. Parcels owned by federal or State governmental agencies;
 2. Parcels owned by local governmental agencies;
 3. Parcels exempt from taxation by the District pursuant to the laws or constitutions of the United States and the State of California.
- B. Any person or entity claiming an exemption from the tax imposed by this Ordinance shall file a verified statement of exemption on a form prescribed by the Cambria Community Services District Finance Manager prior to June 30th of the first fiscal year for which the exemption is sought.

Section 5. Ballot Question.

Pursuant to the California Elections Code, the abbreviated statement of the proposition, as it appears on the ballot is as follows:

Shall Cambria Community Services District Ordinance 01-2018, which imposes an annual special tax of sixty-two dollars and fifteen cents (\$62.15) on each parcel of real property in the Cambria Community Services District to fund three (3) full time firefighters, be approved and shall the Cambria Community Services District appropriations limit be increased by the amount of this voter-approved tax?

- YES**
- NO**

Section 6. Use of Tax Proceeds.

If approved by the voters, the special tax will be used solely for the purpose of funding three (3) full time Firefighters. Proceeds of this special tax will not be used for any other purpose, and will not be used to offset other District obligations.

Section 7. Increase of Appropriations Limit.

Pursuant to the provisions of Article XIII B of the California Constitution, the appropriations limit of the Cambria Community Services District is hereby increased by an amount equal to the special taxes imposed by this Ordinance in accordance with the applicable requirements of State law.

Section 8. Method of Collection.

The special tax imposed by this ballot measure is due from each owner of record of a parcel within the District as reflected upon the rolls of the County Assessor at the same

time the ad valorem tax is due and is to be collected in the same manner. The San Luis Obispo County Tax Collector shall collect the tax and any penalty or interest due hereunder.

Section 9. Accountability Measures.

- (a) Account. Upon the levy and collection of the tax authorized by this Ordinance, an account shall be created into which the proceeds of the tax will be deposited. The proceeds of the tax authorized by this Ordinance shall be applied only to the specific purpose identified in this Ordinance.
- (b) Annual Report. An annual report that complies with the requirements of Government Code section 50075.3 shall be filed with the District Board of Directors no later than January 1st of each fiscal year in which the tax is levied.

Section 10. Severability.

If any section, subsection, subdivision, paragraph, sentence, or clause of this Ordinance or any part thereof is for any reason held to be unlawful, such decision shall not affect the validity of the remaining portion of this Ordinance or any part thereof. The People of the Cambria Community Services District hereby declare that they would have passed each section, subsection, subdivision, paragraph, sentence, or clause thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, or clause be declared unlawful.

Section 11. Recitals.

That the recitals set forth hereinabove are true, correct and valid.

Section 12. Effective Date.

This Ordinance shall not become effective unless approved at the June 5, 2018 election by a two-thirds (2/3) majority of the voting registered voters within the District. This Ordinance shall become effective ten (10) days after the vote is certified by San Luis Obispo County.

PASSED AND ADOPTED by the People of the Cambria Community Services District at a special election held on June 5, 2018.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: April 25, 2018

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: **Agenda Item # 9(C): Consideration of a Recommendation to Approve a Resolution by a 4/5ths vote Delegating to the General Manager the Authority to Take Emergency Action to Replace the Oceano Lagoon Waterline between Maui Circle and Utah Avenue in accordance with Public Contract Code 22050**

Recommendation

It is recommended that your Board Approve a Resolution by a 4/5ths vote delegating to the General Manager the authority to take emergency action to replace the Oceano Lagoon Waterline between Maui Circle and Utah Avenue in accordance with Public Contract Code 22050.

Discussion

The attached resolution has been prepared to proceed with emergency efforts pursuant to Public Contract Code 22050 to replace the waterline under the Oceano Lagoon that has failed between Maui Circle and Utah Avenue. Exhibit "A" of the attached resolution illustrates the location of the failure. The waterline is currently out of service and poses risks to loss or damage to life, health, property or essential public services that will be prevented or mitigate through emergency efforts. In addition to risks associated with losing potable water service and impacts on fire flows, the risks of loss in service to the South San Luis Obispo County Sanitation District's wastewater treatment facilities needs to be immediately mitigated to prevent or mitigate impacts on essential public services.

