

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 43 - Years of Service 1965 - 2008

MINUTES

JANUARY 9, 2008 AT 9AM

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

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

PRINCIPAL STAFF

BRUCE BUEL, **GENERAL MANAGER**
LISA BOGNUDA, **ASSIST. GENERAL MANAGER**
DONNA JOHNSON, **BOARD SECRETARY**
JON SEITZ, **GENERAL COUNSEL**
PETER SEVCIK, **DISTRICT ENGINEER**

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 9:00 a.m. and led the flag salute.

B. ROLL CALL & ACKNOWLEDGMENT OF 2008 OFFICERS

At Roll Call all Board members were present.

C. PRESENTATIONS AND PUBLIC COMMENT

0:01:23

C-3) SORREL MARKS FROM THE CENTRAL COAST RWQCB

Sorrel Marks from the Central Coast Regional Water Quality Control Board gave an overview of the Draft On-Site Waste Management edits to Basin Plan. A summary of the proposed changes was handed to the Board. A copy is available for viewing in the District office. The Central Coast Water Board meeting will be May 9, 2008 at 8:30 a.m. It will include a public hearing to discuss the proposed changes. The Board asked questions and Ms. Marks responded.

00:22:42

C-1) COMMANDER HASCALL FROM SLO COUNTY SHERIFF'S OFFICE

Commander Brian Hascall arrived at approx. 9:20 a.m. He provided the public with an update of the Sheriff's activities on the Nipomo Mesa. He stated that there was a gang-related attempted murder on Ponderosa. Gang activity has increased. He asked the public to relate any suspicious activity to the Sheriff's Dept. Cmdr. Hascall also noted that there has been an increase in vehicle burglary. He asked that citizens report unusual noises, such a breaking glass in the middle of the night. The Board thanked Cmdr. Hascall for the report.

00:25:53

C-4) DISTRICT ENGINEER PETER SEVCIK

District Engineer Peter Sevcik provided a summary of the District engineering activities for December. The Board had questions for Mr. Sevcik. The Board thanked Mr. Sevcik for his report.

00:42:36

C-5) DISTRICT WATER CONSERVATION SPECIALIST CELESTE WHITLOW

Celeste Whitlow, Water Conservation Specialist, presented a preview of the Water Conservation Workshops coming up in February 2008.

Feb 2 – Importance of Soil Building and Composting with presenter Hunter Frances.

Feb 9 – Native and Drought-tolerant Plants – with presenter Carol Bornstein

Feb 16 – Landscape Design with Drought-Tolerant Plants with presenter Celeste Whitlow

Feb 23 – Water-Efficient Landscape Irrigation - with presenter Joe Decker from Farm Supply.

She also stated that there are two water conservation workshops tentatively planned for May relating to water use inside the home and another on landscaping.

The Board thanked her for the report.

00:47:35

C-6) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors Items of District & Community Interest

Director Eby asked to have an agenda item scheduled for January 23rd to discuss a moratorium on Intent-to-Serve letters.

00:48:46

C-7) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

Ann Steele, resident of rural Arroyo Grande – stated her concern about the air-quality from activity on the Oceano Dunes. She played a video showing the massive particulates in the air possibly caused by the off-road vehicles at the Oceano Dunes. A copy of the video is available for viewing at the District office.

Nell Langford, PHD, resident of rural Arroyo Grande - asked the Board to put the air-quality issue on a future agenda and to invite the Air Pollution Control Board.

Pat Eby, NCSD resident – stated she is a member of a committee authorized by the Blacklake Association. The committee began as a way of protesting the equity surcharge proposed by the Board. She read a portion of a letter from Mr. Crosby (the District's auditor). She also asked the Board to form an ad hoc committee to negotiate with the Blacklake community.

Bill Petrick, NCSD resident – stated he represented the Blacklake community on water and sewer issues. He stated his concerns about and asked questions about some expenditures on the Board agenda.

John Snyder, Nipomo resident – stated that there should be maximum public outreach on items considered by the District. He also stated that the way the agenda is scheduled is inconvenient to attend today and also next week. He also stated that the information for the Master Plan is not available to the public and should be made available.

