

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Board of Directors, staff and public may participate in this meeting via teleconference and/or electronically. The Oceano Community Services District Boardroom will NOT be open for accessing the meeting.



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

WEDNESDAY, July 08, 2020 – 6:00 P.M
Location: TELECONFERENCE – SEE BELOW

HOW TO OBSERVE THE MEETING

Telephone: Listen to the meeting live by dialing **(669) 900-9128** or **(253) 215-8782**. Enter **Meeting ID# 892-6279-7188** followed by the pound (#) key. Then enter the **Password: 508435** followed by the pound (#) key. If the line is busy, additional phone numbers can be found on Zoom's website at <https://zoom.us/u/abb4GNs5xM>

Computer: With internet access use the **Password: 508435** to watch the live streaming at <https://us02web.zoom.us/j/89262797188?pwd=Q2lUeVc5THhnZk10TEtOUTITcXRiZz09>

Mobile: Log in through the Zoom Mobile App on a smartphone or tablet and enter **Meeting ID#: 892-6279-7188** then enter the **Password: 508435**.

For information on Zoom's system requirements please visit: <https://support.zoom.us/hc/en-us/articles/201362023-System-Requirements-for-PC-Mac-and-Linux>

This meeting will be conducted using Zoom software, which requires a name/email to be entered prior to accessing the meeting. This is not a District requirement for participation. Public participants are welcome to use an anonymous name/email if preferred.

HOW TO SUBMIT PUBLIC COMMENTS

Before the Meeting: Please email your comments to carey@oceanocsd.org with "Public Comment" in the subject line. In your email please include the agenda item number and title and your comments. If you would like your comment to be read aloud at the meeting (not to exceed three minutes at staff's cadence, approximately 500 words), prominently write "Read Aloud at Meeting" at the top of the email. You may also provide public comment through the District website at: <https://oceanocsd.org/contact/>. All comments received before 12:00 p.m. the day of the meeting will be included as an agenda supplement on the District's website <https://oceanocsd.org/meeting-agendas-minutes/agenda-packets/> and provided to the Directors prior to the meeting. Comments received after the deadline, but prior to the meeting start time, will be treated as live comments.

Live Comments: During the meeting, the Board President or designee will announce the opportunity for public comment. Members of the public may utilize the "raise hand" feature in Zoom to be placed into the speaking queue. 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.

To "Raise Hand:"

- **Telephone:** Prese " * 9 " to raise your hand to notify meeting host and be placed in the queue. The host will unmute and call on you when it's your time to speak.

- **Computer/Mobile Device:** Click the “raise hand” button to notify meeting host and be placed in the queue. The host will unmute and call on you when it’s your time to speak. If the “raise hand” button is not displayed on the screen please click the “participants” icon at the bottom of the screen and the “raise hand” button will appear.

Comments received after the close of public comment will be added to the record after the meeting.

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.

1. CALL TO ORDER
2. ROLL CALL
3. FLAG SALUTE
4. AGENDA REVIEW
5. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

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.

6. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. Sheriff’s South Station - Commander Michael Manuele
- ii. FCFA Operations - Chief Steve Lieberman
- iii. Operations – Utility System Manager Tony Marraccino
- iv. OCSD General Manager – Will Clemens

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. Director Villa
- ii. Director Gibson
- iii. Vice President White
- iv. President Austin
- v. Director Repogle

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 #6 – Special Presentations and Reports. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

7. 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. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

- A. Review and Approval of Minutes for Regular Meeting June 24, 2020
- B. Review of Cash Disbursements
- C. Approve revisions to the Virtual Public Meeting Protocols

8. BUSINESS ITEMS:

Public comment Members of the public wishing to speak on business items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

- A. Consideration of policy direction to staff on possible rate modifications and/or increases in accordance with Proposition 218 (Prop 218)

9. HEARING ITEMS:

- A. Consideration of a recommendation to approve a resolution to collect delinquent customer accounts on the 2020-21 property tax bills

10. RECEIVED WRITTEN COMMUNICATIONS:

11. LATE RECEIVED WRITTEN COMMUNICATIONS:

- 12. FUTURE AGENDA ITEMS:** District Policies, Roles and Responsibilities with Related Agencies, District Rules and Regulations, Cienega Seabreeze Park, Inc. Continued, Deferred Infrastructure Program, Lopez Water Contract Amendments, Wastewater CIP, The Place, EIR State Parks PWP, Old Firehouse Art, California Voting Rights Act, Fireworks Ordinance

13. FUTURE HEARING ITEMS: 2020 - 2021 Budget August 26, 2020

14. CLOSED SESSION:

15. ADJOURNMENT:

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.

Carey Casciola

From: Diane Dolden [REDACTED]
Sent: Thursday, June 25, 2020 3:44 PM
To: carey@oceanocsd.org
Subject: Contact Form Submission, Subject: Other | Entry ID 218

Name

Diane Dolden

Email

[REDACTED]

Phone

[REDACTED]

Subject

Other

Message

We really need to ban fireworks except for July 4, like other surrounding communities. It would be easier to enforce.

It is very stressful every time there is a loud firework going off. I can't imagine what that would be like for our veterans and others with PTSD.

My animals are very stressed out. They attempt to run and hide from the near nightly and sometimes daily fire crackers. Luckily they have not been harmed in their attempt to stay safe.

As a resident of Oceano I feel like I am under near constant assault in the name of "fun" for a few. It does feel like the fireworks have become more frequent in the past years. It's bad now and I'm dreading as we get closer to the 4 th.

Please put it on your next agenda so we can address this growing issue in our community.

Thank you for your consideration and your service.



Oceano Community Services District

Summary Minutes

Regular Meeting Wednesday, June 24, 2020 – 6:00 P.M.

Location: TELECONFERENCE

1. **CALL TO ORDER:** at approximately 6:10 p.m. by President Austin
2. **ROLL CALL:** Board members present: President Austin, Vice President White, Director Gibson, Director Villa, and Director Replogle. Also present, General Manager Will Clemens, Legal Counsel Jeff Minnery, and Business and Accounting Manager Carey Casciola.
3. **FLAG SALUTE:** led by President Austin.
4. **AGENDA REVIEW:**
A motion was made to approve the agenda as by presented Vice President White with a second from Director Villa. 5-0 roll call vote.
5. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:**

Public comment was received from:

Christopher Hamma	In opposition of illegal fireworks.
Gary and Suzanne Wells	In opposition of fireworks and in support or limiting the dates for safe and sane fireworks.
Lucia Casalnuovo	In opposition of fireworks and in support of change in Oceano.
Lea Hensley	In opposition of Director Replogle's actions.
Written comments submitted by Jeremy Dundon.	In opposition of Director Replogle's comments at the California Coastal Commission meeting.
Written comments submitted by an anonymous writer.	In opposition of illegal fireworks.
Written comments submitted by Jessica Rodlin.	In opposition of Director Replogle's comments.
Written comments submitted by Jennifer Breault.	In opposition of Director Replogle's comments.
Written comments submitted by Nicolle Culbert.	In opposition of Director Replogle's comments.
Written comments submitted by Patricia Brown.	In opposition of illegal fireworks.
Written comments submitted by Stacie Garcia.	In opposition of illegal fireworks.
Written comments submitted by William Findley.	In opposition of illegal fireworks.
Written comments submitted by Grant Orton.	In opposition of Director Replogle's comments.
Written comments submitted by April Smith.	In opposition of Director Replogle's comments.

6. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. **Sheriff's South Station**, Commander Michael Manuele – Reported the May 2020 stats at the June 10, 2020 OCSD Board. Gave an update pertaining to fireworks this July 4th – the Sheriff's department planned on increasing support for this year, however, due to COVID-19

and the economic impact, the budget constraints are prohibiting additional staffing and support. Reviewed the fines, prosecution, rules and regulations.