In addition to the formal authority to proceed with procuring a contractor to replace the Oceano Lagoon Waterline, the resolution also provides the history of District and consultant efforts since the waterline failed. Lastly, the resolution includes the necessary findings to support the emergency actions for compliance with requirements of environmental resources agencies.

Other related information attached includes a Technical Memorandum prepared by Terra Verde Environmental Inc. A draft application for an emergency permit from the California Coastal Commission has been prepared by Terra Verde and completed and submitted prior to the Board meeting. A similar application will also be submitted to the County of San Luis Obispo and a verbal update on those efforts will be provided at the Board



meeting. Lastly, District staff has may also be able to provide an update on the timing that a contractor may be mobilized to perform the work.

Other Agency Involvement

Staff is coordinating with State Parks since they are owners of the property and a right of entry is needed.

The District's annual blanket encroachment permit with County Public Works, which allows work within the County maintained road system, allows the District to proceed with emergency efforts although the contractor may be required to obtain a separate encroachment permit.

Other federal and state environmental resource agencies will be also be notified.

Financial Considerations

Cost estimates are currently anticipated to be approximately \$100,000, including contractor and consultant costs. Sufficient savings is anticipated in the current year's water fund budget.

Results

Replacing the failed Oceano Lagoon Waterline promotes continued reliable water service and prevents or mitigates loss or damage to life, health, property or essential public services.

Attachments:

- Resolution Delegating to the General Manager the Authority to Take Emergency Action to Replace the Oceano Lagoon Waterline between Maui Circle and Utah Avenue in accordance with Public Contract Code 22050.
- Technical Memorandum dated April 11, 2018 from Terra Verde Environmental (excluding attachments).

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO: 2018 - __**

**A RESOLUTION PURSUANT TO CALIFORNIA PUBLIC CONTRACT CODE 22050
DELEGATING TO THE GENERAL MANAGER THE AUTHORITY TO TAKE ANY
DIRECTLY RELATED AND IMMEDIATE ACTION AND TO ORDER ACTION TO
PROCURE THE NECESSARY EQUIPMENT, SERVICES, AND SUPPLIES FOR
EMERGENCY REPLACEMENT OF THE FAILED WATERLINE UNDER THE OCEANO
LAGOON BETWEEN UTAH AVENUE AND MAUI CIRCLE, OCEANO CALIFORNIA**

WHEREAS, on March 24, 2018 at approximately 5:00 a.m., the District's on-call operator received a call-out for low water pressure at a property on McCarthy Avenue and upon responding determined that a waterline under the Oceano Lagoon (the "Oceano Lagoon Waterline") had failed. The operator isolated the waterline by turning off valves, terminated the "looped" flow of water, and notified the State Water Board, the San Luis Obispo County Office of Emergency Services and the San Luis Obispo County Office of Environmental Health; and

WHEREAS, Exhibit "A" illustrates the location of the failed Oceano Lagoon Waterline; and

WHEREAS, in response to the unexpected failure of the Oceano Lagoon Waterline, the District staff immediately embarked on efforts to identify actions that would be needed to repair or replace the Oceano Lagoon Waterline, including but not limited to action needed by the District Board of Directors as may be required by the California Public Contracts code, requirements of state and federal environmental resource agencies, and options to repair or replace the Oceano Lagoon Waterline; and

WHEREAS, on March 28, 2018, the District Board of Directors authorized the District Manager to initiate certain emergency actions; and

WHEREAS, on or about March 28, 2018, the District General Manager contacted the San Luis Obispo County Public Works Department, Environmental Division, seeking assistance on determining and complying with requirements of state and federal environmental resource agencies; and,

WHEREAS, the Environmental Division Manager indicated that staffing could not be provided and informed the General Manager that Terra Verde Environmental Consulting (Terra Verde Inc.) had previously consulted on environmental resources of the Oceano Lagoon; and

WHEREAS, on April 6, 2018 the General Manager approved a proposal from Terra Verde Environmental Consulting (Terra Verde Inc.) for the purpose of assisting the District in addressing requirements of state and federal environmental resource agencies; and

WHEREAS, on April 10, 2018, the General Manager, the District's Utility Operations Supervisor, a representative of Terra Verde, and a professional engineer of Cannon Associates made a site visit to the location of the Oceano Lagoon Waterline; and