Preston Holder, General Manager for Shea Homes, Trilogy Central Coast and President of the Central Coast Maintenance Association (Trilogy Central Coast Homeowner's Association) – commented on Item E-5 that will not be considered today. He stated that there needs to be more time to review the Water and Sewer Master Plan. The proposed plans to have a sewer treatment facility on Mesa Road will affect the entrance to the Trilogy Homes development.

Ken Whittle, NCSD resident – stated that the land owners near the Mesa Road property proposed for the sewer treatment facility need to be more informed of the District's intentions.

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C-7) PUBLIC COMMENT ON ITEMS NOT ON AGENDA (CONTINUED)

Bruce Buel, General Manager, addressed some comments concerning Mesa Road. He stated that (1) the Water and Sewer Master Plan does not propose facilities on Mesa Road. The Plan acknowledges that the District is studying alternatives to discharge treated wastewater that will continue to be treated at the Southland Wastewater Treatment Facility. (2) The District is evaluating alternatives for disposal of treated wastewater. Options looked at included the Mesa Road area, the Blacklake Village and the Kaminaka property near Dawn Road. The Board authorized an appraisal of the Mesa Road property. There is no on-going negotiation with the property owner. The District needed a frame of reference as to the cost of the land if the District were going to discharge treated wastewater at any of the locations listed. The next Southland Wastewater Treatment Facility Update Committee meeting will be February 4, 2008, at 1:00 p.m. in the District Board room. The public is invited to attend and comment. Mr. Buel addressed the discharge and recharge concerns for disposal of wastewater. The District has engaged Fugro West to look into all the aspects of the disposal.

01:18:14

C-2) BATTALION CHIEF BILL FISHER OF CAL FIRE

Battalion Chief Bill Fisher arrived at approx. 10:15 a.m. He provided the public with an update of the activities of Cal Fire on the Nipomo Mesa. He stated that the Operation Santa Claus was very successful this year with the help of Mesa Dunes Mobile Home Park. Some illegal businesses were closed on the DeGroot property for safety reasons. He provided the Board with a report of the emergency responses for December. A copy of the report is available for viewing in the District office. The Board thanked Battalion Chief Fisher for the report.

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES

Approve Minutes of 12/12/07 and 12/19/07 Meetings

D-3) ACCEPT DONNA MILLS RESIGNATION FROM PARKS CITIZENS ADVISORY SUB-COMMITTEE

D-5) APPROVE SANITARY SEWER OVERFLOW PREVENTION PROGRAM IMPLEMENTATION PLAN

**RESOLUTION NO. 2008-1058
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
APPROVING THE SEWER SYSTEM MANAGEMENT PLAN (SSMP)
DEVELOPMENT PLAN AND SCHEDULE**

D-6) SET EDUCATIONAL TOUR MORRO BAY DESALINATION

February 6, 2008 10:00 A.M.

D-7) ADOPT RESOLUTION ACCEPTING THE USE OF NIMS/SEMS/ICS IN RESPONSE TO EMERGENCIES

**RESOLUTION NO. 2008-1059
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE USE OF THE NATIONAL INCIDENT
MANAGEMENT SYSTEM (NIMS) IN RESPONSE TO EMERGENCIES**

D-8) SET OPERATIONS CENTER OPEN HOUSE

D-9) AWARD LOW BID FOR PURCHASE OF PICK UP TRUCK

D-10) AUTHORIZE PURCHASE OF TRAILER FOR UTILITY DEPARTMENT TRACTOR

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D. CONSENT AGENDA (CONTINUED)

D-13) AUTHORIZE ENROLLMENT IN CALIFORNIA URBAN WATER CONSERVATION COUNCIL

D-14) APPROVE 2008 BOARD MEETING SCHEDULE

D-15) AUTHORIZE TRANSMITTAL OF LETTER TO STATE OF CALIFORNIA EXPRESSING CONCERN OVER PROPOSAL TO BORROW LOCAL PROPERTY TAXES

D-16) ACCEPT RELOCATION OF THREE WATER MAINS AND FILE NOTICE OF COMPLETION FOR EACH PROJECT

The Board asked that Items D-4, D-11 and D-12 be pulled for separate consideration. There were questions about the Warrants and a few corrections to the Minutes for the December 12th and 19th meetings. There was one minor change in the resolution in D-7.

