

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, April 22, 2020 – 6:00 P.M
Location: TELECONFERENCE – SEE BELOW

HOW TO OBSERVE THE MEETING

Telephone: Listen to the meeting live dialing: (669) 900-9128 or (346) 248-7799. Enter **Meeting ID# 922-9892-2160** followed by the pound (#) key. Then enter the **Password: 714054** 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: 714054** to watch the live streaming at <https://zoom.us/j/92298922160?pwd=eGtTbjE0VlhlfFJGeWZNdTBZRIM2QT09>.

Mobile: Log in through the Zoom Mobile App on a smartphone or tablet and enter **Meeting ID#: 922-9892-2160** and enter the **Password: 714054**.

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>

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:** Press " * 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 Replogle

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. 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 Regular Meeting April 08, 2020
- B. Review and Approval of Cash Disbursements

8. BUSINESS ITEMS:

Public comment Members of the public wishing to speak on business 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. Results of Measure A-20 regarding a special tax for emergency medical and fire protection services
- B. Approval of a resolution adopting the Expenditure Control Guidelines
- C. Presentation on provisions of the Brown Act, the Meyers Miliias Brown Act, and District by-laws

9. HEARING ITEMS:

10. RECEIVED WRITTEN COMMUNICATIONS:

11. LATE RECEIVED WRITTEN COMMUNICATIONS:

12. FUTURE AGENDA ITEMS: District Policies, Roles and Responsibilities with Related Agencies, Five Cities Fire Authority, 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

13. FUTURE HEARING ITEMS:

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.



Oceano Community Services District

Summary Minutes

Regular Meeting Wednesday, April 08, 2020 – 6:00 P.M.

Location: TELECONFERENCE

1. **CALL TO ORDER:** at 6:00 p.m. by President Austin
2. **FLAG SALUTE:** led by Vice President White
3. **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.
4. **AGENDA REVIEW:**
No public comment.
The agenda was approved as revised in item 7b with a motion from Vice President White and a second from Director Villa, 5-0 vote
5. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:**
Public comment was received from:

Brenda Lowe, Oceano	Comment received by email regarding Measure A-20 ballot measure.
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7. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. Operations - Field Supervisor Tony Marraccino – reported on the CA drinking water standards that require a multiple step process that treats the water and kills all bacteria and other pathogens including COVID-19 leaving the water safe and reliable, 21 work orders, 17 customer service calls, 16 USA's, 4 after hour call outs, Lopez is currently at 52%, 0 SSO's in the month of March, weekly samples, update on drainage project, vacuumed out the wet well, update on Norswing project, weed abatement, meter change outs, and trash pickups.
- ii. FCFA - Chief Steve Lieberman – reported on calls being reduced and gave an update on the department's response to COVID-19.
- iii. OCSD General Manager – Will Clemens – reported on the COVID-19 response and the daily reports from the County Public Health Department including as of now there are no positive COVID-19 test results in Oceano, the Measure A-20 results, the communication with LAFCO and the process to submit an application to divest, the Zone 3 contract amendments, and a CalPERS webinar in response to COVID-19.
- iv. Sheriff's South Station - Commander Michael Manuele – reported on calls being reduced in the second half of March, and an update on the response to COVID-19, the report for the month of March: 4 assaults, 22 disturbances, 1 burglary, 2 thefts, 9 vandalism, 2 trespassing, and 1 phone scam.

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. Director Villa – None
- ii. Director Gibson – reported on WRAC and State Water Sub Contractors Advisory Committee
- iii. Vice President White – reported on FCFA

iv. President Austin – reported on SSLOCSD operations due to COVID-19 and Zone IA.

v. Director Replogle – None

b. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

No public comment.

7 CONSENT AGENDA:	ACTION:
a. Review and Approval of Minutes for Regular Meeting March 11, 2020	After an opportunity for public comment and Board discussion, staff recommendations were approved as amended in item 7a with a motion from Vice President White, and a second from Director Replogle and a 5-0 roll call vote. No public comment.
b. Review and Approval of Minutes for Special Meeting March 20, 2020	
c. Review and Approval of Cash Disbursements	

8A BUSINESS ITEM:	ACTION:
Approval of a temporary addendum to Memorandum of Understanding with the Service Employees International Union Local 620	After an opportunity for public comment and Board discussion, staff recommendations were approved with a motion from Vice President White, and a second from Director Villa and a 5-0 roll call vote. No public comment.

8B BUSINESS ITEM:	ACTION:
Overview of District's COVID-19 Response and Ratification of Certain Actions	After an opportunity for public comment and Board discussion, staff recommendations were approved with a motion from Director Replogle, and a second from Vice President White and a 5-0 roll call vote. No public comment.

10. **HEARING ITEMS:** None

11. **RECEIVED WRITTEN COMMUNICATIONS:** Letter from Susan Thomas, SEIU Local 620
Consensus for Board training provided by Legal Counsel at the 4/22/2020 meeting.

12. **LATE RECEIVED WRITTEN COMMUNICATIONS:** None

13. **FUTURE AGENDA ITEMS:** District Policies, Roles and Responsibilities with Related Agencies, Five Cities Fire Authority, 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, An update on emergency medical service/ fire protection options.

14. **FUTURE HEARING ITEMS:** None

15. **ADJOURNMENT:** at approximately 7:10 pm



Oceano Community Services District

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

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

Date: April 22, 2020

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #7B: 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
	58347 - 58365	
Disbursements Requiring Board Approval prior to Payment:		
Regular Payable Register - paid 04/22/2020	58347 - 58359	\$ 11,310.40
	Subtotal:	\$ 11,310.40
Reoccurring Payments for Board Review (authorized by Resolution 2018-11):		
Payroll Disbursements - PPE 04/11/2020	N/A	\$ 29,951.64
Reoccurring Utility Disbursements - paid 04/22/2020	58360 - 58364	\$ 1,263.85
Reoccurring Health Disbursements - paid 04/22/2020	58365	\$ 56.21
	Subtotal:	\$ 31,271.70
	Grand Total:	\$ 42,582.10