WHEREAS, during the site visit, the individuals present identified what appeared to be a segment of the Oceano Lagoon Waterline that failed, as depicted in Exhibit "A," which created substantial doubt regarding repairing the waterline through in-situ or other construction methodologies and essentially eliminated further consideration of repair options; and

WHEREAS, on April 11, 2018, Terra Verde Inc. provided the District with a Technical Memorandum (Technical Memorandum) titled "Regulatory Agency Permitting Summary for the Oceano Community Service District Emergency Waterline Replacement Project"; and

WHEREAS, on April 12, 2018, the General Manager approved a proposal from Cannon Associates to assist in engineering and surveying services that are needed to replace the failed Oceano Lagoon Waterline; and

WHEREAS, on April 16, 2018, Cannon Associates provide the District with a survey indicating the public right of way was substantial on both sides of existing paved roads observed during the site visit of April 10, 2018, which together indicate that the District could utilize a construction methodology described as Horizontal Directional Drilling (HDD) to replace the failed Oceano Lagoon Waterline and avoid direct construction activities in the Oceano Lagoon or adjacent environment; and

WHEREAS, the HDD construction methodology does have a potential to frac-out, which is described in the Terra Verde Technical Memorandum along with recommendations for addressing requirements of state and federal environmental resource agencies and mitigation of a potential frac-out; and

WHEREAS, the failure of the Oceano Lagoon Waterline necessitates emergency replacement as it represents a sudden unexpected occurrence demanding immediate action to prevent or mitigate loss or damage to life, health, property or essential public services; and

WHEREAS, Exhibit "B" illustrates the District's water system in the vicinity of the failed Oceano Lagoon Waterline; and

WHEREAS, two areas exist within the District's water system that require immediate replacement of the Oceano Lagoon Waterline to prevent and mitigate loss of essential public services including potable water service necessary for health and well being, and water that is needed for fire and emergency services to protect life and property; and

WHEREAS, the Oceano Lagoon Waterline requires immediate replacement because the single remaining District waterline depicted in Exhibit "B" that is serving the area generally described as the "Island" is located within property owned by the County of San Luis Obispo's Oceano Airport, and in the event of a failure, would result in an extended period that potable water service and water for fire and other emergency services would not be available since access to the waterline that transverses airport property is inaccessible while the airport is operating; and

WHEREAS, the Oceano Lagoon Waterline requires immediate replacement because the single remaining District waterline depicted in Exhibit "B" that is serving the area generally described as the "Island" also serves water to the South San Luis Obispo County Sanitation District, which owns and

operates a regional wastewater treatment plant at that location, and which provides an essential public service whose operations would be impaired if potable water service and/or water that is needed for fire and emergency services is interrupted; and

WHEREAS, the Oceano Lagoon Waterline requires immediate replacement because a separate and single remaining District waterline depicted in Exhibit "B," that is serving the area generally described as "Beach Properties," has undersized waterlines that are subject to flow reductions and impaired ability to respond to fires and other emergencies while the Oceano Lagoon Waterline is out of service; and,

WHEREAS, the District's estimated cost of the emergency project is less than \$175,000 and the District may utilize provisions of the Uniform Public Construction Cost Accounting Act, which are incorporated in California Public Contract Code 22000 et seq. to procure the necessary equipment, services, and supplies for replacement of the Oceano Lagoon Waterline; and

WHEREAS, California Public Contract Code 22050 (a) authorizes a public agency to take any directly related and immediate action required to replace a public facility in the case of an emergency and to procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts provided that the governing board of the public agency finds that, based on substantial evidence, that the emergency will not permit a delay resulting from a competitive solicitation of bids and that the action is necessary to respond to the emergency; and

WHEREAS, California Public Contract Code 22050 (b) authorizes the governing body of a public agency to delegate to the District's General Manager the authority to order any action to replace the public facility as authorized by Public Contract Code 22050 (a); and

WHEREAS, the time required to obtain emergency permits and provide emergency notifications to environmental resource agencies is imminent and additional time to solicit competitive bids will unduly delay the replacement of the Oceano Lagoon Waterline; and

WHEREAS, the availability of contractors to immediately perform the required work, and timing requirements that would be included in bid documents, may result in inflated bids and conflict with low-bid requirements as compared to contractor procurement that is authorized by Public Contract Code 22050 (a); and,