Upon motion by Director Vierheilig and seconded by Director Harrison, the Board unanimously approved Items D-1 thru D-3, D-5 thru D-10, and D-13 thru D-16. There was no public comment. Vote 5-0.

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

The Board took a break at 10:46a.m. and returned at 11:01 a.m.

01:53:58

E-9) AUTHORIZE RE-NOTICE OF BLACKLAKE SEWER USER FEE PROTEST HEARING

The Board considered this item at 11:07 a.m.

Bruce Buel, General Manager, recommended that the Board cancel the January 23, 2008 Blacklake Sewer Fund User Fee Hearing.

The following members of the public spoke:

Bill Petrick, NCSD resident – stated his understanding that the notice that was mailed out is no longer valid and the residents will receive a new one. President Winn answered yes.

Ian Wallace, NCSD resident – requested that the new notice be put in an envelope to look more official and not like junk mail.

Upon motion by Director Harrison and seconded by Director Vierheilig, the Board unanimously agreed to staff's recommendation to:

1. Cancel the January 23, 2008 Blacklake Sewer Fund User Fee Hearing.
2. Direct staff to discuss the Sub-Committee's concerns and bring back recommendations regarding potential edits to the Financial Plan at a subsequent Board Meeting.
3. Once the Board has reached closure on any potential edits to the Financial Plan, staff requests authority to re-notice the Protest Hearing.

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

VOTE 5-0.

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01:56:57

D-4) AUTHORIZE EXECUTION OF AMENDMENT OF EXISTING AGREEMENT WITH THE REED GROUP TO PREPARE WATER SYSTEM FINANCIAL PLAN INCORPORATING THE PROPOSED SUPPLEMENTAL WATER PROJECTS AND AMEND FY07-08 BUDGET

At 11:10 a.m. the Board discussed Item D-4.

Bruce Buel, General Manager, explained that work proposed for The Reed Group. He stated that once the Capacity Charge is paid, the District cannot raise the charge but it can refund if desired. The Board wanted to know if the work would produce something meaningful and could the District be challenged over the proposed fees.

Jon Seitz, District Legal Counsel, explained that all charges can be challenged.

There was no public comment.

Upon motion by Director Eby and seconded by Director Trotter, the Board agreed to authorize the President to execute an amendment to the existing agreement with the Reed Group to add the attached Scope of Work and to increase the "not-to-exceed" expenditure limit by \$11,750 and to transfer the \$11,750 from the Town Water Fund Reserves into the Professional Services Line Item. Vote 4-1 with Director Harrison voting no.

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

02:08:30

D-11) AUTHORIZE EXECUTION OF AMENDMENT TO EXISTING AGREEMENT WITH BOYLE ENGINEERING TO EVALUATE SOLAR POWER AT SOUTHLAND WWTF

Bruce Buel, General Manager explained that the Board requested Boyle Engineering to provide a proposal to evaluate solar power alternatives for the Southland Wastewater Treatment Facility. Boyle has submitted the proposal for \$19,587.00.

The Board discussed the matter.

The following members of the public spoke:

Bill Petrick, NCSD resident – stated that this project is an example of the unnecessary expenditures he spoke about earlier. He suggested that the Board look at the possible payback and if the study is worth the money spent.

Director Winn stated that he could not support the study.

Mike Nunley, Boyle Engineering, stated that the proposal was requested by the Southland Wastewater Treatment Facility Upgrade Project Committee.

Upon motion by Director Winn and seconded by Director Harrison, the Board agreed not to approve the proposal. Vote 5-0.

The Board thanked Boyle Engineering for the proposal.

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

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E. ADMINISTRATIVE ITEMS

02:25:35
11:38 a.m.

E-1) REVIEW AND COMMENT ON DRAFT COUNTY RETROFIT PROGRAM PROPOSAL

Bruce Buel, General Manager, explained that the San Luis Obispo County draft water conservation ordinances will be considered by the SLO Board of Supervisors at the Board's January 15, 2008 meeting. The Board discussed the County's possible meaning of "new" water. The Board made several suggestions for changes to the ordinances. Upon motion by Director Vierheilig and seconded by Director Trotter, the Board agreed to authorize the President to support adoption of the proposed ordinances at the subsequent Board of Supervisor hearing(s) with the edits suggested by the Board. There was no public comment. Vote 5-0.