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: 058347 THRU 058359

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
CHECK:									
1-1001-000	4/16/2020	CHECK	058347	DIVERSIFIED PROJECT SERVICES I	2,240.00CR	OUTSTND	A	0/00/0000	NORSWING PERSHING PROJECT
1-1001-000	4/16/2020	CHECK	058348	BURDINE PRINTING & GRAPHICS	1,994.00CR	OUTSTND	A	0/00/0000	U/B MAILING
1-1001-000	4/16/2020	CHECK	058349	ARAMARK	220.40CR	OUTSTND	A	0/00/0000	
1-1001-000	4/16/2020	CHECK	058350	GSI WATER SOLUTIONS, INC.	2,062.50CR	OUTSTND	A	0/00/0000	NCMA 2019 ANNUAL REPORT
1-1001-000	4/16/2020	CHECK	058351	EVERYWHERE RIGHT NOW, INC.	150.00CR	OUTSTND	A	0/00/0000	
1-1001-000	4/16/2020	CHECK	058352	ONE COOL EARTH	2,500.00CR	OUTSTND	A	0/00/0000	SCHOOL OUTREACH PROGRAM
1-1001-000	4/16/2020	CHECK	058353	BRENT SARKISON DBA CALTEC COMP	140.00CR	OUTSTND	A	0/00/0000	
1-1001-000	4/16/2020	CHECK	058354	RABOBANK VISA CARD	690.70CR	OUTSTND	A	0/00/0000	
1-1001-000	4/16/2020	CHECK	058355	MINER'S ACE HARDWARE, INC.	115.32CR	OUTSTND	A	0/00/0000	
1-1001-000	4/16/2020	CHECK	058356	QUILL CORPORATION	256.58CR	OUTSTND	A	0/00/0000	
1-1001-000	4/16/2020	CHECK	058357	PRO-TECH LANDSCAPE MANAGEMENT,	410.00CR	OUTSTND	A	0/00/0000	
1-1001-000	4/16/2020	CHECK	058358	SOUTH COUNTY SANITARY SERV	11.99CR	OUTSTND	A	0/00/0000	
1-1001-000	4/16/2020	CHECK	058359	AQUA-METRIC	518.91CR	OUTSTND	A	0/00/0000	
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	11,310.40CR			
				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:	11,310.40CR			
				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 22, 2020

	(*)	
<u>Gross Wages</u>	3/28/2020	4/11/2020
Regular	\$25,747.94	\$25,969.31
Overtime Wages	\$343.02	\$358.60
Stand By	\$450.00	\$600.00
	<u>\$26,540.96</u>	<u>\$26,927.91</u>
Cell Phone Allowance	\$75.00	\$0.00
Total Wages	<u>\$26,615.96</u>	<u>\$26,927.91</u>
 <u>Disbursements</u>		
Net Wages	\$20,238.75	\$20,439.63
State and Federal Agencies	\$5,330.96	\$5,429.03
CalPERS - Normal	\$3,849.59	\$3,934.26
SEIU - Union Fees	\$148.72	\$148.72
Total Disbursements processed with Payroll	<u>\$29,568.02</u>	<u>\$29,951.64</u>
 Health (Disbursed with reoccurring bills)	 \$5,966.99	 \$5,966.99
Total District Payroll Related Costs	<u>\$35,535.01</u>	<u>\$35,918.63</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: 058360 THRU 058364

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	4/16/2020	CHECK	058360	ADVANTAGE ANSWERING PLUS, INC	298.58CR	OUTSTND	A	0/00/0000
1-1001-000	4/16/2020	CHECK	058361	CHARTER COMMUNICATIONS	150.00CR	OUTSTND	A	0/00/0000
1-1001-000	4/16/2020	CHECK	058362	DIGITAL WEST NETWORKS, INC.	588.39CR	OUTSTND	A	0/00/0000
1-1001-000	4/16/2020	CHECK	058363	SO CAL GAS	127.28CR	OUTSTND	A	0/00/0000
1-1001-000	4/16/2020	CHECK	058364	STANLEY CONVERGENT SECURITY SO	99.60CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	1,263.85CR		
				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:	1,263.85CR		
				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: 058365 THRU 058365

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	4/16/2020	CHECK	058365	TASC -CLIENT INVOICES	56.21CR	OUTSTND	A	0/00/0000
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	56.21CR		
				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:	56.21CR		
				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 22, 2020

To: Board of Directors

From: Will Clemens, General Manager

Subject: **Agenda Item 8(A):** Results of Measure A-20 regarding a special tax for emergency medical and fire protection services.

Recommendation

It is recommended that your Board receive an update related to Measure A-20 on the March 3, 2020 ballot and provide direction to staff as needed.

Discussion

Measure A-20 on the March 3, 2020 ballot gave Oceano voters the choice to approve a special tax to increase funding for emergency medical and fire protection services. The attached results of the election show that the 2/3 requirement to pass came up only 11 votes short of passage. The Oceano Community Services District's (OCSD) current services are provided by the Five Cities Fire Authority (FCFA) under the terms of a joint powers of authority agreement (JPA) with the cities of Arroyo Grande and Grover Beach originally adopted in 2010 and recently amended on June 12, 2019 (attached).

With the failure of Measure A-20, the "Wind Down Period" has begun in which OCSD will cease to be a member of the FCFA on June 30, 2021. Key work efforts that have begun including:

- A determination as to the distribution of equipment and physical assets – due by October 1, 2020
- An estimate as to the distribution of debt, employment liability, pension/PERS and other post-employment obligations – due by February 1, 2021
- An estimate as to the distribution of all other assets – due by March 1, 2021
- Final reconciliation of assets and liabilities along with necessary payments – due by October 1, 2021

Simultaneously, work efforts have begun to research options for providing fire and emergency medical services in Oceano that could include the following:

- Application to the Local Agency Formation Commission (LAFCO) to divest of fire and emergency medical service. This requires the County to develop a plan for service in Oceano and will involve negotiations with the County regarding what revenue streams and assets they will transfer from OCSD to fund the plan for service.
- Re-establishing a stand-alone fire department. In 2005, the "Fire Department Consolidation Feasibility Study" which led to the formation of the FCFA concluded that stand-alone fire departments are "not cost



effective” in the five cities area. It is highly unlikely that this option would be feasible for the OCSD as the volunteer/reserve firefighter model of the past is becoming unsustainable and available funding is inadequate. At best, a stand-alone station would only operate part time.

- Further negotiations with the FCFA partner agencies on contracting for service or revising the JPA for a reduced level of service than is currently provided.
- Approving another ballot measure for the November 2020 election. This could take the form of a citizen initiative or an OCSD sponsored measure. The deadline for placing a measure on the November ballot would require action by your Board no later than the July 22, 2020 meeting. A citizen initiative would likely require only a simple majority to pass, however, a petition of 10% of registered voters would be required and this would prove challenging to citizens during the current shelter at home order due to the COVID-19 pandemic. Another OCSD ballot measure would again require a supermajority 2/3 approval to pass. This would prove challenging with the current state of the economy due to the COVID-19 pandemic.

Staff is looking to your Board for direction on prioritizing the alternatives to pursue. Once those alternative have been thoroughly vetted, staff will return to your Board when further decisions need to be made.

Other Agency Involvement

The District is engaged with several agencies regarding the future of emergency medical and fire services for the community including LAFCO, the County of San Luis Obispo, the Five Cities Fire Authority, the Cities of Arroyo Grande and Grover Beach.