- ii. **FCFA** - Chief Steve Lieberman – Provided updates on the fires in Avila/Shell Beach and Paso Robles and how FCFA provided support.
- iii. **Operations** – Utility Systems Manager, Tony Marraccino – Lopez is currently at 49.6% full. Continuing with daily rounds, water samples and weed abatement. 4 work orders, 10 USAs, 9 customer service calls, 0 after hour call outs. We were invited to participate in EPA water testing - UCMR (Unregulated Contaminant Monitoring Rule) which is a 4 month process. Recycled 8,000 lbs. of concrete and asphalt. Hydrant maintenance is complete and staff is now painting hydrants; this includes the town of Halcyon. Ready311 trash pick up is ongoing with the 72 hour wait in place. Replaced a check valve at the booster station. Repaired a leak on the 1100 block of Norswing. Installed a new high-level alarm at the lift station as the old one failed when tested. Fiscal year inventory (yard and all trucks) is due by June 30th.
- iv. **OCSD General Manager** – Staff continues to be healthy and taking necessary precautions to remain healthy. Obtained letters of support for the Prop 1 LID Projects (Oceano Elementary and 19th Street) from Lucia Mar School District and the County of SLO. Working on Prop 1 funded grant for HWY 1 water line; we hope to complete this project before CalTrans overlay project. Reimbursement and work are anticipated to be received/started by next Spring

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. Director Villa – Reported on Oceano Advisory Council.
- ii. Director Gibson – None
- iii. Vice President White – Reported on Five Cities Fire Authority.
- iv. Director Repogle – Reported on IWMA.
- v. President Austin – None

b. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

Public comment was received from:

Julie Tacker	In support of an update if the District has used any of the extended powers during the emergency declaration during COVID19. In support of Legal Counsel reviewing the conflict of interest with the Board and the Central Coast Blue project. In support of reviewing the cease and desist with the SSLOCSD due to their Zoom meetings.
Suzanne Wells	In support of reading the Zoom chat that asked to address concerns with safe & safe and illegal fireworks.

7 CONSENT AGENDA:	ACTION:
<p>a. Review and Approval of Minutes for Regular Meeting June 10, 2020.</p> <p>b. Review of Cash Disbursements.</p>	<p>After an opportunity for public comment and Board discussion, staff recommendations were approved as presented with a motion from Vice President White, and a second from Director Villa and a 5-0 roll call vote.</p> <p>No public comment.</p>

8A BUSINESS ITEM:	ACTION:
<p>Consideration of a Recommendation to Approve the Third Amendment to the Five Cities Fire Authority (FCFA) Joint *Exercise of Powers Agreement.</p>	<p>After an opportunity for public comment and Board discussion, staff recommendations were approved as presented with a motion from Director Gibson, and a second from Vice President White and a 4-1 roll call vote. Direct Replogle dissented and made a request for the record to reflect that she voted no as she feels this is fiscally irresponsible.</p> <p>Public comment was received from:</p> <p>Julie Tacker – In opposition of the FCFA exploring an independent fire district; and a future tax measure and in support of divestiture.</p> <p>Suzanne Wells – In support of Measure A-20 and FCFA but was confused by the options available for fire service in Oceano. In support of the need to know how our money can best be spent and the application for divestiture.</p>

9A HEARING ITEM:	ACTION:
<p>Consideration of recommendations to adopt resolutions approving the Fiscal Year 2020-21 Preliminary Budget and the Fiscal Year 2020-21 Appropriation Limitation and to set August 26, 2020 as the date of the public hearing to consider the adoption of the 2020-21 Final Budget.</p>	<p>After an opportunity for public comment and Board discussion, staff recommendations were approved as presented with a motion from Vice President White, and a second from Director Gibson and a 4-1 roll call vote. Director Replogle Direct Replogle dissented and made a request for the record to reflect that she voted no as she feels this is fiscally irresponsible.</p> <p>No public comment.</p>

10. RECEIVED WRITTEN COMMUNICATIONS: None

11. LATE RECEIVED WRITTEN COMMUNICATIONS:

Wes Williams	In support of opening the Oceano Dunes.
Erica Andrade	In support of a future agenda item for Pride Month.
Gary and Suzanne Wells	In opposition of illegal fireworks.
Sharina Arevalos	In opposition of Director Replogle's comments.
Paige McDonald	In opposition of illegal fireworks.
Carol Hughes (2 emails)	In opposition of illegal fireworks.

12. FUTURE AGENDA ITEMS: District Policies, Roles and Responsibilities with Related Agencies, District Rules and Regulations, Cienaga Seabreeze Park, Inc. Continued, Deferred Infrastructure Program, Lopez Water

Contract Amendments, Wastewater CIP, The Place, EIR State Parks PWP, Old Firehouse Art, California Voting Rights Act

Review of OCSD Code 15.02.070 regarding fireworks

13. **FUTURE HEARING ITEMS:** 2020-2021 Budget August 26, 2020
14. **CLOSED SESSION:** None
15. **ADJOURNMENT:** at approximately 7:45 pm

Carey Casciola

From: Jennifer Breault [REDACTED]
Sent: Tuesday, June 23, 2020 3:31 PM
To: carey@oceanocsd.org
Subject: [Public Comment to be Read Aloud at Meeting](#)

To whom it may concern:

I am writing in to express my concern over one of the board members and the vile things she posts to her public page, Cynthia for Oceano. She is showing a clear desire to divide the community for her benefit. The post that recently drew the most public comment was her statement that the Thin Blue Line flag represents "white supremacy", she also took offence that someone used their private property to fly a flag of their choice. And lastly her use of the term "Latinx" is so incredibly disrespectful to the Latino community within Oceano, it's repulsive. I find it absolutely distasteful that she continuously puts out there that she's a member of the board at OCSD and then turns around and posts such vile things about the members of our community and our law enforcement officers. I have been a resident of Oceano for several years now and where I reside, we are a mixed community and we all get along together. Cynthia's divisive words need to cease, she has now established herself as an instigator and not someone who is keeping our community's best interest at heart.

Thank you,

Jennifer Breault
[REDACTED]

Carey Casciola

From: jessica rodlin [REDACTED]
Sent: Tuesday, June 23, 2020 4:37 PM
To: carey@oceanocsd.org
Subject: Public Comment To Be Read Aloud

To Be Read Aloud

To whom it may concern,

I have been a resident of Oceano for over 40 years. I have never seen so much hate written about the people of our community, and the law enforcement who protect us. Cynthia has gone to far with her personal comments targeting the people of our community. Not to mention that she is using the platform of her position on the board of OCSD to spew her propaganda. It's clear she has no compassion for Oceano, and the people who live here. Her ignorance is clearly reflected in her comments. She should be instantly removed from office or a moratorium put upon her. Not allowing her personal comments to be intermingled with her position on the board. Most people would be terminated from their positions instantly. No matter their seniority in this situation. This is unacceptable and needs to stop!

Sent from my iPhone=

Carey Casciola

From: Wes Williams [REDACTED]
Sent: Wednesday, June 24, 2020 12:40 PM
To: Carey@oceanocsd.org
Subject: Fw: Dunes

[Sent from Yahoo Mail on Android](#)

----- Forwarded Message -----

From: "Wes Williams" [REDACTED]
To: "carey@oceanosd.org" <carey@oceanosd.org>
Sent: Wed, Jun 24, 2020 at 12:37 PM
Subject: Dunes

It's time to open up public land to the public people's livlyhood is at risk small business,quality of life ECT,Family's vacation time we have paid for an RV rental big expense and are on the verge of no refund my reservations are mid July so who pays for this can I send the coastal committee a bill? ,You need to open up the dunes apart of California history since the 50's so we all can enjoy it,bird watching,walks, horses,and yes ohv.

[Sent from Yahoo Mail on Android](#)

Carey Casciola

From: Erica Andrade [REDACTED]
Sent: Wednesday, June 24, 2020 2:17 PM
To: Carey Casciola
Subject: Public Comment (Future Agenda Item)

Dear OCSD Board of Directors,

My name is Erica Andrade and I am the Treasurer of 5 Cities Hope. 5 Cities Hope is an LGBT+ non-profit that is located in Oceano that provides an inclusive space for the LGBT+ community and their allies. We organize various family events such as bonfires, hikes, and even organized the 1st Five Cities Pride in Arroyo Grande last year.

The reason that I am reaching out is that June is Pride month. The month of June was chosen for the LGBT+ Pride month to commemorate the riots held by members of the LGBT+ community against a police raid that took place at the Stonewall Inn in New York City on June 28th, 1969.

