

# NIPOMO COMMUNITY SERVICES DISTRICT

*Celebrating 42 - Years of Service 1965 - 2007*

## MINUTES

**APRIL 25, 2007 9:00 A. M.**

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

### BOARD of DIRECTORS

MICHAEL WINN, **PRESIDENT**  
LARRY VIERHEILIG, **VICE PRESIDENT**  
CLIFFORD TROTTER, **DIRECTOR**  
ED EBY, **DIRECTOR**  
JAMES HARRISON, **DIRECTOR**

### PRINCIPAL STAFF

BRUCE BUEL, **GENERAL MANAGER**  
LISA BOGNUDA, **ASSIST. ADMINISTRATOR**  
DONNA JOHNSON, **BOARD SECRETARY**  
JON SEITZ, **GENERAL COUNSEL**  
DAN MIGLIAZZO, **UTILITY SUPERVISOR**

Mission Statement: The Nipomo Community Services District's mission is to provide the community with reliable, quality and cost-effective services.

Vision Statement: The Nipomo Community Services District's vision is to manage the resources and future growth of the community.

00:00:00

#### A. CALL TO ORDER AND FLAG SALUTE

President Winn called the meeting to order at 9:02 a.m. and led the flag salute.

#### B. ROLL CALL

At Roll Call, all Directors were present.

#### C. PRESENTATIONS AND PUBLIC COMMENT

For Administrative Professional's Day, President Winn presented flowers to Kathy, Lisa, Donna and Faith and thanked them for their work in the office.

President Winn announced that the Board will recess at approximately 11:45am and reconvene at 2:00 pm to attend the Chamber lunch at Black Lake to hear speaker Supervisor Achadjian.

00:04:10

#### C-1) NCSD UTILITY SUPERVISOR DAN MIGLIAZZO RE UTILITY OPERATIONS

Dan Migliazzo presented an update on field operations.

- Flushing of water lines is almost complete. They have been trying to be finished before the peak-hour electricity costs begin May 1<sup>st</sup>. There have been just a few problems. There was no flushing in Black Lake.
- All operators have filled out applications for collections certification testing.
- Valve and hydrant replacements have been progressing along with the flushing.
- Sundale Well is back on line after rebuild. Paperwork is being mailed for a rebate for labor at Sundale and the Black Lake Wells and booster retrofit.
- Southland Wastewater Treatment Facility – Basin 2 is almost drained and Basin 3 is pumped down to dry out.
- Crew is out replacing services today.

00:12:00

#### C-2) NCSD ASSISTANT ADMINISTRATOR LISA BOGNUDA RE: FINANCIAL STATUS

Lisa Bognuda gave a presentation concerning the Third Quarter Financial Report that is in the Consent Agenda. The Financial Report through March 31, 2007, which is 75% of the fiscal year. She explained that some of the items are over the 75% expenditures but some are less. The new budget will be discussed at the May 30<sup>th</sup> meeting. There was no public comment.

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00:17:30

C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST

The directors presented the following information of public interest.

Director Vierheilig

- Nipomo Chamber of Commerce Mixer – Wednesday, May 2, 2007, 5:30–7:00 pm
- Coastside Smart Growth Leadership Event – May 19, 2007, Pismo Beach Veteran's Hall, 780 Bello Street, 9:00 am to 1:00 pm. Contact Richard Rojas at 781-5190 to make reservations. Sponsored by APCD, SLO County and others.
- Thanks to NCSB Board for allowing Nipomo Native Gardens Board to meet in the Board room.

Director Eby

- SCAC voted unanimously to recommend that the Board of Supervisors certify a Level of Severity III. Someone from SCAC will be going to the Planning Commission and also to the Board of Supervisors.

Director Harrison

- SCAC voted for the LOS III
- Golf Tournament, May 11, 2007 – Rotary Club
- Incorporation Committee Workshop to meet here May 12, 2007, 9-11 a.m.
- Central Coast Greenhouse Growers Association will be holding its open house April 28<sup>th</sup>.