Financial Considerations

The cost of any liabilities that OCSD would owe to the FCFA is unknown at this time but could be significant. The cost of applying to LAFCO for divesting of these services is \$3,000. The cost of studying the feasibility of a stand-alone fire department would require a consultant and a preliminary estimate would be in the \$5,000-\$10,000 range. The cost of another ballot measure in November would be in the \$10,000 range. These costs, along with the related staff time will be included in the FY 20/21 budget depending on the alternatives to pursue.

Results

Consideration of alternatives to providing emergency fire and medical services promotes a safe, healthy, and well governed community.

Attachments:

- A. Measure A-20 Results
- B. Second Amendment to the FCFA JPA

**CERTIFICATE OF THE COUNTY CLERK-RECORDER
RESULTS OF CANVASS OF ALL VOTES CAST
COUNTY OF SAN LUIS OBISPO
MEASURE A-20
PRESIDENTIAL PRIMARY ELECTION
MARCH 3, 2020**

I, **TOMMY GONG**, County Clerk-Recorder of the County of San Luis Obispo, do hereby certify that pursuant to law I did canvass the returns of the votes cast at the above referenced election in the Oceano Community Services District on March 3, 2020, and that the Statement of Votes Cast, to which this certificate is attached, shows the number of votes cast in said district for and against said measure, and that the totals shown for and against said measure in said district, and in each of the respective precincts therein, are full, true and correct.

MEASURE A-20:

OCEANO COMMUNITY SERVICES DISTRICT LOCAL EMERGENCY MEDICAL SERVICES/FIRE PROTECTION RESPONSE MEASURE: To maintain rapid response times for 911 medical emergency/fire protection services, provide 24-hours a day, 7-days a week staffed medical emergency/fire vehicles, shall Oceano Community Services District Ordinance No. 2020-1 levying an annual special tax of \$180.00 per parcel, providing \$422,000 a year, subject to annual maximum increases capped at 2%, until repealed by voters, and requiring independent citizen oversight and annual reports, be adopted?

WITNESS, my hand and Official Seal, this 25th day of March, 2020



T. Gong
TOMMY GONG, County Clerk-Recorder

**SOVC for: MEASURE A-20 Oceano CSD Emergency/Fire Services Special Tax
(Two-Thirds), Oceano Community Services District, All Counting Groups**

**STATEMENT OF VOTES CAST
MARCH 3, 2020 PRESIDENTIAL PRIMARY ELECTION
COUNTY OF SAN LUIS OBISPO
FINAL OFFICIAL ELECTION RESULTS - SPLIT BY PRECINCTS**

Precinct	Registered Voters	Voters Cast	% Turnout
Countywide			
Electionwide			
425			
Polling	955	103	10.79%
Vote by Mail	955	496	51.94%
Total	955	599	62.72%
426			
Polling	1,351	146	10.81%
Vote by Mail	1,351	503	37.23%
Total	1,351	649	48.04%
427			
Polling	1,675	207	12.36%
Vote by Mail	1,675	546	32.60%
Total	1,675	753	44.96%
Electionwide - Total	3,981	2,001	50.26%
Countywide - Total	3,981	2,001	50.26%
Polling	3,981	456	11.45%
Vote by Mail	3,981	1,545	38.81%

MEASURE A-20 Oceano CSD Emergency/Fire Services Special Tax (Two-Thirds) (Vote for 1)

Precinct		Times Cast	Registered Voters	Undervotes	Overvotes
Countywide					
Electionwide					
425					
	Polling	103	955	5	0
	Vote by Mail	496	955	8	0
	Total	599	955	13	0
426					
	Polling	146	1,351	6	0
	Vote by Mail	503	1,351	9	0
	Total	649	1,351	15	0
427					
	Polling	207	1,675	10	0
	Vote by Mail	546	1,675	6	0
	Total	753	1,675	16	0
	Electionwide - Total	2,001	3,981	44	0
	Countywide - Total	2,001	3,981	44	0

Precinct		YES		NO		Total Votes
Countywide						
Electionwide						
425						
	Polling	61	62.24%	37	37.76%	98
	Vote by Mail	297	60.86%	191	39.14%	488
	Total	358	61.09%	228	38.91%	586
426						
	Polling	96	68.57%	44	31.43%	140
	Vote by Mail	333	67.41%	161	32.59%	494
	Total	429	67.67%	205	32.33%	634
427						
	Polling	146	74.11%	51	25.89%	197
	Vote by Mail	361	66.85%	179	33.15%	540
	Total	507	68.79%	230	31.21%	737
	Electionwide - Total	1,294	66.12%	663	33.88%	1,957
	Countywide - Total	1,294	66.12%	663	33.88%	1,957

Precinct	Unresolved Write-In
Countywide	
Electionwide	
425	
Polling	0
Vote by Mail	0
Total	0
426	
Polling	0
Vote by Mail	0
Total	0
427	
Polling	0
Vote by Mail	0
Total	0
Electionwide - Total	0
Countywide - Total	0

**SECOND AMENDMENT TO FIVE CITIES FIRE AUTHORITY
JOINT EXERCISE OF POWERS AGREEMENT**

This Second Amendment to the Five Cities Fire Authority (“FCFA”) Joint Exercise of Powers Agreement, dated June 7, 2010 (“JPA”) (“Second Amendment”), is made and entered into as of July 1, 2019, by and between the cities of Arroyo Grande and Grover Beach, and the Oceano Community Services District (“Oceano”), which are hereinafter referred to as “Party” and “Parties.”

WHEREAS, on June 7, 2010, the Parties entered into a JPA pursuant to Section 6500 et seq. of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, for the purpose of allowing the Parties to share a combined fire department in order to provide efficient and economical fire protection services; and

WHEREAS, in or about May of 2018, the Parties executed a Memorandum of Agreement Amending the FCFA JPA (“First Amendment”) in order to provide an opportunity for the Parties to meet and confer for the purpose of considering amendments to the JPA including, but not limited to, modifications to the funding formula contained in Exhibit B of the JPA (“Funding Formula”), the provisions regarding member withdrawal, and future staffing levels beyond Fiscal Year 2018/19; and

WHEREAS, the First Amendment required the Parties to agree upon amendments to the JPA by April 1, 2019 or the JPA would terminate as of December 31, 2019; and

WHEREAS, in March of 2019, the Parties executed an extension of the First Amendment, which extended the time for the Parties to mutually agree upon JPA Amendments to October 1, 2019; and

WHEREAS, the parties have met in good faith and now desire to amend the JPA.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. **Recitals**. The above recitals are true and correct and incorporated herein.
2. **Strategic Plan**. The Parties agree to fund the following priorities of the five-year Strategic Plan, which was adopted by the FCFA Board of Directors in 2017 for the Fiscal Year 2019/20 budget:

Continued transition to Career Firefighter position with hiring of three (3) full-time positions to be assigned to the Grover Beach fire station.