Recently, the City of Grover Beach has adopted a proclamation officially designating June as Pride month and has begun flying a rainbow flag at their City Hall for the remainder of June. The LGBT+ community and I would love to see Oceano Beach highlight June as Pride month and fly the rainbow flag as well to show that the OCSD is committed to advancing equality and respect for all.

Thank you for your time and consideration.

Sincerely,

Erica

Carey Casciola

From: G&S [REDACTED]
Sent: Wednesday, June 24, 2020 3:28 PM
To: carey@oceanocsd.org
Subject: Fireworks issue (for 6/24/20 OCSD meeting)

Dear Members of the OCSD Board:

Commander Manuele and his Deputies have informed us that prosecution of illegal fireworks is difficult due to the manner in which our (local) laws and ordinances are written. I have been researching this problem, and found that in 2016, the City of Bakersfield created new city regulations wherein police and firefighters can now issue administrative citations for illegal fireworks.

In 2016, Fire Chief Doug Greener stated in an article by Elizabeth Sanchez, [REDACTED] the following: "What does this (the new ordinance) mean? That means that we no longer need to have enough evidence to support a criminal investigation...We don't have to see someone physically light an illegal firework to cite them. We just have to have relative evidence that seems reasonable in our estimation, that makes a citation warranted." Similar legislation has occurred in other areas.

Changing our laws and ordinances in a similar fashion will help our local law enforcement in apprehending illegal fireworks users.

I will try to obtain a copy of their specific ordinances, and submit them for your review.

Respectfully Submitted, Gary & Suzanne Wells

Sent from [Mail](#) for Windows 10

Carey Casciola

From: Sharina Arevalos [REDACTED]
Sent: Wednesday, June 24, 2020 5:05 PM
To: carey@oceanocsd.org
Subject: Re: Public comment for tonight in regards to the Cynthia Replogle comments of Jerk Pirates Off road

Please read aloud at the meeting.

Sharina Arevalos

On Wednesday, June 24, 2020, 04:47:52 PM PDT, Sharina Arevalos [REDACTED] wrote:

Hello,

I would just like to say that about three years ago we found out about Pismo Beach and rented ATV's on the beach. We had so much fun that we since then have bought a used buggy and enjoy spending family time out at the dunes. It didn't take long when we were out our 1st time to get stuck- I admit I was a little scared but within 10 mins we had someone come up to us with a smile and offer to help us out and was proud to help us out. Many times since then we get help, we help others. I have to tell you it's a really nice community of riders out on the beach. Others are always willing to help, give a positive comment on our buggy or just say hi. A few years ago we met the organizers of Jerk Pirates when they pulled us out when we were stuck pretty good. They were so nice and welcomed us to like their Facebook group and be a member of the Jerk Pirates. I don't know where any of this racial talk is coming from and think it's complete ignorance the comments I have seen been posted. I am white but my husband is Hispanic and our 2 kids are blended. Race has never been an issue out on the dunes. In these times nowadays it is very rare to actually see happy people, being open and welcoming and that has always been my experience out on the sand. It really hurts my feelings to see all this drama and negativity by politicians and others that spread rumors and create hatred and problems. There are not many things or places that are safe to explore and have some good old fashioned fun that is not on an a screen. In closing I'd just like to say our family fun is made on the dunes, we travel 6 hours to get there from Northern CA and plan to come for many years.

Thank you,

Sharina Arevalos

Carey Casciola

From: Paige McDonald [REDACTED]
Sent: Wednesday, June 24, 2020 5:53 PM
To: carey@oceanocsd.org
Subject: Fwd: Fireworks

Hi,
I realize it's not on the agenda, but I genuinely hope you will read through this and decide to put it on the agenda. This is something very important and if all the fuss on Nextdoor is anything to be paying attention to, you might want to get in front of this issue. I appreciate your time. Thank you!

What fireworks mean to me now.

When I was a kid, fireworks were something I looked forward to. I equated them with fun, food, laughter, pretty lights and exciting explosions. I thought they were harmless additions to a celebration of our Nation's History.

I'm 37 now, and I've learned a lot since then.

Now, when I hear that familiar boom, all I feel is dread and worry. Let me explain why. My fiancé is a war veteran; he has PTSD. Since I've been with him and experienced to the tiniest degree, what he goes through, I have a whole new understanding of fireworks, especially the unpredictable, illegal ones. The boom of fireworks sounds a lot like gunfire or mortar shells going off. Having never experienced it for myself, I can't say how close but watching him slip into a flashback, I think they are close enough to matter. Close enough for me to make a point.

The dread and worry I mentioned comes from empathy for him during flashbacks. I've seen him hide under cars in the street, behind bushes, and in corners of the room. I've seen him in fetal position on the sidewalk, covering his head with his hoodie, cowering in fear. Each and every time I stay with him throughout the flashback to tell him over and over, "You're not where you think you are. You are at home with me. You're safe. That happened a long time ago". I feel the asphalt on my knees and belly when I'm trying to coax him out from under the car, I get scratched up by the bushes when he pulls me in to protect me, because I'm in the 'line of fire'. Each and every time, my heart breaks a little at the recognition of what he sacrificed for this country, what he is STILL sacrificing.

But when your brain is in fight or flight and your sympathetic nervous system takes control of your body, for your own safety, it's really difficult to get out of that. He has recounted to me during calm conversations some of the things he went through during the war, but it's the insights I've gained during the flashbacks that have woken me up the most. He is recalling intensely, really horrific and awful memories. He's cried over his empty hands, only for me to find out that he's vividly remembering holding his friend's decapitated head in them. He's sobbed and recounted times when the government ordered him to do a thing that by a civilian's standpoint, would be horrendous. He's been angry at 'the enemy' and screamed and yelled at the top of his lungs. All because he is "back there". He's looked down at scars and sees fresh wounds, flowing with blood, saying how it burns.

When illegal fireworks go off, there is no way to expect them or prepare for them. He can't wear his headphones at full-blast, 24/7 for three weeks before and three weeks after the 4th of July. He does take medication for his PTSD, but the PTSD is stronger than the medication sometimes.

I would just ask you, if you plan on doing fireworks, please consider what others are going through while you're having your fun. For some of us, it's miserable.

Thank you,

--

Paige

Carey Casciola

From: Carol Hughes [REDACTED]
Sent: Wednesday, June 24, 2020 5:54 PM
To: carey@oceanocsd.org
Subject: No More Fireworks

Oceano and Grover Beach need to get over the greed and put residents first. Fireworks are a great nuisance and are traumatic to Veterans, the elderly, pets and wildlife. If the currant elected officials can not get an ordinance asap, the people will vote you out of office. Please take action on behalf of your residents. Thank you

Carey Casciola

From: Carol Hughes [REDACTED]
Sent: Wednesday, June 24, 2020 6:27 PM
To: carey@oceanocsd.org
Subject: Fireworks

Limiting fireworks to July 4th and Jan 1st WILL NOT solve the problem. People will continue to use fireworks before and after holidays. You must stop the sale of fireworks.



Oceano Community Services District

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

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

Date: July 8, 2020

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #7(B): Recommendation to Review Cash Disbursements**

Recommendation

It is recommended that your board review the attached cash disbursements:

Discussion

The following is a summary of the attached cash disbursements:

Description	Check Sequence	Amounts
	58460 - 58484	
Disbursements:		
Regular Payable Register - paid 07/08/2020	58467 - 58484	\$ 17,581.68
Subtotal:		\$ 17,581.68
Reoccurring Payments for Board Review (authorized by Resolution 2020-06):		
Payroll Disbursements - PPE 06/20/2020	N/A	\$ 29,656.42
County of SLO (Electronic J/E Disbursement) Water Supplies - paid 07/01/2020	N/A	\$ 326,477.22
Reoccurring Utility Disbursements - paid 06/24/2020	58460 - 58463	\$ 1,436.02
Reoccurring Health Disbursements - paid 06/24/2020	58464 - 58465	\$ 10,193.86
U/B Deposit Refund (Coates) - paid 06/24/2020	58466	\$ 750.00
Subtotal:		\$ 368,513.52
Grand Total:		\$ 386,095.20