WHEREAS, serving the public interest demand immediate action to prevent and mitigate loss of essential public services including potable water service necessary for health and well being, and water that is needed for fire and emergency services to protect life and property as a result of the sudden unexpected failure of the Oceano Lagoon Waterline.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Oceano Community Services District that:

1. The foregoing recitals are true and correct.
2. That the failure of the Oceano Lagoon Waterline at a location illustrated in Exhibit "A" was a sudden and unexpected failure.
3. The Oceano Lagoon Waterline requires emergency replacement to prevent or mitigate loss or damage to life, health, property or essential public services, including but not limited to the following:
 - a. Potable water service and water service for fire flows to the wastewater treatment facilities of the South San Luis Obispo County Sanitation District, an essential public service provided by a governmental agency that is independent from the District.
 - b. Potable water service and water service for fire flows to the area described as the "Island" and illustrated in Exhibit "B."
 - c. Potable water service and water service for fire flows to the area described as the "Beach Properties" and illustrated in Exhibit "B."
4. Pursuant to Public Contract Code 22050 (a), substantial evidence supports the conclusions that the need for emergency actions cannot be delayed, that the District has and must continue to act as expeditiously as possible to replace the failed Oceano Lagoon Waterline, and delays resulting from a competitive solicitation of bids will unduly impact the need to prevent or mitigate loss or damage to life, health, property or essential public services.
5. Pursuant to Public Contract Code 22050 (b), the District General Manager is authorized to take any directly related and immediate action required to replace the Oceano Lagoon Waterline and to procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.
6. Pursuant to Public Contract Code 22050 (b), this resolution must be approved by at least of 4/5ths vote.
7. Pursuant to Public Contract Code 22050 c), the General Manager shall report to the Board of Directors at each subsequent regular meeting so that the Board can review the emergency action to determine, by a 4/5ths vote, that there is a need to continue the emergency action.

PASSED AND ADOPTED by the Board of Directors of the Oceano Community Services District on April 25, 2018 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

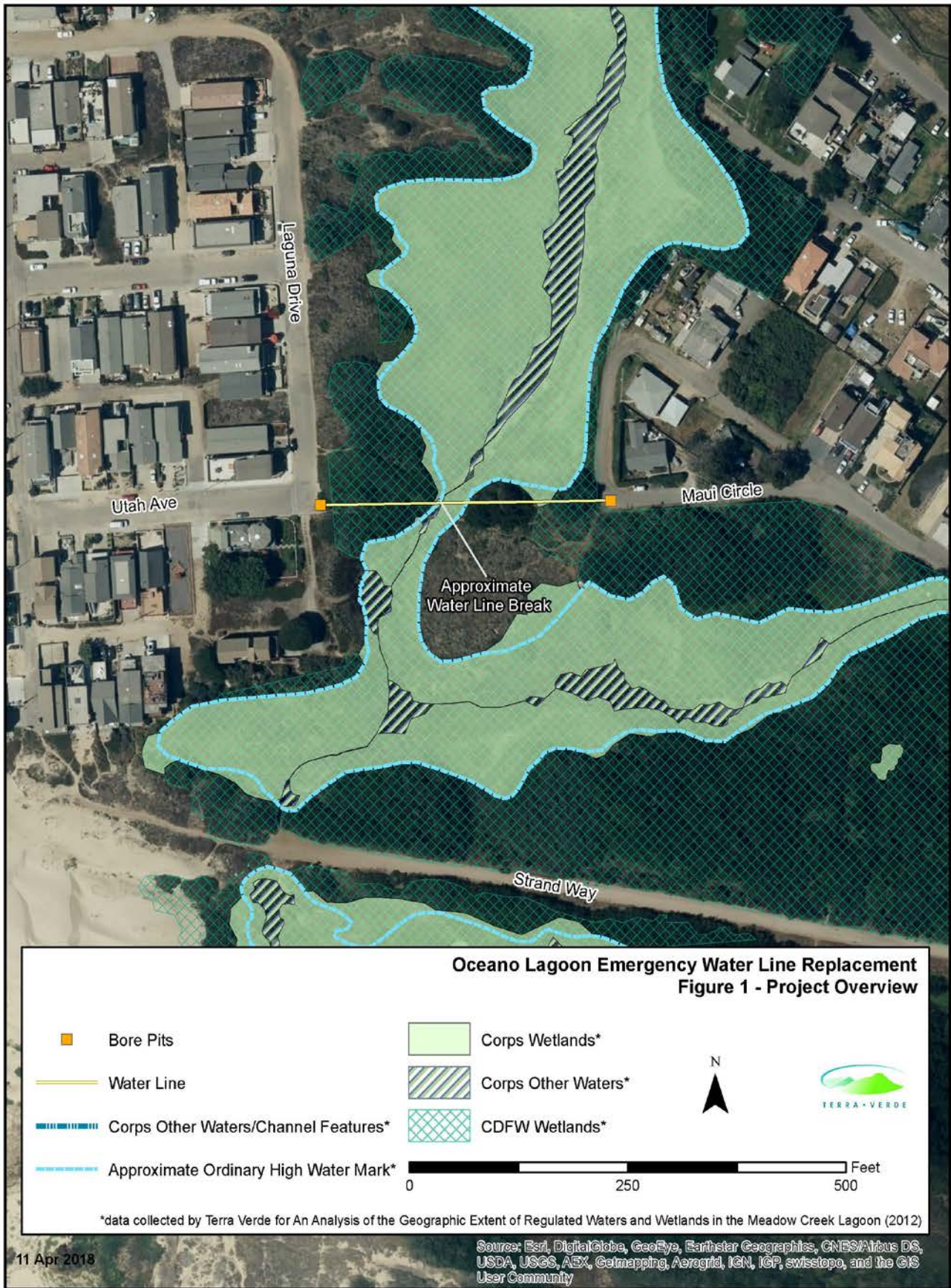
President, Board of Directors
of the Oceano Community Services District