3. **Fiscal Year 2019/2020**. Each Parties’ contributions for funding the Fiscal Year 2019/20 FCFA Budget shall be:
 - A. City of Arroyo Grande \$2,580,955
45.01% _____

B. City of Grover Beach	\$2,015,115
35.14% _____	
C. Oceano Community Services District	\$1,138,148
19.85% _____	

4. **Funding Formula.**

- A. The Funding Formula contained in Exhibit B to the JPA is hereby amended and replaced in its entirety as set forth in Attachment 1 to this Amendment. All references in the JPA to Exhibit B shall now refer to Attachment 1.
- B. For Fiscal Year 2019-20, a transitional formula is used to determine the funding contributions specified in Section 3. This transitional formula modifies component 3 of the Funding Formula related to fire stations to reflect current staffing levels. This transitional formula may be used for the subsequent Fiscal Year 2020-21 as noted in Section 5B.
- C. The Funding Formula will be reviewed by the Jurisdiction every three years in the month of January, commencing 2023.

5. **Ballot Measure.**

- A. Oceano agrees to undertake the legally required procedures to place a special tax on the March 2020 ballot in accordance with Government Code Section 61121. Oceano will seek a special tax amount sufficient to enable Oceano to be able to fund its share of the Funding Formula taking into account the priorities of the Strategic Plan as determined by the Five Cities Fire Authority Board of Directors.
- B. If the March 2020 Oceano ballot measure does not pass and Oceano is unable to fund its share of the Funding Formula, by operation of this Second Amendment and subject to the Wind Down Period (identified below), Oceano will automatically and without further action cease to be a member of the JPA on June 30, 2021. The time between when the County Clerk Recorder concludes that the 2020 Oceano ballot measure has failed and June 30, 2021 will be known as the "Wind Down Period." Oceano agrees that should it no longer be a member agency of the FCFA, the cities of Arroyo Grande and Grover Beach may continue to operate under the trademark name of Five Cities Fire Authority with no further rights of Oceano to that name. Should the March 2020 ballot measure fail, the funding obligations set forth in Section 3 above for the Fiscal Year 2019/20 FCFA Budget, shall be the same in Fiscal Year 2020/2021.

6. **Wind Down Period.**

- A. During the Wind Down Period, the Parties shall establish the distribution of assets currently owned and/or in the possession of the JPA, including but not limited to major pieces of apparatus and capital equipment, which will allow Oceano to maintain sufficient apparatus and capital equipment in order to establish an independent fire service and will allow Arroyo Grande and Grover Beach to continue to operate as the FCFA.
- B. During the Wind Down Period, the Parties will establish the obligations of the Parties to pay future obligations that were incurred by the FCFA prior to April 1, 2020, including, but not limited to the following:
 - a. Lease payments on Engine 2 and 3; however, the Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, no Party will be obligated for future payment lease obligations for any Engine that does not remain in the custody, control, and possession of that Jurisdiction.
 - b. Withdrawal and/or dissociation of Oceano or any other Party shall not absolve such Party of liabilities arising out of the participation in the JPA incurred in the ordinary course of business. The Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, all Parties will remain obligated to pay future FCFA employment related obligations incurred prior to June 30, 2021, including but not limited to pension/PERS, accrued fringe benefits etc.
 - c. During the Wind Down period, the FCFA will perform an unfunded actuarial accrued liability analysis to calculate Oceano or any other dissociating and/or withdrawing Parties' share of unfunded PERS liability, which will be due to the remaining JPA Parties or the City of Arroyo Grande should the JPA be dissolved.
 - d. During the Wind Down Period, the Parties will meet and confer in good faith in regards to the distribution of assets and liabilities as follows:
 - a. A determination as to the distribution of equipment and physical assets by October 1, 2020 (effective June 30, 2021).
 - b. An estimate as to the distribution of debt, employment liability, pension/PERS and other post-employment obligations by February 1, 2021 (effective June 30, 2021).
 - c. An estimate as to the distribution of all other assets by March 1, 2021 (effective June 30, 2021).
 - e. The parties mutually agree and understand that any liability related to unresolved claims or litigation existing prior to June 30, 2021 will remain the obligation of all Parties whether remaining members of the FCFA or not.
 - f. Prior to October 1, 2021, the Parties shall complete a post-dissociation reconciliation of all assets and liabilities incurred prior to June 30, 2021. Any party owing funds shall pay such funds to the other immediately upon

determination. The parties agree to cooperate in completing this post closing reconciliation.

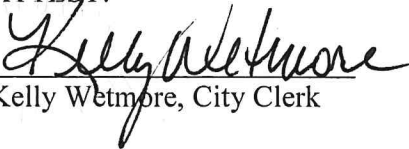
7. **Effect of Amendment**. All other provisions of the JPA shall remain unchanged and in full force and affect. To the extent there is inconsistency between this Amendment and the JPA, the terms of this Amendment shall control, including but not limited to JPA Sections 6.B, 8.B(3), and 17.
8. **Counterparts**. This Amendment may be executed in any number of counterparts and by the Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
9. **Severability**. If any part of this Amendment is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Amendment will remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their proper officers hereunto duly authorized.


CITY OF ARROYO GRANDE


Caren Ray Russom, Mayor

ATTEST:


Kelly Wetmore, City Clerk

APPROVED AS TO FORM:


Heather K. Whitham, City Attorney

CITY OF GROVER BEACH


Jeff Lee, Mayor

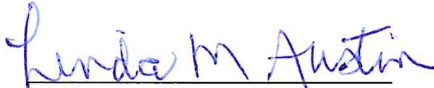
ATTEST:


Wendi Sims, City Clerk

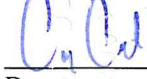
APPROVED AS TO FORM:


David Hale, City Attorney

OCEANO COMMUNITY SERVICES DISTRICT


Linda Austin, President

ATTEST:


By:

APPROVED AS TO FORM:


Jeff Minnery, District Counsel

ATTACHMENT 1

FUNDING FORMULA

Should the ballot measure pass, effective July 1, 2020, the Parties shall bear the costs of the Five Cities Fire Authority according to the following formula, to be calculated every three years when the budget is prepared. If the ballot measure fails, the funding will be in accordance with Section 5.B of this Second Amendment.

1. 33.33% of costs shall be assessed among the Parties in proportion to the population of each Jurisdiction as most recently determined by the U.S. Census and any intervening estimates prepared by the California Department of Finance when the Fire Chief prepares each annual budget.
2. 33.33% of costs shall be assessed among the Parties in proportion to the number of annual service calls, calculated on a three-year rolling average in each Jurisdiction as most recently determined when the Fire Chief prepares each annual budget.
3. 33.33% of costs shall be assessed among the Parties in proportion to the number of fire stations located in each Jurisdiction.