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: 058467 THRU 058484

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	-----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
CHECK:	-----								
1-1001-000	7/01/2020	CHECK	058467	TYLER TECHNOLOGIES	6,925.00CR	OUTSTND	A	0/00/0000	FINANCIAL SOFTWARE
1-1001-000	7/01/2020	CHECK	058468	PETTY CASH	16.53CR	OUTSTND	A	0/00/0000	CERTIFIED/ POSTAGE DUE
1-1001-000	7/01/2020	CHECK	058469	WHITE, KAREN M.	550.00CR	OUTSTND	A	0/00/0000	BOARD STIPEND
1-1001-000	7/01/2020	CHECK	058470	GATOR CRUSHING & RECYCLING	21.20CR	OUTSTND	A	0/00/0000	ASPHALT RECYCLING
1-1001-000	7/01/2020	CHECK	058471	USA BLUEBOOK	90.73CR	OUTSTND	A	0/00/0000	SYSTEM PART
1-1001-000	7/01/2020	CHECK	058472	MARK SCHWIND ELECTRIC INC.	475.00CR	OUTSTND	A	0/00/0000	LIGHTING
1-1001-000	7/01/2020	CHECK	058473	ADAMSKI MOROSKI MADDEN CUMBERL	5,971.00CR	OUTSTND	A	0/00/0000	LEGAL SVCS
1-1001-000	7/01/2020	CHECK	058474	BURDINE PRINTING & GRAPHICS	295.40CR	OUTSTND	A	0/00/0000	U/B MAILING & POSTAGE
1-1001-000	7/01/2020	CHECK	058475	ARAMARK	220.40CR	OUTSTND	A	0/00/0000	UNIFORMS
1-1001-000	7/01/2020	CHECK	058476	WINEMA INDUSTRIAL & SAFETY SUP	317.44CR	OUTSTND	A	0/00/0000	SYSTEM PARTS
1-1001-000	7/01/2020	CHECK	058477	REPLOGLE, CYNTHIA	200.00CR	OUTSTND	A	0/00/0000	BOARD STIPEND
1-1001-000	7/01/2020	CHECK	058478	FAMCON PIPE & SUPPLY, INC.	338.91CR	OUTSTND	A	0/00/0000	INVENTORY
1-1001-000	7/01/2020	CHECK	058479	BRENT SARKISON DBA CALTEC COMP	89.00CR	OUTSTND	A	0/00/0000	COMPUTER SUPPORT & MAINTENANCE
1-1001-000	7/01/2020	CHECK	058480	CITY OF ARROYO GRANDE	74.41CR	OUTSTND	A	0/00/0000	TEST WATER METER
1-1001-000	7/01/2020	CHECK	058481	CLINICAL LAB OF SAN BERNARDINO	360.00CR	OUTSTND	A	0/00/0000	MAY 2020 SAMPLES
1-1001-000	7/01/2020	CHECK	058482	MINER'S ACE HARDWARE, INC.	52.75CR	OUTSTND	A	0/00/0000	LIGHTS & SWITCH
1-1001-000	7/01/2020	CHECK	058483	QUILL CORPORATION	241.57CR	OUTSTND	A	0/00/0000	OFFICE SUPPLIES
1-1001-000	7/01/2020	CHECK	058484	AQUA-METRIC	1,342.34CR	OUTSTND	A	0/00/0000	INVENTORY
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	17,581.68CR			
				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: 058467 THRU 058484

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
TOTALS FOR POOLED CASH FUND					CHECK TOTAL:			
				DEPOSIT	TOTAL:			
				INTEREST	TOTAL:			
				MISCELLANEOUS	TOTAL:			
				SERVICE CHARGE	TOTAL:			
				EFT	TOTAL:			
				BANK-DRAFT	TOTAL:			

Payroll Summary Report
Board of Directors - Agenda Date July 8, 2020

	(*)	
Gross Wages	6/9/2020	6/20/2020
Regular	\$25,969.31	\$25,969.31
Overtime Wages	\$367.28	\$217.60
Stand By	\$600.00	\$450.00
	<u>\$26,936.59</u>	<u>\$26,636.91</u>
Cell Phone Allowance	\$75.00	\$0.00
Total Wages	<u>\$27,011.59</u>	<u>\$26,636.91</u>
Disbursements		
Net Wages	\$21,090.55	\$20,821.84
State and Federal Agencies	\$4,861.91	\$4,751.60
CalPERS - Normal	\$3,934.26	\$3,934.26
SEIU - Union Fees	\$148.72	\$148.72
Total Disbursements processed with Payroll	<u>\$30,035.44</u>	<u>\$29,656.42</u>
Health (Disbursed with reoccurring bills)	\$5,966.99	\$5,966.99
Total District Payroll Related Costs	<u>\$36,002.43</u>	<u>\$35,623.41</u>

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

Oceano Community Services District
 County of San Luis Obispo Electronic Journal Entries

A/P Approval

	Invoice	Vendor	Amount	G/L Account	Account Name	Distribution
1	872	County of SLO Public Works	\$ 246,998.74	02-5-4400-261	Water Supply - Lopez	\$ 246,998.74
2	2769	County of SLO Public Works	\$ 79,478.48	02-5-4400-262	Water Supply - State Water - CCWA	\$ 79,478.48

Total County Electronic Journal Entries for Water Supply	\$ 326,477.22
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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: 058460 THRU 058463

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
CHECK:									
1-1001-000	6/24/2020	CHECK	058460	HIRIARTE'S INDOOR CLEANING SER	825.00CR	OUTSTND	A	0/00/0000	CLEANING SERVICE
1-1001-000	6/24/2020	CHECK	058461	DE LAGE LANDEN FINANCIAL SERVI	150.15CR	OUTSTND	A	0/00/0000	COPIER LEASE
1-1001-000	6/24/2020	CHECK	058462	CHARTER COMMUNICATIONS	150.00CR	OUTSTND	A	0/00/0000	INTERNET SERVICE
1-1001-000	6/24/2020	CHECK	058463	COASTAL COPY, INC.	310.87CR	OUTSTND	A	0/00/0000	COPIES & MAINTENANCE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	1,436.02CR			
				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:	1,436.02CR			
				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: 058464 THRU 058465

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
CHECK:									
1-1001-000	6/24/2020	CHECK	058464	BLUE SHIELD OF CALIFORNIA	8,831.80CR	OUTSTND	A	0/00/0000	EMPLOYEE INSURANCE
1-1001-000	6/24/2020	CHECK	058465	PRINCIPAL LIFE INSURANCE COMPA	1,362.06CR	OUTSTND	A	0/00/0000	EMPLOYEE INSURANCE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	10,193.86CR			
				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:	10,193.86CR			
				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: 058466 THRU 058466

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	6/24/2020	CHECK	058466	BRIAN COATES	750.00CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	750.00CR		
				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:	750.00CR		
				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		

REIM DEP AGREEMENT



Oceano Community Services District

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

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

Date: July 8, 2020
To: Board of Directors
From: Carey Casciola, Business and Accounting Manager
Subject: **Agenda Item #7(C): Approve revisions to the Virtual Public Meeting Protocols**

Recommendation

It is recommended that your Board approve revisions the Virtual Public Meeting Protocols.

Discussion

The District continues to carefully monitor the COVID-19 Coronavirus pandemic and follow the direction of the County Public Health Department in coordination with other local agencies. The Virtual Public Meeting Protocols were adopted by the Board on April 8, 2020 with the Declaration to alter the meeting location and establish virtual public meeting protocols as a result of the coronavirus pandemic. The attached redline version provides the following revisions to public comment:

1. Eliminates the ability to have written public comment read aloud at the meeting
2. Clarifies language in the protocols regarding written public comment received after 12:00pm on the day of meeting. The written public comment will become a record of the meeting and be attached to the minutes of the meeting.

Other Agency Involvement

None

Other Financial Considerations

None

Results

The District's response to the COVID-19 pandemic contributes to a safe, healthy, livable, and well-governed community.

Attachments:

- Virtual Meeting Protocols - Redline

Oceano Community Services District

Virtual Meeting Protocols

(~~Drafted April 1~~ Updated June 30, 2020)

The guidance below provides useful information for accessing OCSD meetings remotely and establishing protocols for productive meetings.