ATTEST:

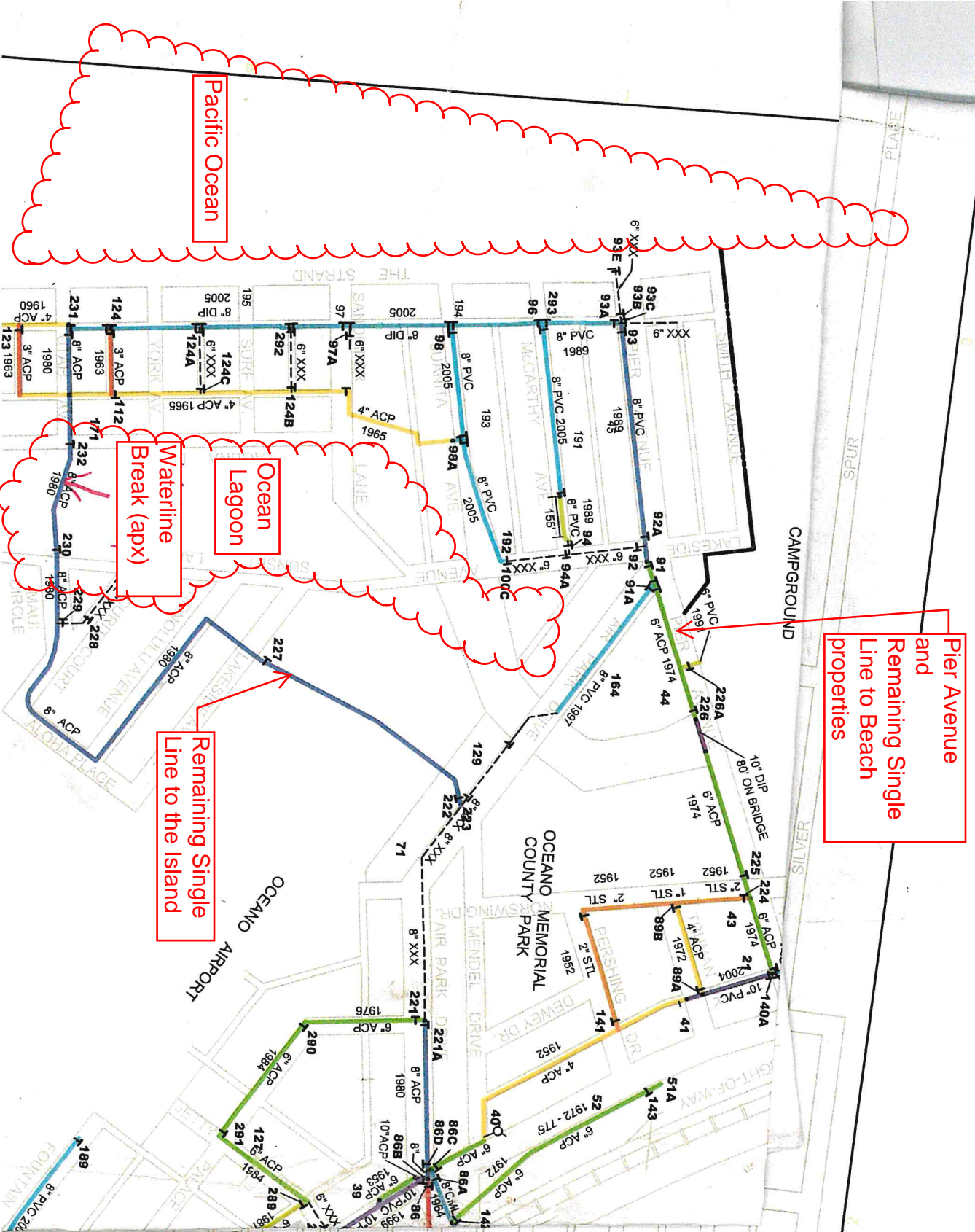
Board Secretary of the
Oceano Community Services