Director Winn

- TDC committee meeting April 26, 2007, 3:00 p.m. at SLO County new government building.
- CCGGA April 28, 2007 Annual Open House 9 am to 3 pm.
- WRAC meeting May, 2, 2007 – Mr. Seitz and Mr. Snyder will be speaking, giving different perspectives on the groundwater.
- May 3, 2007, the District Board will be touring the Biolac® lab. The Agenda is available on the NCSB web site.
- SLOCOG will be having an event April 26, 2007:  
*(California Transportation Commission (CTC) meeting, to be held in SLO. It was televised live on [www.slo-span.org](http://www.slo-span.org).)*
- Clean Up Week - April 23-27

C-4) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

00:25:22

D. CONSENT AGENDA

- D-1) APPROVE WARRANTS
- D-2) APPROVE BOARD MEETING MINUTES  
Approve Minutes of April 11, 2007 Meeting
- D-3) RECEIVE THIRD QUARTER FINANCIAL REPORT
- D-4) RECEIVE FIRST QUARTER INVESTMENT REPORT

The Directors made a few corrections to the Minutes (C-3, C-4, and D). Upon motion of Director Vierheilig and seconded by Director Eby, the Board unanimously approved the Consent Agenda, as amended. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilig, Eby, Trotter, Harrison, and Winn	None	None

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00:33:25 E. ADMINISTRATIVE ITEMS

E-1) DETERMINE DIVISION OF SOUTHLAND WWTF UPGRADE COSTS BETWEEN CURRENT CUSTOMERS AND FUTURE CUSTOMERS

Bruce Buel, General Manager, explained that for the Reed Group to complete the Town Sewer Rate Study, the Board needs to approve the division of the costs of the upgrade between the current users and future users.

Jon Seitz, District Legal Counsel, explained that a financial analysis needed to be performed to determine how much the existing customers are paying for replacing existing facilities and that the new customers will pay for some of the upgrade. The Regional Water Quality Control Board is requiring higher standards.

Mike Nunley, Boyle Engineering's Project Manager for the Southland Wastewater Treatment Facility Master Plan – explained some of the evaluation to the Board and answered questions from the Board.

The Board discussed how the money would be funded. Some methods could include Certificates of Participation and/or Community Finance District.

Upon motion of Director Eby and seconded by Director Harrison, the Board unanimously approved the recommended cost division for the Southland WWTF Upgrade of 47% for current sewer users and 53% for future users and directed staff to forward that division to the Reed Group for incorporation into the rate study. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Eby, Harrison, Vierheilig, Trotter, and Winn	None	None

The Board of Directors took a break at 10:06 a.m. and resumed the meeting at 10:13 a.m.

01:04:45 E-2) ADOPT SANITARY SEWER OVERFLOW PROGRAM TIMELINE AND SUBMIT TO STATE OF CALIFORNIA

Bruce Buel, General Manager, discussed the Sanitary Sewer Overflow Program Timeline and the need to submit the proposed timeline to the State of California, as mandated by the State Water Resources Control Board (SWRCB).

There was no public comment.

Upon motion of Director Harrison and seconded by Director Trotter, the Board unanimously adopted the Sanitary Sewer Overflow Program Timeline, as presented in the Board letter, and directed staff to submit the timeline to the SWRCB. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Trotter, Harrison, Vierheilig, Eby, and Winn	None	None

01:10:20 E-3) INTRODUCE ORDINANCE AMENDING NCSO WATER ALLOCATION PROGRAM AND SET HEARING FOR ADOPTION

Bruce Buel, General Manager, explained the process of introducing an ordinance amending the NCSO Water Allocation Program. One letter was received in protest of the proposed ordinance. Jon Seitz, District Legal Counsel, explained the letter from the San Luis Obispo County Housing Trust Fund. The Board discussed the matter and suggested several changes. There was no public comment.