BOARD AND COMMITTEE MEMBERS:

- **Attendance.** Board and Committee members should attend District meetings remotely from their homes, offices, or an alternative off-site location. As per the Governor's updated Executive Order N-29-20, there is no longer a requirement to post agendas at or identify the address of these locations.
- **Agendas.** Agenda packages will be made available on the District's website. They will also be sent by email to all Directors. Note that under the circumstances, District staff may not be able to send paper packets.
- **Director Participation.** Directors will be unmuted from the beginning of the meeting. Please announce your name before speaking so that those participating by telephone only will know who is speaking. The Board President will recognize individual Board members in order when it is their turn to speak. Please review the "Virtual Meeting Best Practices" guideline so that the meeting is conducted in an effective and efficient manner.

PUBLIC PARTICIPATION:

- **Attendance.** The District's office will remain closed to the public, except for window hours available on the District's website, until further notice. Members of the public will be able to hear and/or see public meetings via phone, computer, or smart device. Information about how to observe the meeting is listed on the agenda of each meeting.
- **Agendas.** Agendas will be made available on the District's website and to any members of the public who have a standing request, as provided for in the Brown Act.
- **Public Participation.** Members of the public will be muted for the duration of the meeting. The Board President will announce the time for Public Comment. Members of the public will notify the meeting Host of their desire to provide public comment depending on their form of participation, as described below. The meeting Host will unmute the public member's device so that comments may be heard, ~~or comments will be read if they are provided in writing only.~~ The public can observe and participate in a meeting as follows:

HOW TO OBSERVE THE MEETING:

- **Telephone:** Listen to the meeting live by calling Zoom at (669) 900-9128 or (346) 248-7799. Enter the Meeting ID number found on the meeting's agenda, followed by the pound (#)

key. Additional phone numbers can be found on Zoom’s website at <https://zoom.us/j/abb4GNs5xM> if the line is busy.

- **Computer:** Watch the live streaming of the meeting from a computer by navigating to the link found on the meeting’s agenda using a computer with internet access that meets Zoom’s system requirements (see <https://support.zoom.us/hc/en-us/articles/201362023-System-Requirements-for-PC-Mac-and-Linux>).
- **Mobile:** Log in through the Zoom mobile app on a smartphone and enter Meeting ID number found on the meeting’s agenda.

HOW TO SUBMIT PUBLIC COMMENTS:

- **Before the Meeting:** Please email your comments to carey@oceanocsd.org, write “Public Comment” in the subject line. In the body of the email, include the agenda item number and title, as well as your comments. ~~If you would like your comment to be read aloud at the meeting (not to exceed three minutes at staff’s cadence, approximately 500 words), prominently write “Read Aloud at Meeting” at the top of the email.~~ You may also provide public comment through the District website at <https://oceanocsd.org/contact/>. All comments received before 12:00 p.m. on the day the meeting will be ~~held~~ included as an agenda supplement on the District’s website under the relevant meeting date and provided to the Directors prior to the meeting. Comments received after ~~12:00 pm~~ this time, but before the start of the meeting on the day of the meeting, will be attached to the minutes of the meeting, +treated as live comments.
- **Live Comments:** During the meeting, the Board President or designee will announce the opportunity to make public comment. Members of the public may use the “raise hand” feature to be put in a speaking queue. Public comment will be limited to three (3) minutes. If a speaker continues speaking after being notified of the end of their public comment period, the meeting Host will mute the speaker and move on to the next person in the queue. Please raise your hand in the following ways:
 - **Telephone:** Press “*9” to raise your hand and notify the meeting Host. You will be placed in the queue and unmuted, in order, so that you may provide public comment.
 - **Computer and Mobile:** Click the “raise hand” button to notify the Host. You will be placed in the queue and unmuted, in order, so that you may provide public comment.Comments received after the close of the public comment period will be added to the record after the meeting.

FOR ALL PARTICIPANTS:

- **Get Connected:** Please download the [Zoom application](#) for your device and familiarize yourself with how to utilize this tool. There is no cost for using the application.
- **Ensure Quiet.** Please mute all devices when not speaking during the meeting. Please make every effort to find a location with limited ambient noise. Please turn off the ringer on your phone and other notification sounds on your devices to reduce interruptions.

We anticipate that this process of moving to remote meetings will likely include some challenges and hope that all will bear with us as we navigate this process.



Oceano Community Services District

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

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

Date: July 8, 2020

To: Board of Directors

From: Will Clemens, General Manager

Subject: Agenda Item #8A: Consideration of policy direction to staff on possible rate modifications and/or increases in accordance with Proposition 218 (Prop 218)

Recommendation

It is recommended that the Board review the staff report and staff presentation and provide direction to staff in developing a modified rate structure for future adoption in accordance with Proposition 218.

Discussion

The District’s current water system revenues are insufficient to fund operations and maintenance, capital improvements, and minimum reserve levels. FY 20/21 budgeted revenues are nearly \$485,000 short in covering water system expenditures. If no rate increase process is performed, the drought rates in place will sunset in October 2020 and the Water Fund will run out of money this fiscal year. If a rate increase process is done and the current water rates are maintained, it is projected that the Water Fund would run out of money in FY 2021/22. Therefore, it is necessary to increase water rates at this time to cover necessary water system expenditures.

In October 2017 drought rates were partially reduced and the drought rates will sunset in October 2020. This will severely impact revenues if not addressed. The last non-inflationary rate increase process was done in 2015 to address revenue impacts from the drought and prior to that, rates were increased in 2011. As can be expected, increased water conservation continues, even after the drought ended, which also continues to impact system revenues. Water usage has not significantly increased after the drought ended as shown in the following table:

Total Water Use in Acre Feet

<u>Year</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
	852	838	888	807	703	672	718	725	680

The successful water conservation efforts on the part of the community has resulted in system revenues falling short in total by \$368,000 since the 2015 rate increase was implemented.



Expenditures

The 2015 rate increase was intended only to address revenue shortfalls related to the drought and certain operation and maintenance expenses. Documentation presented at that time indicated that the rate increase would not address other critical issues such as the Capital Improvement Program (CIP), staffing needs, and reserve policies.

In 2010, Tuckfield and Associates identified an annual expenditure need of \$186,000 for Capital and Long-term maintenance based on the Master Water Plan CIP. That funding need was deferred and never implemented. Since 2014, the District has spent almost \$800,000 on Capital projects. Grants have paid for \$127,000 of that amount and the rest has come from reserves. This has resulted in reserve balances dropping to near the minimum reserve levels needed to operate.

In 2019, grant funding was used to prepare an update to the CIP. That update identified over \$4 million of improvements needed over the next ten years. These improvements should not be deferred any longer. Staff has included an annual expenditure target of \$150,000 to fund the CIP and is phased in over three fiscal years. This amount should be enough to complete the entire CIP with a combination of grant funded, pay-go and debt financed projects. Interest rates are at historic lows and should provide excellent funding terms as can be seen by comparing to the \$186,000 Capital estimate by Tuckfield in 2010.

Additionally, appropriate staffing needs were not included in the 2015 rate increase. Since 2015 there has been one additional utility system worker added to the field crew and one half time account administrator added to the office staff. The District has a total of 4 field staff and 4.5 office staff. The staffing costs are spread among several activities which include the Administration, Fire, Lighting, Facilities, Garbage, Water, and Wastewater funds. In 2018, the Board adopted a change in the allocation of administrative and indirect field crew costs among the various funds to be based on the actual labor costs charged by the field crews to each fund. This change resulted in a shift of costs from the Wastewater Fund to the Water Fund to more accurately reflect the cost of providing these services. The combination of these staffing and allocation changes has resulted in approximately \$280,000 in additional annual costs to the Water Fund since the 2015 rate increase.

The 2015 rate increase did not include any set aside for establishing reserves. Reserves can be established for many purposes including minimum/operating, emergency, capital, debt, contingencies, or rate stabilization reserves. Each type of reserve requires higher rates to establish reserve balances. Staff is not recommending increasing rates to establish any particular reserves other than setting rates so that minimum reserve balances never drop below three months of cash needs or 25% of annual expenses. While it would be advantageous to establish other reserve balances, this approach will minimize the amount of the rate increase needed currently.