APPROVED AS TO FORM:

Jeffrey A. Minnery, District Counsel



11 Apr 2018



Pacific Ocean

Waterline Break (apx)

Ocean Lagoon

Remaining Single Line to the Island

Pier Avenue and Remaining Single Line to Beach properties

EXHIBIT - ITEM 9(C)
OCEANO CSD
BOARD MEETING DATE MARCH 28, 2018
(PROPOSED ADDITION TO AGENDA)



April 11, 2018

Paavo Ogren, General Manager
Oceano Community Services District
1655 Front Street
Oceano, CA 93445

RE: Technical Memorandum – Regulatory Agency Permitting Summary for the Oceano Community Services District Emergency Waterline Replacement Project

As requested, the following provides an overview of the regulatory agency permits and/or authorizations that would be necessary for the Oceano Community Services District (OCSD) Emergency Waterline Replacement Project (project) located in the community of Oceano, California. Terra Verde Environmental Consulting, LLC (Terra Verde) understands that the current waterline located beneath the lower section of the Oceano Lagoon has been damaged and the OCSD is proposing emergency action to replace the damaged section in its entirety (project). The waterline is currently shut-in and is critical to the water supply for the local community including for overall fire safety. The proposed method for replacement is Horizontal Directional Drilling (HDD) over an estimated 400-foot section of the Oceano Lagoon. The project is located in an area that falls under the jurisdiction of multiple resource agencies that would require notification of emergency action. The following provides a summary of the current project and regulatory agency setting as well as recommendations for agency notifications and avoidance and minimization measures for protection of sensitive resources.

Terra Verde was previously retained by the San Luis Obispo County Flood Control and Water Conservation District (County) in 2012 to identify and delineate the extent of waters of the United States (U.S.), including wetlands, under Clean Water Act (CWA) jurisdiction in the Oceano Lagoon and adjacent coastal and riparian habitat features. The results of the survey were documented in a formal Waters/Wetlands Delineation report for the County's use in future project planning. Based on the results of the 2012 waters/wetlands delineation, the project area intersects the lower section of the Meadow Creek corridor and associated lagoon (i.e., Oceano Lagoon) which is a perennial tributary to the tidal waters of the Arroyo Grande Creek mouth and the traditionally navigable waters of the Pacific Ocean (see Attachment A: Figure 1 – Project Overview). The project area is also located within the Coastal Zone of San Luis Obispo County as designated by the California Public Resources Code Division 20, Sections 30000 – 30012 which includes a portion of the California Coastal Commission's (CCC) originally retained jurisdiction (see Attachment A: Figure 2 – CCC Originally Retained Jurisdiction).



A site visit was completed by the project team which included Brian Dugas of Terra Verde on Tuesday, April 10, 2018. The purpose of site visit was to inspect the proposed HDD work spaces and waterline corridor through the lower section of the Oceano Lagoon (see Figure 1) to determine jurisdictional boundaries and regulatory agency permitting triggers. Based upon information provided by the HDD contractor, all bore pit operations would be limited to the existing waterline easement and residential neighborhood access roads. Specifically, there is one HDD bore pit proposed at the western end of Maui Circle and an exit hole located at the easternmost limits of Utah Avenue (see Figure 1). A portion of the damaged waterline is visible adjacent to the current open water habitat of the lagoon channel which is limited to a narrow area less than 10 feet in width and 6 inches in overall depth. The proposed HDD boring operations and 400-foot pipeline installation would be completed in one day followed by one day of waterline tie-ins and site cleanup. Due the potential for frac-out of drilling muds into the lagoon area during boring operations, there will be some minor willow (*Salix* sp.) trimming proposed to allow for safe access along the waterline corridor and channel crossing area prior to project implementation.