Oceano Community Services District

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

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

Date: April 22, 2020

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Via: Will Clemens, General Manager

Subject: **Agenda Item #8(B):** Approval of a resolution adopting the Expenditure Control Guidelines

Recommendations

It is recommended that your Board approve the Resolution amending and replacing Resolution 2018-11 authorizing the General Manager to approve certain re-occurring payments with reporting requirements to the Board of Directors

Discussion

The attached resolution incorporates a new Expenditure Control Guidelines (Attached) to the District's cash disbursement policy approved in Resolution 2018-11. The existing policy authorizes the General Manager to approve certain recurring payments for specific purposes, payees and vendors that are explicitly listed in the resolution. Existing practices require two members of the Board of Directors sign checks for actual payments. This has proven problematic during the COVID19 pandemic and is more than required for good internal controls under normal circumstances.

The recommendation proposes changes to the number of check signers from two to one, those authorized to sign checks be expanded to include the General Manager and Business and Accounting Manager and increases the purchasing authority of the General Manager from \$7,500 to \$25,000. The recommendation allows payments to be issued to meet deadlines to avoid late payment fees and take advantage of discounts for all vendors. The recommendation continues to require that all payments are included in the Board's agenda material and limits the General Manager's purchasing authority to only items that are within the Board approved budget.

The following table provides a comparison of existing policy authorized by resolution 2018-11 and the changes proposed:

Type of Disbursement	Current Policy	Proposed Policy
Payroll	Pay and report to Board	No Change
Payroll Taxes & CalPERS	Pay and report to Board	No Change
Payroll Benefits	Pay and Report to Board	No Change
Recurring Budgeted Payments	Pay and Report to Board	Checks signed by either staff or one (1) Board Member
Budgeted Payments to the	Pay and Report to Board	No Change



Oceano Community Services District

Board of Directors Meeting

County of San Luis Obispo		
All other payments outside budget controls (contractors, consultants, supplies, other agency payments, etc...	Pay after Board approval	No Change

The Expenditure Control Guidelines formalize and consolidate the different expenditures the District incurs and how each expenditure is processed which have been included in various separate policies in the past. This includes recurring payments, contracts, travel, petty cash, customer refunds, purchase orders, credit cards and emergency procurement.

Other Agency Involvement

The recommendation helps compliance with the County of San Luis Obispo and State of California’s executive orders to “shelter at home” to slow the spread of infection from COVID-19. Since the orders have been put into place, staff and Board Members have been telecommuting to Board Meetings and no longer can meet freely in person to execute checks to vendors.

The County of San Luis Obispo requires an authorized signature form to allow the District to pay with cash held by the County Treasury.

Other Financial Considerations

Staff spends time reaching out to vendors to extend deadlines if Board meetings are cancelled. Removing the requirement to produce two Board Member’s signatures will help ensure the health and safety of staff and Directors and allow for prompt payment of invoices.

Results

Consideration of the attached resolution will promote administrative efficiencies, health and safety and a well governed community.

Attachments:

- Proposed Resolution
- Expenditure Control Guidelines

OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2020- __

Resolution amending and replacing Resolution
2018-11 authorizing the General Manager to
approve certain re-occurring payments with
reporting requirements to the Board of Directors

WHEREAS, the Oceano Community Services District ("OCSD") approved Resolution 2016-07 on July 27, 2016, Resolution 2018-01 on January 24, 2018 and Resolution 2018-11 on September 12, 2018 relating to the approval of cash disbursements; and

WHEREAS, the OCSD has in the past established a practice of requiring two members of the Board of Directors to sign checks for payments to payees and vendors; and

WHEREAS, the attached Expenditure Control Guidelines in "Exhibit A" requires only one of the following officers to sign checks for payment to payees and vendors:

1. General Manager
2. Business and Accounting Manager
3. or one (1) of the five (5) Board Members; and

WHEREAS, payments to payees and vendors will be issued as needed to meet deadlines, avoid late charges and take advantage of any price discounts; and

WHEREAS, the Board of Directors intends to clarify that all payments and checks approved by the General Manager shall be reported to the Board of Directors at the first regular meeting subsequent to the disbursements.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors as follows:

1. The General Manager is hereby authorized to approve payment of bi-weekly payroll, including related payments to employees, federal and state agencies for taxes and related disbursements, CalPERS for pension contributions, and payments for health, dental, vision, life insurance benefits, SEIU union dues and workers compensation insurance. All such payments shall be reported to the Board of Directors at the first regular meeting subsequent to the disbursements.
2. The General Manager is authorized to execute an "Authorized Signatures" form provided by the County of San Luis Obispo that identifies the names of the Board President and the General Manager as those who may approve electronic payments to the County.
3. The General Manager is hereby authorized to approve payment within the adopted budget to payees and vendors, with checks and/or electronic payment authorizations signed by either the General Manager, Business and Accounting Manager, or one of the Board of Directors as outlined in the Expenditure Control Guidelines in "Exhibit A". All such payments shall be reported to the Board of Directors at the first regular meeting subsequent to the disbursements.

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

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted this _____ day of _____, 2020.

President of the Board of Directors

ATTEST:

Secretary for the Board of Directors

(SEAL)

APPROVED AS TO FORM AND LEGAL EFFECT:

Jeffrey A. Minnery
District Counsel

By: _____

OCEANO COMMUNITY SERVICES DISTRICT EXPENDITURE CONTROL GUIDELINES



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I. Introduction

This expenditure control system is an integral part of the internal control structure of Oceano Community Services District (OCS D). As such, it is intended to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and those transactions are executed in accordance with management's authorization and recorded properly in the general ledger.

It is the intent of the District to control expenditures before it is obligated to pay for goods or services. This system is designed to accomplish this goal while providing a clearly documented record of the entire process.

The system is intended to be used in conjunction with the existing internal control structure. Any significant change in other aspects of the control environment will require a review of the effectiveness of this system.

In the event of an emergency, where time is limited, the General Manager or his authorized representative may assume the responsibility for deviating from this policy.

II. Expenditure Classifications

The control mechanism and method of documentation are determined by the type of expenditure. OCS D recognizes the following types of expenditures:

1. **Recurring:** Included are utilities, debt service payments, payroll, payroll taxes and benefits, insurance, postage, office supplies, and various normal items (i.e. water supply) provided by the County of San Luis Obispo, etc.
2. **Contract:** Included are formal contracts for goods and services and construction contracts.
3. **Travel:** Included is advances and reimbursements for travel, mileage reimbursements for use of personal automobiles and meal expenses.
4. **Petty Cash:** Included are reimbursements of expenditures from the petty cash fund and increases in petty cash or change funds.
5. **Customer Refunds:** Included are refunds of deposits and overpayments to our customers.
6. **Purchase Order:** Included is all purchases of goods and services which require a purchase order.
7. **Emergency Procurement:** Included are purchases or expenditures necessary to permit the continued conduct of District operations, services, or construction work, or to avoid danger to life, health or property in cases of emergency.
8. **Other:** Included are all expenditures which cannot be classified in one of the above categories.