Policy Considerations

Revenues:

- ✓ Should the Revenue Target include \$150,000 annually to fund the CIP?
 - Monthly impact to bills is \$4.22.
- ✓ Should the Revenue Target be implemented with a single increase in Year 1 followed by inflationary increases or should it be phased in over 3 years followed by inflationary increases?

The District’s Rate Structure

The following table illustrates the District’s current rate structure:

Base Rate	Tier #2	Tier #3	Tier #4	Tier #5
\$ 53.56 Minimum bi-monthly charge (Up to 6 Units)	7 to 12 Units	13 to 18 Units	19 to 24 Units	Over 24 Units
	\$3.64 per Unit	\$4.03 per Unit	\$4.51 per Unit	\$4.74 per Unit
\$1.80 per Unit for Lopez	\$1.80 per Unit for Lopez	\$1.80 per Unit for Lopez	\$1.80 per Unit for Lopez	\$1.80 per Unit for Lopez
\$1.80 per Unit total	\$5.44 per Unit total	\$5.83 per Unit total	\$6.31 per Unit total	\$6.54 per Unit total

Policy Considerations

The current rate structure only includes two customer classes, Residential and Non-Residential. This has been justified due to the fact that this is a small water system with little variation in properties within the customer classes. Many agencies include a Single-family Residence and Multi-family Residence rate in their structures. This distinction recognizes the general difference in cost of service between these two types of properties. Multi-family residences would include apartment complexes and mobile home parks served by a master meter, duplex, triplex, etc. In general, Multi-family residences place less storage, peaking, and maintenance and infrastructure demands on the system compared to Single-family residences due to smaller square footages and occupancies and less outdoor watering demand. The base rate for Multi-family Residential customers could be set at 75% of the Single-family Residential rate to estimate this reduced system demand.



Oceano Community Services District

Board of Directors Meeting

The following table illustrates the options for the Year 1 base rate structure under a three-year phase in:

Option A		Option B
Single Family	Multi Family	Residential
\$ 60.53	\$ 45.39	\$ 54.94
Minimum bi-monthly charge	Minimum bi-monthly charge	Minimum bi-monthly charge

At the same time as the 2015 Rate increase was being developed, the Prop 218 court decision regarding tiered water rates in San Juan Capistrano was rendered. While not precluding an agency from having tiered rates, it was made more difficult as any tiers were now required to have a clear nexus to cost of service. This will require reducing or eliminating the number of tiers for the District. Creating tiers that are directly tied to the cost of Lopez and State water supplies is clearly a defensible approach. In addition, the provision of 6 Units of water in the Base Rate will need to be eliminated in order for the District’s rate structure to be more defensible under Prop 218.

The following table illustrates the options for the volumetric rate structure:

Option A		Option B
Tier #1	Tier #2	Uniform Rate
0 to 6 Units	Over 6 Units	All Units
\$3.30 per Unit	\$6.47 per Unit	\$5.07 per Unit

Policy considerations include the following:

- ✓ Should the 6 Units of water in the base rate be eliminated?
 - The need to conform to Prop 218 cost of service supports this approach.
- ✓ Should a new Residential customer class for Multi-family be created?
 - The need to conform to Prop 218 cost of service supports this approach.
- ✓ Should the volumetric rate be uniform, or a two-tiered rate based on cost of Lopez and State water?
 - Either approach can be supported, but a two-tiered rate further encourages water conservation

Other Agency Involvement

The District has water supply contracts with the San Luis Obispo Flood Control and Water Conservation District which provides water supply to Oceano from Lopez Reservoir and the State Water Project.



Other Financial Considerations

Pro Forma projections are attached showing three scenarios. 1) Current rate structure, 2) A single rate increase in Year 1, and 3) A three-year phase in rate increase approach. Options will be presented to your Board during the Staff presentation. Based on direction received, staff will then complete the Revenue Requirements and Rate Study for the District and prepare the rate ordinance for introduction. It is anticipated that the rate ordinance will be introduced, the Proposition 218 notice approved, and other associated documentation presented at the first meeting in August. This will initiate the legally required Proposition 218 process with a Protest Hearing set in October. Any rate increase would become effective with the billing period which begins in November.

Results

Considering the necessary revenues and rate structure to operate the water system is important to promote a safe, healthy, and well-governed District.

Attachment: Pro Forma Projections

Pro Forma - Current Rates

Oceano CSD	Rate Increase	Supply	3%	3%	3%	3%	3%
		Base	3%	3%	3%	3%	3%
Revenues and Expenses		Cost Inflation	3%	3%	3%	3%	3%

Total Water Sales (CCF)	286,637	298,522	298,522	298,522	298,522	298,522	298,522
	2018-19	2019-20	2020-21	2021- 22	2022-23	2023-24	2024-25
	Actual	Estimated	Budget	Projection	Projection	Projection	Projection

Water Sales - Supply	1,155,432	1,269,794	1,280,760	1,319,183	1,358,758	1,399,521	1,441,507
Water Sales - Base	984,006	1,022,206	1,049,240	1,080,717	1,113,139	1,146,533	1,180,929
System Connection Fees	45,493	50,884	51,639	53,188	54,784	56,427	58,120
Delinquent Fees	28,481	27,930	27,000	27,810	28,644	29,504	30,389
New Account Setup Fees	2,700	3,240	3,240	3,337	3,437	3,540	3,647
Courtesy Notices Fees	4,322	4,329	4,500	4,635	4,774	4,917	5,065
Wheeling Fees	22,621	21,525	25,000	25,750	26,523	27,318	28,138
Interest	2,370	0	0	0	0	0	0
Grant Revenue	104,318	0	0	0	0	0	0
Other Revenues	19,978	29,330	11,350	11,691	12,041	12,402	12,775
Total - Revenues	2,369,720	2,429,238	2,452,729	2,526,311	2,602,100	2,680,163	2,760,568

Water Supply - Lopez (Pass through)	472,914	462,693	493,997	493,997	493,997	493,997	493,997
Water Supply - State (Pass through)	953,953	1,101,264	1,151,000	1,151,000	1,151,000	1,151,000	1,151,000
Source of Supply- Expenses	1,426,867	1,563,957	1,644,997	1,644,997	1,644,997	1,644,997	1,644,997
Salaries & Benefits	238,932	267,692	349,858	360,354	371,164	382,299	393,768
Admin Allocation	378,606	517,907	555,363	572,024	589,185	606,860	625,066
Services & Supplies	223,649	203,911	291,220	299,957	308,955	318,224	327,771
Transfers	71,375	34,888	56,075	57,757	59,490	61,275	63,113
O&M- Expenses	912,562	1,024,398	1,252,516	1,290,091	1,328,794	1,368,658	1,409,718
CIP Projects - Fixed Assets	267,821	270,057	40,000	75,000	150,000	150,000	150,000
Capital - Expenses	267,821	270,057	40,000	75,000	150,000	150,000	150,000
Total - Expenses	2,607,250	2,858,412	2,937,513	3,010,088	3,123,791	3,163,655	3,204,715

Revenues minus Expenses	(237,530)	(429,174)	(484,784)	(483,778)	(521,691)	(483,492)	(444,147)
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Water Fund Ending Reserve Balance	1,390,488	961,314	476,530	(7,248)	(528,939)	(1,012,430)	(1,456,577)
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Minimum Reserve Balance (3 months expenses)	651,812	714,603	734,378	752,522	780,948	790,914	801,179
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Pro Forma - Single Increase