Due to the Oceano Lagoon feature being listed as a blue-line stream course with defined bed/bank, an Emergency Notification to the California Department of Fish and Wildlife (CDFW) pursuant to Section 1602 of Fish and Game Code would likely be necessary due to the proposed HDD operations and potential for frac-out (see Appendix B – CDFW Emergency Notification). The blue-line drainage is also considered waters of the U.S. as it maintains a significant nexus to navigable waters of the United States (i.e., Pacific Ocean via Arroyo Grande Creek). However, emergency permits from the United States Army Corps of Engineers (Corps) and the Regional Water Quality Board (RWQCB) pursuant to Section 404 and 401 of the Clean Water Act would not be deemed necessary as only HDD operations beneath Section 10 waters (i.e., navigable waters) are considered an impact to waters of the U.S. Further, the Corps does consider drilling fluids used for HDD operations (bentonite slurry) as “fill” material. Notification may only be required if the clean-up efforts of a HDD operation discharge would require work within waters of the U.S. (i.e., sometimes a remediation plan is deemed necessary to address inadvertent returns of drilling fluids to waters of the U.S.). The decision document from the Corps which discusses HDD operations and permit triggers has been included in its entirety as Appendix C for review. Lastly, the proposed emergency repair project would likely require an emergency notification to the CCC due to its location within the CCC originally retained jurisdiction (see Appendix D – CCC Emergency Notification Form).

Based upon the above, Terra Verde recommends the following:

1. Prepare and submit emergency permit applications/notifications to the CDFW and CCC. The CCC application would be submitted prior to project implementation and the CDFW notification would be submitted two weeks after project implementation per CDFW



guidelines. Terra Verde recommends a courtesy email notification to CDFW prior to project implementation to ensure they are aware that the OCSD will be working under the auspices of the CDFW emergency permit authorization process.

2. Ensure that the HDD Contractor prepares a Frac-out Contingency Plan prior to project implementation.
3. Conduct pre-activity surveys for sensitive resources, including special-status species and nesting birds. Flag off identified sensitive resources and establish buffer areas, as needed.
4. Conduct worker orientation prior to the start of project activities to educate the crews on sensitive resources of project area, designated staging areas and access routes, and Frac-out Contingency Plan procedures, etc.
5. Provide full-time monitoring of HDD operations to ensure all resources are protected and to assist in implementation of the Frac-out Contingency Plan in event of an inadvertent release of drilling muds.
6. Prepare a project completion report for submittal to CDFW and CCC at the completion of the emergency repair operations.

As discussed during the April 10, 2018 site visit, there will be further coordination necessary with the County of San Luis Obispo and California Department Parks and Recreation (Parks) to determine if encroachment permits and/or any other authorizations will be required prior to project implementation. These consultations should be completed in association with Task 1 above.

If you should have any questions or require further information, please contact me at bdugas@terraverdeweb.com or at 805-701-4648.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Dugas", written in a cursive style.

Brian Dugas
Principal Biologist

Attachments: Attachment A: Figures
Attachment B: CDFW Emergency Notification
Attachment C: Corps Decision Document Nationwide Permit 12
Attachment D: CCC Emergency Permit Application



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: April 25, 2018

To: Board of Directors

From: Paavo Ogren, General Manager

Subject: **Agenda Item #9D-** Submittal for approval a Resolution authorizing the General Manager to execute intent to serve letters to new customers

Recommendation

It is recommended that your Board approve the attached resolution authorizing the General Manager to execute intent to serve letters to new customers.

Discussion

From time to time, individuals, businesses and other organizations apply for utility service from the District. Existing District ordinances, including 2006-1, require the applicant to pay an application fee and other fees associated with obtaining utility services. In essence, the applicant is required to pay 100% of the District's costs.