III. Control System

Expenditures will be controlled in the classifications indicated in section II by the following procedures:

1. **Recurring:** These expenditures will be controlled by the budget. The Board will adopt a budget that will include line items such as electricity and natural gas, telephone, telemetry, payroll, payroll taxes and employee benefits, debt payments, insurances, water supply provided by the County of San Luis Obispo, and other budgeted line items. Such expenditures will not normally require a Purchase Order.

Management will monitor the relationship of year-to-date expenditures in these line items with the adopted budget. If it becomes apparent that there is not sufficient budget to cover the next anticipated expenditure in one of these line items, a budget adjustment will be prepared and approved by the Board.

2. **Contract:** Contracts fall into three categories.
 - a. Construction work follows the requirements of the California Uniform Public Construction Cost Accounting Act (CUPCCAA) (OCSD Code 3.10). Budgeted public projects costing up to \$60,000 will be classified as Purchase Order expenditures and approved by the General Manager. Public projects costing \$60,000 to \$200,000 will require informal bidding procedures as defined in the CUPCCAA. Public projects costing \$200,000 or more will require formal bidding procedures as defined in the CUPCCAA. The dollar limits will automatically update with any changes in the dollar limits found in the CUPCCAA.
 - b. Professional Services (architectural, engineering, legal, environmental, land surveying, professional consultation, and construction project management) costing up to \$25,000 and identified in the annual budget will be approved by the General Manager. Formal contracts for individual projects costing over \$25,000 and not reflected in the budget will be approved by the Board where no emergency condition exists.
 - c. Other Goods and Services costing up to \$25,000 will be classified as Purchase Order expenditures. A Purchase Order approved by the General Manger will be required for budgeted projects costing up to \$25,000. The Board will approve the formal contracts for Other Goods and Services costing over \$25,000.
3. **Travel:** All employees will have a Training and Travel Authorization Request form (Attachment 2) approved by their supervisor and General Manager before travel.

Use of private vehicles by staff for travel (i.e. outside San Luis Obispo County) will be approved by the Business and Accounting Manager and reviewed by the General Manager. Such use by a Manager will be approved in advance by the General Manager. All reimbursement for personal automobile use will be made at the currently applicable Federal business mileage rate approved by the Internal Revenue Service.

Travel and meal advances may be made before the intended travel. Reimbursement for all meals and lodging will be done at the Federal per diem rate approved by the

Internal Revenue Service: (<http://www.gsa.gov/portal/category/100120>).

All receipts for travel expenses (airfare or similar) and lodging must be turned in after the travel or event. An accounting must be made for these expenditures and any excess advance returned at the completion of event or activity.

All expenditures described in this section will require the completion of an OCSD Travel Expense Report (Attachment 3). These expenditures will be limited by the budget as described for Recurring Expenditures (section III-1). Travel expenditures do not normally require a Purchase Order.

4. **Petty Cash:** Reimbursement of expenditures require an accounting of petty cash expenditures. Such reimbursements will be approved by the Business and Accounting Manager or General Manger. Petty cash will be kept at a balance of \$300; increases in the amount of petty cash or change fund will require Board approval. Petty cash will be reconciled and replenished as needed. Individual reimbursement requests are to not exceed a total of \$75; amounts in excess of \$75 should be processed through Accounts Payable.
5. **Customer Refunds:** These expenditures are processed as part of the utility billing system. Normally, a closing bill will be printed which shows a balance due to the customer. Such refunds will be approved by the Business and Accounting Manager during the regular Accounts Payable process. Customer refunds do not normally require a Purchase Order.
6. **Purchase Order:** The purchase of all non-recurring supplies, materials and capital assets will require a Purchase Order (Attachment 4).

Budgeted purchases costing up to \$25,000 will be approved by the General Manager. Budgeted purchases costing over \$25,000 will be approved by the Board.

All Purchase Orders will be pre-numbered. See section IV for additional information regarding purchase orders.

7. **Emergency Procurement:** California Public Contract Code Section 22050 governs procurement procedures when emergencies exist. When the Board of Directors declares an emergency by a four-fifths vote, when repair or replacements for services and materials are necessary to permit the continued conduct of District operations or services or to avoid danger to life, health or property, the General Manager may then proceed, at once, to replace or repair District facility(s) or infrastructure and/or procure the necessary goods and/or services without the benefit of competitive purchasing, either formal or informal. The General Manager shall report to the Board at successive regular meetings stating the justification for continuing with the emergency work.
8. **Other:** All other expenditures will be approved in advance when possible and upon receipt of goods or services otherwise. The Board or General Manager will approve the purchase in accordance with the limits on approval of Purchase Orders. Expenditures of \$500 or less will require a Purchase Claim only.

IV. Purchase Order System Documentation and Implementation

1. **Regular Purchase Orders:**

Purchase orders (PO) will be completed and signed by the General Manager. A copy will then be given to Accounts Payable to match with the invoice when received. Upon receipt and invoice, Accounts Payable will compare the amounts and descriptions of the PO.

The Business and Accounting Manager is responsible for PO issued and for ensuring that total departmental PO expenditures do not exceed the Board-approved budget line item. The Business and Accounting Manager will provide a quarterly budget report to the Board of Directors and the General Manager.

2. **Charge Accounts:** For vendors from whom numerous regular purchases are made, the District will employ annual open charge accounts. A list of active charge accounts will be maintained by Accounts Payable and reviewed by the Business and Accounting Manger on an annual basis for best pricing and any needed changes in vendors.

Each charge account authorization will indicate an annual expiration date, a total monthly dollar limit allowed on that charge account, a list of employees authorized to make purchases, and the maximum dollar amount for any one purchase. No more than one charge account may be active at any time for a vendor. Department Manager's will have copies of active charge account authorizations for their departments. All orders or invoices received against a charge account will be checked and signed by the Department Manager before being processed by Accounts Payable.

OCSD Credit Cards: For routine irregular purchases too small to warrant regular or charge accounts, but too large for petty cash. Receipts from credit card purchases must be retained, signed or initialed by the Department Manager, and matched to the statement at the end of the month before the statement is paid by Accounts Payable. Statements will be reviewed monthly by the Business and Accounting Manager and General Manager as part of the payment process (see Section VI – Disbursements).

V. Approval System

A Disbursement approval form will be completed by Accounts Payable for each invoice or statement to be paid (Attachment 1). The classification of expenditure will be clearly indicated on the disbursement approval form. The disbursement approval form will indicate all invoices or statements to be paid with one check.

All supporting documents including invoices, Purchase Order, Proof of receipt, packing slip, etc. will be attached to the disbursement approval form. The form will be approved in accordance with the chart in the disbursement section and the signers will verify that the documents are internally consistent, that invoices being paid are original, that receipt of

goods or services has been acknowledged by the appropriate OCSD employee and that amounts agree between documents.