Oceano CSD	Rate Increase	Supply	30%	Actual	Actual	Actual	Actual
Revenues and Expenses		Base	24%	3%	3%	3%	3%
		Cost Inflation	3%	3%	3%	3%	3%
Total Water Sales (CCF)	286,637	298,522	298,522	298,522	298,522	298,522	298,522
	2018-19	2019-20	2020-21	2021- 22	2022-23	2023-24	2024-25
	Actual	Estimated	Budget	Projection	Projection	Projection	Projection
Water Sales - Supply	1,155,432	1,269,794	1,650,732	1,644,997	1,644,997	1,644,997	1,644,997
Water Sales - Base	984,006	1,022,206	1,267,536	1,305,562	1,344,729	1,385,070	1,426,623
System Connection Fees	45,493	50,884	51,639	53,188	54,784	56,427	58,120
Delinquent Fees	28,481	27,930	27,000	27,810	28,644	29,504	30,389
New Account Setup Fees	2,700	3,240	3,240	3,337	3,437	3,540	3,647
Courtesy Notices Fees	4,322	4,329	4,500	4,635	4,774	4,917	5,065
Wheeling Fees	22,621	21,525	25,000	25,750	26,523	27,318	28,138
Interest	2,370	0	0	0	0	0	0
Grant Revenue	104,318	0	0	0	0	0	0
Other Revenues	19,978	29,330	11,350	11,691	12,041	12,402	12,775
Total - Revenues	2,369,720	2,429,238	3,040,997	3,076,970	3,119,929	3,164,177	3,209,752
Water Supply - Lopez (Pass through)	472,914	462,693	493,997	493,997	493,997	493,997	493,997
Water Supply - State (Pass through)	953,953	1,101,264	1,151,000	1,151,000	1,151,000	1,151,000	1,151,000
Source of Supply- Expenses	1,426,867	1,563,957	1,644,997	1,644,997	1,644,997	1,644,997	1,644,997
Salaries & Benefits	238,932	267,692	349,858	360,354	371,164	382,299	393,768
Admin Allocation	378,606	517,907	555,363	572,024	589,185	606,860	625,066
Services & Supplies	223,649	203,911	291,220	299,957	308,955	318,224	327,771
Transfers	71,375	34,888	56,075	57,757	59,490	61,275	63,113
O&M- Expenses	912,562	1,024,398	1,252,516	1,290,091	1,328,794	1,368,658	1,409,718
CIP Projects - Fixed Assets	267,821	270,057	40,000	75,000	150,000	150,000	150,000
Capital - Expenses	267,821	270,057	40,000	75,000	150,000	150,000	150,000
Total - Expenses	2,607,250	2,858,412	2,937,513	3,010,088	3,123,791	3,163,655	3,204,715
Revenues minus Expenses	(237,530)	(429,174)	103,484	66,881	(3,862)	522	5,037
Water Fund Ending Reserve Balance	1,390,488	961,314	1,064,798	1,131,679	1,127,816	1,128,338	1,133,375
Minimum Reserve Balance (3 months expenses)	651,812	714,603	734,378	752,522	780,948	790,914	801,179

Pro Forma - Phased Increase

Oceano CSD	Rate Increase	Supply	13%	Actual	Actual	Actual	Actual
Revenues and Expenses		Base	13%	10%	10%	3%	3%
		Cost Inflation	3%	3%	3%	3%	3%
Total Water Sales (CCF)	286,637	298,522	298,522	298,522	298,522	298,522	298,522
	2018-19	2019-20	2020-21	2021- 22	2022-23	2023-24	2024-25
	Actual	Estimated	Budget	Projection	Projection	Projection	Projection
Water Sales - Supply	1,155,432	1,269,794	1,434,867	1,644,997	1,644,997	1,644,997	1,644,997
Water Sales - Base	984,006	1,022,206	1,155,093	1,270,602	1,397,663	1,439,592	1,482,780
System Connection Fees	45,493	50,884	51,639	52,000	52,000	52,000	52,000
Delinquent Fees	28,481	27,930	27,000	27,000	27,000	27,000	27,000
New Account Setup Fees	2,700	3,240	3,240	3,240	3,240	3,240	3,240
Courtesy Notices Fees	4,322	4,329	4,500	4,500	4,500	4,500	4,500
Wheeling Fees	22,621	21,525	25,000	25,000	25,000	25,000	25,000
Interest	2,370	0	0	0	0	0	0
Grant Revenue	104,318	0	0	0	0	0	0
Other Revenues	19,978	29,330	11,350	11,350	11,350	11,350	11,350
Total - Revenues	2,369,720	2,429,238	2,712,689	3,038,689	3,165,750	3,207,679	3,250,867
Water Supply - Lopez (Pass through)	472,914	462,693	493,997	493,997	493,997	493,997	493,997
Water Supply - State (Pass through)	953,953	1,101,264	1,151,000	1,151,000	1,151,000	1,151,000	1,151,000
Source of Supply- Expenses	1,426,867	1,563,957	1,644,997	1,644,997	1,644,997	1,644,997	1,644,997
Salaries & Benefits	238,932	267,692	349,858	360,354	371,164	382,299	393,768
Admin Allocation	378,606	517,907	555,363	572,024	589,185	606,860	625,066
Services & Supplies	223,649	203,911	291,220	299,957	308,955	318,224	327,771
Transfers	71,375	34,888	56,075	57,757	59,490	61,275	63,113
O&M- Expenses	912,562	1,024,398	1,252,516	1,290,091	1,328,794	1,368,658	1,409,718
CIP Projects - Fixed Assets	267,821	270,057	40,000	75,000	150,000	150,000	150,000
Capital - Expenses	267,821	270,057	40,000	75,000	150,000	150,000	150,000
Total - Expenses	2,607,250	2,858,412	2,937,513	3,010,088	3,123,791	3,163,655	3,204,715
Revenues minus Expenses	(237,530)	(429,174)	(224,824)	28,601	41,958	44,024	46,152
Water Fund Ending Reserve Balance	1,390,488	961,314	736,490	765,091	807,049	851,074	897,226
Minimum Reserve Balance (3 months expenses)	651,812	714,603	734,378	752,522	780,948	790,914	801,179



Oceano Community Services District

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

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

Date: July 8, 2020

To: Board of Directors

From: Celia Ruiz, Account Administrator III

Via: Carey Casciola, Business and Accounting Manager

Subject: Agenda Item #9A: Consideration of a recommendation to approve a resolution to collect delinquent customer accounts on the 2020-21 property tax bills.

Recommendation

It is recommended that your Board approve the attached Resolution to collect delinquent customer accounts on the 2020-21 property tax bills.

Discussion

On June 10, 2020 your Board set July 8, 2020 as the annual public hearing in accordance with State law to consider collecting delinquent bills from customers who have not paid for District services. State law enables the District to collect delinquent charges on property tax bills. The attached report identifies customers who have outstanding solid waste bills and water and sewer bills this year. In addition, staff has attached the 2020/21 tax roll timeline provided by the County Auditor and a sample of the letter sent to customers with delinquent bills. This is the ninth year the District will participate in placing delinquent accounts and other charges on property tax bills.

Property owners were noticed that the last date to pay their delinquent water bill is July 10, 2020. Property owners were noticed that the last date to pay their delinquent garbage bill is June 30, 2020. Any payments made on or before due date will be deleted from the list prior to submitting to the County Auditor.

Other Agency Involvement

South County Sanitary, Inc. (SCS) provides solid waste and recycling services within Oceano based on a franchise agreement with the District. SCS has identified the customers who have not paid bills, and pursuant to the franchise agreement, the District is obliged to coordinate collection on property tax bills.

County of San Luis Obispo Auditor/Controller's Office will be collecting the delinquent bills with property taxes.



Other Financial Considerations

The County also adds its charge for collection to the property tax bill. As a result, the District is not charged County costs.

Results

Coordination with the County on delinquent accounts is cost effective and promotes a well-governed community.

Attachments:

- Resolution
- List of delinquent bills
- Tax roll 2020-21 tax roll timeline
- Letter to Customers

OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2020 - ____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OCEANO COMMUNITY SERVICES DISTRICT DIRECTING STAFF TO PLACE A LIEN ON PROPERTIES PURSUANT TO GOVERNMENT CODE 61110 ET SEQ.