When a customer applies for a new service the intent to serve is placed on your Board's agenda for approval with the connection fees established in the letter. Full payment of the fees is a requirement before the final will serve letter can be issued to the customer. In the past the County would only issue a building permit after a customer presented the District's final will serve letter. The County Planning Department has installed a new tracking system and the issuance of the District's final will serve has been left out the requirements. Approval of this resolution would allow the General Manager to issue the intent to serves at such time that the applicant has met required conditions and paid fees. The resolution also expresses the authority for the General Manager to issue final will-serve letters. Since that authority already exists, the effect of the attached resolution is authorizing the General Manager to also issue intent to serve letters.



Other Agency Involvement

Examples of other agencies involved in reviewing and evaluating applications for services include the County of San Luis Obispo, Five Cities Fire Authority, the South San Luis Obispo County Sanitation District and various regulatory agencies.

Other Financial Considerations

n/a

Results

Approval of the attached resolution will help ensure timely and responsive government which promotes well governed communities in a fiscally equitable manner.

Exhibit "A" - Resolution Authorizing the General Manager to Execute Intent to Serve Letters

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ISSUE 'INTENT TO SERVE LETTERS,' FINAL 'WILL SERVE LETTERS' AND OTHER CONDITIONS ON STREET LIGHTING SERVICES

The following Resolution is hereby offered and read:

WHEREAS, the Oceano Community Services District (OCSD) provides municipal services including, but not limited to, water, sewer and lighting; and

WHEREAS, proposals to develop properties within the boundaries of OCSD, including proposals to modify properties with existing improvements, requires OCSD to review said proposals in a manner that is coordinated with the San Luis Obispo County Department of Planning and Building, which is the agency responsible for processing and issuing land use permits within the boundaries of OCSD; and

WHEREAS, the purpose of review and coordination by OCSD is to help ensure compliance with requirements of development previously established and adopted by the OCSD Board of Directors and incorporated into OCSD ordinances, resolutions, rules, regulations and standards; and

WHEREAS, as part of its review of land use proposals and establishing the specific conditions on land use proposals, OCSD issues "intent to serve" and "final" will serve letters for water and sewer service, and other conditions on street lighting requirements; and

WHEREAS, many land use proposals, and the necessary conditions that OCSD must establish relating to OCSD municipal services, are routine and can be derived from the OCSD ordinances, resolutions, rules, regulations and standards; and

WHEREAS, some land use proposals, and the necessary conditions that OCSD must establish relating to OCSD municipal services, are routine and cannot be clearly derived from the OCSD ordinances, resolutions, rules, regulations and standards

WHEREAS, the OCSD desires to review land use proposals, establish conditions relating to OCSD municipal services, and issue intent to serve letters, final will serve letters, and to establish other conditions on street lighting services in a timely and efficient manner while also adhering to its ordinances, resolutions, rules, regulations and standards; and

WHEREAS, for those land use proposals where the conditions for OCDS municipal services can be readily derived from OCSD ordinances, resolutions, rules, regulations and standards, it is in the public interest that the OCSD General Manager is authorized to issue intent to serve letters, final will-serve letters and other conditions on street lighting services; and

WHEREAS, for those land use proposals where the conditions for OCDS municipal services cannot be readily derived from OCSD ordinances, resolutions, rules, regulations and standards, or when the owner of the land and/or landowner's agent desires to appeal determinations of the General Manager, it is in the public interest that the OCSD Board of Directors make final determinations; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Oceano Community Services District that:

1. The OCSD General Manager is authorized to issue intent to serve letters, final will-serve letters and other conditions on street lighting services for those land use proposals where the conditions for OCDS municipal services can be readily derived from OCSD ordinances, resolutions, rules, regulations and standards.
2. The OCSD Board of Directors shall maintain final authority to issue intent to serve letters, final will-serve letters and other conditions on street lighting services for those land use proposals where the conditions for OCDS municipal services cannot be readily derived from OCSD ordinances, resolutions, rules, regulations and standards and when the owner of the land and/or landowner's agent desires to appeal determinations of the General Manager.

PASSED AND ADOPTED by the Board of Directors of the Oceano Community Services District on April 25, 2018 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

President, Board of Directors
of the Oceano Community Services District

ATTEST:

Board Secretary of the
Oceano Community Services

APPROVED AS TO FORM:

Jeffrey A. Minnery, District Counsel