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

02:46:00
11:59 a.m.

E-2) REVIEW AND COMMENT ON DRAFT 2007 NIPOMO MESA WATER AND SEWER UPDATES TO COUNTY RESOURCE SUMMARY REPORT

Bruce Buel, General Manager, explained that draft copies of San Luis Obispo County Staff's proposed Nipomo Mesa Water and Sewer Sections for the 2007 Annual Resource Summary Report will be presented to the SLO County Board of Supervisors at the Board's January 15, 2008 meeting. The Board discussed the report and made several suggestions for changes. Upon motion by Director Trotter and seconded by Director Vierheilig, the Board unanimously agreed to authorize President Winn to present the Board's corrections and positions on the report at the January 15, 2008 Board of Supervisors Hearing. There was no public comment. Vote 5-0.

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

02:58:52

ADJOURN

President Winn adjourned the meeting at 12:12 p.m.

The remaining items will be heard at an adjourned meeting to be held on January 16, 2008.

D-12) RETAIN TUCKFIELD AND ASSOCIATES TO PREPARE NEW EQUITY EQUALIZATION STUDY RELATED TO MERGER OF THE BLACKLAKE AND TOWN WATER FUNDS [RECOMMEND APPROVAL]

The Board agreed to move this item to follow E-2

E-3) AUTHORIZE EXECUTION OF AMENDMENT TO EXISTING AGREEMENT WITH BOYLE ENGINEERING TO FINALIZE WATERLINE INTERTIE PROJECT ENGINEERING MEMORANDUM [RECOMMEND APPROVAL]

E-5) CONSIDER ADOPTION OF WATER AND SEWER MASTER PLAN [RECOMMEND APPROVAL]

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- E-6) INTRODUCE ORDINANCE AMENDING REIMBURSEMENT POLICY AND SET SECOND HEARING FOR 1/23/08 [RECOMMEND APPROVAL]
- E-7) RESTRUCTURE FINANCE, AUDIT AND PERSONNEL COMMITTEE; CONFIRM 2008 COMMITTEE ASSIGNMENTS AND CONFIRM 2008 BOARD MEMBER DELEGATIONS TO AGENCIES [RECOMMEND APPROVAL]
- E-8) CONSIDER PRESIDENT'S PROPOSAL TO SUSPEND PCAS MEETINGS UNTIL AFTER VOTE ON ACTIVATION OF PARKS AUTHORITY [RECOMMEND APPROVAL]
- F. MANAGER'S REPORT
- G. COMMITTEE REPORTS
- H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS
- I. CLOSED SESSION ANNOUNCEMENTS
 1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 SMVWCD VS NCSD SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
 2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSD CASE NO. CV 040877, MARIA VISTA VS. NCSD CASE NO. CV 061079, AND MARIA VISTA VS. LINDA VISTA FARMS, NCSD ET AL. CASE NO. CV 040150;
 3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; MARIA VISTA ESTATES V. NCSD ET AL. (CASE NO. ND07-10362RR IN UNITED STATES BANKRUPTCY COURT, CENTRAL DISTRICT, NORTHERN DIVISION
 4. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; NCSD VS. SLO COUNTY (CASE NO. CV 070066)
- J. PUBLIC COMMENT ON CLOSED SESSION ITEMS
- K. ADJOURN TO CLOSED SESSION
- L. OPEN SESSION
ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION
- **THE NEXT REGULAR BOARD MEETING IS JANUARY 23, 2008.
TENTATIVELY SCHEDULED ITEMS INCLUDE:**
 - User Fee Rate Increase Hearings
 - Capacity Charge Increase Hearing

THE NEXT SPECIAL MEETING IS SCHEDULED FOR JANUARY 30, 2008 AT 6:30PM AT THE FORUM AT NIPOMO HIGH SCHOOL TO DISCUSS EMERGENCY WATER SUPPLY REGULATIONS