The check stub will be attached to the form when the check is sent to the vendor. All paid disbursement approval forms are filed by vendor, separated by the fiscal year in which the payment was made, and retained for 7 years after the completion of the audit, per District Document Retention Policy.

VI. Disbursements

The OCSD checking accounts will require signatures by any of the following officials:

- General Manager
- Business and Accounting Manager
- Any member of the Board of Directors

The signing official of the check is to examine the full invoice/receipt/ and disbursement approval form before signing any check.

Board of Director's checks for compensation will be issued only after the Director's Monthly Request For Compensation Form (Attachment 5) and the Committee Notes Form (Attachment 6), if applicable, for meeting attendance and the disbursement approval form (Attachment 1) has been signed indicating approval by the General Manger. Any disbursement approval form approved by one of the above signing officials will be signed by a different official, not the official that approved the disbursement for payment.

The General Manager is authorized to update the "Authorized Signatures" form provided by the County of San Luis Obispo for the payment of water supply to the County.

Lost checks will be re-issued less the amount of the bank's Stop Payment fee, to cover the cost of the stop payment order for the lost check.

Checks will be issued as needed to meet deadlines and take advantage of discounts. Check writing will be batched and done on every 1st and 3rd Thursday of the month. Invoices to be included in a batch must be received by Accounts Payable no later than 12:00 pm. Checks cut outside of a regular batch may only be authorized by the General Manager to meet deadlines and are within budget. Payroll will be issued bi-weekly on alternate Fridays.

The Business and Accounting Manger will reconcile the checking account within five (5) working days of receipt of monthly bank statements and verify that all checks were written in accordance with these guidelines.

VII. Summary

Good control over expenditures depends upon advance authorization and adequate documentation. The use of purchase orders and disbursement approval forms provides a basis for such control and documentation.

The success of this system depends upon the understanding and cooperation of all staff. Questions are welcomed and will be promptly answered by the General Manager or Business and Accounting Manager. Unusual situations should be documented by memorandum or letter. Suggestions for improvement are welcome and will be carefully considered by management.

Attachment 1

A/P			
Vendor #:	_____	Vendor Name: _____	
Invoice #:	_____	Amount: \$ _____	
Code to:	Fund:	Invoice Copied:	
	<input type="checkbox"/> 01 General	<input type="checkbox"/> Reimbursable	Recommend for Approval:
	<input type="checkbox"/> 02 Water	<input type="checkbox"/> Reimbursable	
	<input type="checkbox"/> 03 Sewer	<input type="checkbox"/> Reimbursable	
	<input type="checkbox"/> 06 Garbage	<input type="checkbox"/> Reimbursable	
	<input type="checkbox"/> 10 Facilities	<input type="checkbox"/> Reimbursable	
<input type="checkbox"/> 12 Equipment	<input type="checkbox"/> Reimbursable		
Line Item:	_____	\$ _____	
	_____	\$ _____	
	_____	\$ _____	
	_____	\$ _____	
	_____	\$ _____	
	_____	Total: \$ _____	
PO/PC or Project #	_____	FY: 19/20 [] Copied	
PO/PC Amt:	\$ _____		
PO/PC Bal:	\$ _____	Posted: _____	

Attachment 2

Oceano Community Services District



Training & Travel Authorization Request

Director/Employee	Position	Training	Travel	Total

Destination	No. of Days	Account No.	Amount

PURPOSE

COST SUMMARY

Description	Vendor	Payment Method	Amount
TOTAL			\$ -

ITINERARY

Departure	Return	Approved Reg Hours	Approved OT Hours

APPROVALS

Employee	Date
Supervisor	Date
General Manager	Date

Oceano Community Services District

Travel Expense Report



TRAVEL EXPENSE DETAIL

DESCRIPTION	Date						TOTAL

RECEIPTS MUST BE ATTACHED FOR ALL EXPENSES **TOTAL**

MILEAGE DETAIL- PERSONAL VEHICLE

DEPARTURE/DESTINATION	Odometer Readings		Trip Mileage
	Starting Mileage	Ending Mileage	
Total Miles- Personal Vehicle Reimbursement @			0
(IRS Rate 2020) \$ XXXX per mile			\$ -

By signing this expense report, the employee certifies that the amounts listed were incurred in conformance with the District's travel guidelines and that no part is claimed for reimbursement of a personal nature.

TRAVEL EXPENSE SUMMARY

Total Travel Expenses			0
Accounts Payable/Credit Card			
Cash Expenses Paid By Employee			
Cash Advance to Employee			
Amount Due Employee (District)			

Employee	Date	Supervisor	Date
----------	------	------------	------

Attachment 4

PURCHASE ORDER #

VENDOR: Coastline Equipment Name: Address: City: PH: Fax: Email:	PURCHASE ORDER: Code To:
---	--

SHIPPING ADDRESS: OCEANO COMMUNITY SERVICES DISTRICT 1655 FRONT STREET OCEANO, CA 93445	BILLING ADDRESS: OCEANO COMMUNITY SERVICES DISTRICT P O BOX 599 OCEANO, CA 93475-0599 (805) 481-6730
--	--

DATE OF ISSUANCE:

SCOPE OF WORK:

COMPLETION REQUIREMENTS: N/A

AMOUNT:

This purchase order is subject to Terms and Conditions incorporated herein by reference on the attached documents.

Signature

Date

Conditions of Purchase

1. The only terms that will be honored are those issued by the Oceano Community Services District (District).
2. No acknowledgment of this order is required. If this purchase order is the result of a written bid or quotation, the purchase order shall serve as acceptance thereof. If this purchase order is the result of an informal oral or written quote, acceptance will be assumed unless otherwise advised within (10) days of the date of the order. Unless otherwise specified, the U.S. Mail shall be the accepted means of communication.
3. Purchase order numbers shall appear on all invoices, packages, crates, boxes, etc.
4. Invoices must include only items shown on this order. In the event any item included on this order is not delivered, please notify the District at once as to the reason for the delay and the date we can expect delivery. Do not include any item which is back ordered on your invoice. Any invoice or claim on this contract must be presented within 1 year from delivery of goods or services.
5. Changes of any kind are not authorized without permission from the District.
6. The District reserves the right to cancel any or all items not shipped within the time specified on the order.
7. No charges for transportation, containers, packing, etc. will be allowed unless specified on the order.
8. All material furnished must be as specified and will be subject to inspection and approval of the District after delivery. The right is reserved to reject and return at the risk and expense of the supplier such portion of any shipment which may be defective or fail to comply with specifications without invalidating the remainder of the order. Rejected material will be held for disposition at the expense and risk of the seller.
9. This order is subject to sales tax, exempt from federal tax. Certificate of exemption will be provided upon request.
10. All goods and/or services shall be in compliance with all federal, state and local law including but not limited to OSHA and CAL OSHA.
11. The seller shall provide the District with a Material Safety Data Sheet for each product containing substances on the List of Hazardous Substances published by the California Administrative Code, Title S, Section 5194. These sheets must be sent to Oceano Community Services District at P O Box 599, Oceano, CA 93475-0599. Please reference the above purchase order number.