Upon motion of Director Vierheilig and seconded by Director Trotter, the Board unanimously agreed to direct staff to file the Notice of Exemption, which triggers a 35-day filing window for interested parties to challenge the exemption. There was no public comment. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilig, Trotter, Harrison, Eby, and Winn	None	None

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E-3) INTRODUCE ORDINANCE AMENDING NCSD WATER ALLOCATION PROGRAM AND SET HEARING FOR ADOPTION (continued)

Upon motion of Director Vierheilg and seconded by Director Harrison, the Board unanimously agreed to read the ordinance by title only. There was no public comment. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilg, Harrison, Eby, Trotter, and Winn	None	None

Jon Seitz, District Legal Counsel, read the title of the proposed ordinance.

**ORDINANCE NO. 2007-106  
AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
AMENDING THE RULES AND REGULATIONS  
FOR ALLOCATION OF INTENT-TO-SERVE LETTERS  
CHAPTER 3.05 OF THE DISTRICT CODE**

Upon motion of Director Vierheilg and seconded by Director Winn, the Board unanimously agreed to introduce the ordinance and to set an adoption hearing for June 13, 2007. There was no public comment. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilg, Winn, Harrison, Eby, and Trotter	None	None

02:04:30

E-5) CONSIDER NOMINATION(S) FOR LAFCO SPECIAL DISTRICT REPRESENTATIVE APPOINTMENT

This item was taken out of order.

Bruce Buel, General Manager, explained that the LAFCO Special District Representative seat held by Barbara Mann is currently open and will either be filled on April 27, 2007, if a quorum of special districts participates in the Chapter's Annual Meeting, or if a quorum is not achieved, by a mail ballot election. In either case, NCSD has standing to nominate one or more nominees for the seat. The Board discussed the matter. Director Harrison nominated Barbara Mann. Director Vierheilg moved to close the nominations. Director Eby seconded the motion. There was no public comment. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilg, Eby, Harrison, Trotter, and Winn	None	None

02:09:45

E-4) INTRODUCE REVISIONS TO PERSONNEL POLICY, SET HEARING FOR ADOPTION, REVISE RECRUITMENT AUTHORIZATION APPROVED AT APRIL 11, 2007 BOARD MEETING, AND AUTHORIZE ADDITIONAL RECRUITMENTS

Bruce Buel, General Manager, reviewed the proposed revisions to the Personnel Policy. The Table of Organization and the Minutes to the Finance, Audit and Personnel Committee were given to the Board. (Copies are available in the District office.) The directors proposed some minor changes. Director Trotter suggested that the Assistant Administrator job title be changed to Assistant General Manager. Upon motion of Director Trotter and seconded by Director Eby, the Board unanimously agreed to the recommendations in the Personnel Policies and Procedures as follows and as amended: Vote 5-0.

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E-4) INTRODUCE REVISIONS TO PERSONNEL POLICY, SET HEARING FOR ADOPTION, REVISE RECRUITMENT AUTHORIZATION APPROVED AT APRIL 11, 2007 BOARD MEETING, AND AUTHORIZE ADDITIONAL RECRUITMENTS (continued)

1. Board of Directors introduce and tentatively approve the red-lined modifications, with recommendation #2 below be incorporated, of the Personnel Policies and Procedures Manual and direct Staff to circulate the red-lined modifications to all District employees, including the new title for the Assistant General Manager. The District employees will be given until 4:00 p.m. on May 9, 2007, to submit their written comments to the General Manager. Set the hearing for adoption on May 23, 2007.
2. Board of Directors approve maintaining the existing 1020-Table of Organization and job descriptions for 7040-Utility Supervisor and 7050-Utility Field Foreman until the Utility Superintendent reports to duty. At such time, the new Table of Organization will become effective and job description 7040 and 7050 will be removed from the Personnel Policies and Procedures Manual. In addition, the Board of Directors maintains the Koff & Associates recommendations and the existing Monthly Salary Range approved by Resolution 2006-1000 for all District employees.
3. Authorize recruitment for the Utility Superintendent at Salary Range #47 and not Salary Range #52, per Koff & Associates recommendations. By following Koff & Associates recommendations, fairness and equity amongst all District employees is maintained. Should the Board of Directors not approve this recommendation, Staff would respectfully request the Board of Directors revisit the basis for setting salaries for all employees.
4. Authorize recruitment of the Inspector/Preventative Maintenance Supervisor at Salary Range #42 and not Salary Range of #46 and set the Utility Field Supervisor at Salary Range #42 and not Salary Range #46. Salary Ranges are based on Koff & Associates recommendations. By following Koff & Associates recommendations, fairness and equity amongst all District employees is maintained. Should the Board of Directors not approve this recommendation, Staff would respectfully request the Board of Directors revisit the basis for setting salaries for all employees.
5. Authorize the recruitment of the part-time Secretary/Clerk to report to work three months after the Utility Superintendent reports to work.
6. Postpone the recruitment of a one additional Utility Worker and one Maintenance/Customer Service Worker until July 1, 2008.