WHEREAS, Government Code section 61115 provides the Board of Directors may recover any charges and penalties for services and facilities that the District provides by recording in the office of the County Recorder a report of the charges and penalties due, and the name and last known address of the person liable for those charges and penalties; and that from the time of recordation of the report, the amount of the charges and penalties constitutes a lien against all real property of the delinquent property owner in the county; and

WHEREAS, the Oceano Community Services District (“District”) has determined that it is appropriate to collect the charges, delinquencies, and any related penalties for the affected properties on the tax roll in the same manner as property taxes in accordance with California Government Code Section 61115(b); and

WHEREAS, the General Manager of the District has prepared and filed a written report (“Report”) with the Board of Directors of the District that describes these certain parcels of real property subject to the charges, delinquencies, and any related penalties to be imposed thereon; and

WHEREAS, the General Manager of the District has (1) caused notice of the filing of the Report proposing to have such charges, delinquencies, and any related penalties to be collected on the tax roll in the same manner as property taxes; and (2) caused notice of the time and date of hearing to consider such Report by (a) mailing notice to each affected property owner and (b) publishing notice in a newspaper of general circulation, all in accordance with California Government Code Section 61115(b); and

WHEREAS, at the time stated in the notice, the Board of Directors conducted the public hearing and considered all objections and protests to the Report and revised the charges, delinquencies, and any related penalties deemed appropriate by the Board of Directors following the hearing; and

WHEREAS, the District has determined to adopt the Report, as revised or unrevised, and collect the charges, delinquencies, and any related penalties on the tax roll, which charges, delinquencies, and any related penalties shall constitute a lien against the parcel or parcels of land described in the Report in accordance with California Government Code Sections 61115 *et seq.*

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

1. The District Board of Directors finds and determines that the charges, delinquencies, and any related penalties shall be imposed on and shall constitute a lien against each parcel or parcels of land as set forth and described in the Report.
2. The General Manager is authorized to modify the Report to reflect any payments received after the date of the public hearing and prior to filing this Resolution and Report pursuant to Section 3 below.
3. On or before August 14, 2020, the General Manager shall file the Report with the auditor of San Luis Obispo County who shall enter the amount of the charges, delinquencies, and any related penalties against each of the affected parcels of real property as they appear on the current assessment roll. The County Tax Collector shall include the amount of the charges on the tax bills for each affect parcel of real property and collected the charges in the same manner as property taxes pursuant to Government Code 61115(b).

Upon the motion of _____, seconded by _____
and upon the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing Resolution is hereby passed and adopted this _____ day of July, 2020.

Linda Austin, President

ATTEST:

OCSD CUSTOMERS

<u>Customer Name</u>	<u>Parcel No.</u>	<u>Service Address</u>	<u>Total</u>
REED, DENNIS AND VICKI	062-080-001	1821 BEACH	405.54
SPEER, LARRY AND MARTHA	062-274-007	1095 MAYBELLE CT	308.02
TOTAL			713.56

SANITARY CUSTOMERS

<u>Customer Name</u>	<u>Parcel No.</u>	<u>Service Address</u>	<u>Total</u>
ALVES, ROGER	062-282-050	1343 CREST ST	114.64
NUNEZ, SEBASTIAN	062-115-002	1920 CIENAGA ST	213.88
UBIAS, JORGE & CAROLINA	062-066-006	1600 22ND ST	324.66
UC, JAVIER	062-096-026	2279 BEACH ST	172.44
VALDEZ-LOPEZ, FRANCISCO & RACHEL	062-096-029	2269 BEACH ST	87.38
WILLIAMS, BARBARA	062-143-018	2140 NIPOMO ST	273.60
TOTAL			1,186.60

2020/21 TAX ROLL PROCEDURES

06/05/20	PREPARE and MAIL LETTERS
06/05/20	COMPLETE FINAL AGENDA MATERIAL FOR 6/10 REGULAR MEETING
06/05/20	MAIL NOTICE OF PUBLIC HEARING TO PROPERTY OWNERS & PROVIDE TO TRIBUNE WITH DIRECTION FOR PUBLICATION
4th week of June	FIRST NEWSPAPER NOTICE FOR PUBLIC HEARING ON 7/08 REGULAR MEETING PER GOVERNMENT CODE SECTION 61115(b) AND 6066
06/30/20	GARBAGE PAYMENT DUE
07/02/20	COMPLETE DRAFT AGENDA MATERIAL FOR 7/08 REGULAR MEETING
1st week of July	SECOND NEWSPAPER NOTICE FOR PUBLIC HEARING ON 7/08 REGULAR MEETING PER GOVERNMENT CODE SECTION 61115(b) AND 6066
07/02/20	COMPLETE FINAL AGENDA MATERIAL FOR 7/08 REGULAR MEETING (RESOLUTION)
07/08/20	BOARD OF DIRECTORS MEETING: NOTICE OF PUBLIC HEARING
07/10/20	WATER PAYMENT DUE
07/15/20	RESOLUTION CONFIRMING THE CHARGES AGAINST PROPERTY OWNERS WITH REPORT AND SUBMIT TO COUNTY AUDITOR
08/03/20	FINAL FUND PROOF SUBMISSION TO SLO COUNTY FOR ROLL YEAR 2020/21: WATER/SEWER, AND TRASH
08/14/20	FINAL DEADLINE FOR ALL DIRECT CHARGE FUNDS TO BE SIGNED APPROVED AND RETURNED TO THE AUDITOR-CONTROLLER'S OFFICE



Oceano Community Services District

1655 Front Street | P.O. Box 599 | Oceano, CA 93475
PHONE: (805) 481-6730 | FAX: (805) 481-6836
www.oceanocsd.org

Parcel #:
000-000-000

Owner Name
Address
City, State Zip Code

Regarding Service Address:
0000 Street
OCEANO, CA 93445

Dear Customer:

County records show that you are, and at all times referenced herein have been, the recorded owner of the property listed above. Your account for this service address is past due for water and sewer collections provided by OCEANO COMMUNITY SERVICES DISTRICT (OCSD).

Please be advised that if the charges specified in this letter are not paid in full and received (not the date of post mark) by the OCSD by 5:00 p.m. on July 10, 2020, then the amount of the charges, penalties, and delinquencies may be filed with the County Auditor to be placed on the parcel's property tax bill for collection.

Your current amount due is \$ 0.00.

Therefore, please accept this letter as a demand for immediate payment.

The OCSD Board of Directors will hold a public hearing at their regular meeting of July 08, 2020, starting at 6:00 p.m. Due to the COVID-19 pandemic, the public hearing will be conducted via Zoom videoconference. You may participate either by phone, computer, or tablet. Instructions on how to access the videoconference will be provided on the agenda posted on the District website (oceanocsd.org) and the office located at 1655 Front Street, Oceano, CA. The hearing will provide you with the opportunity to testify and present to the Board of Directors any objections or protests to the charges and/or their collection on the parcel's property tax bill.

If you have any questions, or need additional information, please feel free to call me at (805) 481-6730. Please see the reverse side of this letter for a copy of the notice published in the newspaper pursuant to Government Code Sections 61115(b) and 6066.

Sincerely,

Oceano Community Services District
Celia Ruiz, Account Administrator III



Oceano Community Services District

1655 Front Street | P.O. Box 599 | Oceano, CA 93475
PHONE: (805) 481-6730 | FAX: (805) 481-6836
www.oceanocsd.org

Parcel #:

000-000-000

Owner Name

Address

City, State Zip Code

Regarding Service Address:

0000 Street

OCEANO, CA 93445

Dear Customer:

County records show that you are, and at all times referenced herein have been, the recorded owner of the property listed above. Your account for this service address is past due for garbage service provided by SOUTH COUNTY SANITARY.

Please be advised that if the charges specified in this letter are not paid in full and received (not the date of post mark) by the South County Sanitary by 5:00 p.m. on June 30, 2020, then the amount of the charges, penalties, and delinquencies may be filed with the County Auditor to be placed on the parcel's property tax bill for collection.

Your current amount due is \$ 0.00.

Therefore, please accept this letter as a demand for immediate payment.

The OCSD Board of Directors will hold a public hearing at their regular meeting of July 08, 2020, starting at 6:00 p.m. Due to COVID-19 pandemic, the public hearing will be conducted via Zoom videoconference. You may participate either by phone, computer or tablet. Instructions on how to access the videoconference will be provided on the agenda posted on the District website (oceanocsd.org) and at the office located at 1655 Front Street, Oceano, CA. The hearing will provide you with the opportunity to testify and present to the Board of Directors any objections or protests to the charges and/or their collection on the parcel's property tax bill.

If you have any questions, or need additional information, please feel free to call me at (805) 481-6730. Please see the reverse side of this letter for a copy of the notice published in the newspaper pursuant to Government Code Sections 61115(b) and 6066.

Sincerely,

Oceano Community Services District
Celia Ruiz, Account Administrator III