INSURANCE REQUIREMENTS

INDEMNIFICATION

To the fullest extent permitted by law, CONTRACTOR shall indemnify, defend and hold harmless the District and its officers, agents, employees, and volunteers from and against all claims, demands, damages, liabilities, loss, costs, and expense (including attorney's fees and costs of litigation) of every nature arising out of or in connection with Contractor's performance or attempted performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by sole negligence or willful misconduct of the District.

INSURANCE COVERAGE

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL); Insurance Services Office (ISO) Form CG 0001 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed, operations, personal injury and advertising injury, with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: ISO Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damages.
3. Worker Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. If Contractor will provide leased employees, or is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage shall also include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the District as the Alternate Employer, and the endorsement form shall be modified to provide that District will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.
(Not required if Contractor provides written verification it has no employees)

If the contractor maintains higher limits than the minimums shown above, the District requires and shall be entitled to coverage for the higher limits maintained by the contractor.

OTHER INSURANCE PROVISIONS

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status:

The District, its officers, officials, employees, and volunteers are to be covered as insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by, or on behalf of the Contractor; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the Contractor's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, and volunteers. Any insurance of self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days prior written notice (10 days for non-payment) has been given to the District.

Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the required insurance shall constitute a material breach of the Contract upon which the District immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. The District, at its sole discretion, may obtain damages from Contractor resulting from said breach.

Waiver of Subrogation

Contractor hereby grants to District a waiver of any right to subrogation which any insurer of said Contractor may acquire against the District by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the District has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the District. The District may require the Contractor to provide proof of ability to pay losses and related

investigation, claim administration, and defense expenses within the retention.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.A. Best's rating of no less than A: VII, unless otherwise acceptable to the District.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work;
2. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract of work;
3. If coverage is canceled or non-renewed, and not replaced with another claims- made policy form with a Retroactive date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years.

Separation of Insured's

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separate of insured's provision with no insured versus insured exclusions or limitation.

Verification of Coverage

Contractor shall furnish the District with original certificates and mandatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the District before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The District reserves the right to required complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Certificates and copies of any required endorsements shall be sent to:

Oceano Community Services District
P.O. Box 599
Oceano, CA 93475-0599

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

Special Risks or Circumstances

District reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Attachment 5

**DIRECTOR'S MONTHLY
REQUEST FOR COMPENSATION
FOR MEETING ATTENDANCE**

NAME: _____

DATE: _

FOR THE MONTH OF: _

8.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular or special meeting of the Board and fifty dollars (\$50.00) for each committee meeting attended by him or her.

8.2 In no event shall Director compensation exceed one hundred dollars (\$100.00) per day.

8.3 Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

MEETING DATES: _____ and _

No. of Meetings _____ x \$100.00 = \$ _____

COMMITTEE MEETING(S) OR OTHER REIMBURSEMENT(S)

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

TOTAL COMPENSATION: \$ _

SIGNATURE: _____

Attachment 6

Meeting Date:

Director Name:

Public Meeting / Hearing:

Notes:

Attached Agenda / Other Meeting Documents: Yes No

Signature

Date



Oceano Community Services District

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

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

Date: April 22, 2020

To: Board of Directors

From: Jeff Minnery, Legal Counsel

Subject: **Agenda Item #8(C):** Presentation on provisions of the Brown Act, the Meyers Miliias Brown Act, and District by-laws

Recommendations

It is recommended that your Board receive and file a presentation regarding provisions of the Brown Act, the Meyers Miliias Brown Act, and District by-laws.

Discussion

Non-management District employees are represented by Service Employees International Union Local 620 (the "Union"), which is a recognized employee organization pursuant to the Miliias Meyers Brown Act (the "Act"). As such, the terms and conditions of employment for employees represented by the Union are governed by a Memorandum of Understanding and the Act.

On March 20, 2020, the Union sent correspondence to the President of the Board identifying concerns related to Board member comments at the meetings held on February 26, 2020 and March 11, 2020. Specifically, the Union raised concerns about a single Board member questioning the attendance of a Union member at District meetings and the potential cost savings of eliminating her attendance in the future. The Union alleges that these comments potentially impact the employees' wages, hours, and/or working conditions and are in contravention of the Act and the District's by-laws. The Union further alleges that violations of the Brown Act may have occurred as a result of subsequent discussions on the matter.

In response, the Union has requested training for the Board on provisions of the Brown Act, the Meyers Miliias Brown Act, and the District by-laws as related the above-referenced events. Your Board has agreed to comply with this request.

Other Agency Involvement

None.

Other Financial Considerations

None at this time.



Oceano Community Services District

Board of Directors Meeting

Results

Consideration of the presentation will promote administrative efficiencies, health and safety and a well governed community.

Attachment: March 20, 2020 correspondence from Service Employees International Union Local 620

Linda Austin, President
Oceano Community Services District
1655 Front St.
Oceano, CA 93445

Ms. Austin,

The purpose of this letter is to follow up on the public comment we made on behalf of Celia Ruiz at your meeting of March 11, 2020. At your meeting, we expressed concern over conversation that had occurred previously at your meeting of February 26, 2020, at which one of your board members, Cynthia Repogle, questioned your General Manager on cost savings that might be realized if the General Manager were to take minutes at Board meetings instead of Ms. Ruiz.

Our comments of March 11 may have been diminished by subsequent public comment that expressed why they spoke in February. We were not, however, expressing concerns about public comment but instead about Board member discussions. We believe that our concerns have not been recognized, or perhaps even blatantly disregarded, because on March 12 Ms. Repogle subsequently arrived at the District offices and directly approached Ms. Ruiz requesting to meet. Ms. Repogle's attempt to directly meet with Ms. Ruiz was not successful.

Our concerns at this time are heightened. First, Ms. Repogles questioning of the General Manager on costs savings that the district might benefit if Ms. Ruiz's role during the Board meetings is terminated was not on your board's agenda for February 26. Comments made by the public do not provide the Board with the ability to engage in discussions that are not on the agenda. Although no action was made by your Board and the questioning by Ms. Repogle was relatively short, it is not lost on us that her questioning has the potential impact on the wages, hours and/or working conditions of Ms. Ruiz. As a result, our second and greater concern is the apparent disregard for the Meyers Miliars Brown Act, not to mention the disregard of your District's own by-laws since Ms. Repogle is supposed to work through the District's General Manager on staffing and other district business.

At this time, it is our hope that your Board provides additional training for Board members on the Brown Act, the Meyers Miliars Brown Act and your own by-laws to avoid consequences that could result from inappropriate Board member interference in the District's labor management relations.

Respectfully,

Susan Thomas

SEIU Local 620