YES VOTES	NO VOTES	ABSENT
Directors Trotter, Eby, Vierheilig, Harrison, and Winn	None	None

The Board recessed at 11:45 a.m.

The Board reconvened at 2:03 p.m. There was no public present. Director Trotter left the meeting at 2:00 p.m.

02:35:10

F. MANAGER'S REPORT

Bruce Buel, General Manager, presented his report as delivered to the Board. He provided an update on the written material. He stated that of the two candidates interviewed Monday by Dan, Lisa and himself for the District Engineer position neither were qualified. He suggested bringing the matter back to the Board for reconsideration of the position. SB343 was heard in committee and rejected. There seems to be sufficient voting block to impede the bill, as drafted.

Boyle's report on the Wastewater Treatment Facility reveals that the District will need to increase treatment to qualify for existing discharge requirements. It is possible that the Regional Board may not allow the District to use its current discharge site for additional treatment. It is planned to discuss the matter further at the May 16<sup>th</sup> workshop. Boyle will be preparing a white paper on the subject.

The Board asked questions about graffiti and SAIC's Technical Memorandum.

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**03:19:04** G. COMMITTEE REPORTS

Director Vierheilig reported that the Finance, Audit and Personnel Committee (Directors Trotter and Vierheilig) met on April 18, 2007. They looked at the cost of living, the personnel matters and the draft budget. Minutes of the meeting were given to the Board today (available for viewing in the District office).

The Parks Committee (Directors Winn and Harrison) will meet Monday, April 30, 2007, at 1:00 p.m.

**03:22:21** H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Eby stated that he will be on the oral board for hiring Pat Beck's replacement. He also asked about the matter of where people would go for emergency water.

Jon Seitz, District Legal Counsel, stated that the Emergency Response Team of San Luis Obispo County would probably have water trucks available. Also, NCS D has its Sundale Well on natural gas to supply water when the electricity is out.

Director Harrison stated that if there were an emergency, call the fire department. OAS has huge water tankers with potable water.

**03:42:06** I. CLOSED SESSION ANNOUNCEMENTS

Jon Seitz, District Legal Counsel, announced the following items to be heard in Closed Session:

1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 SMVWCD VS NCS D SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCS D CASE NO. CV 040877, MARIA VISTA VS. NCS D CASE NO. CV 061079, AND MARIA VISTA VS. LINDA VISTA FARMS, NCS D ET AL CASE NO. CV 040150.
3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; NCS D VS. SLO COUNTY (CASE NO. CV 070066)
4. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; MARIA VISTA ESTATES V. NCS D ET AL (CASE NO. ND07-10362RR IN UNITED STATES BANKRUPTCY COURT, CENTRAL DISTRICT, NORTHERN DIVISION

## J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public present to comment.

## K. ADJOURN TO CLOSED SESSION

President Winn adjourned to Closed Session at 3:11 p.m.

## L. OPEN SESSION

## ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 3:58 p.m.

Jon Seitz, District Legal Counsel, announced that the Board heard an update on the items listed above. There was no reportable action.

## ADJOURN

President Winn adjourned the meeting at 3:59 p.m.