

# NIPOMO COMMUNITY SERVICES DISTRICT

*Celebrating 43 - Years of Service 1965 - 2008*

## MINUTES

**JULY 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 VIERHEILIG, **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.

00:00:35

#### B. ROLL CALL

At Roll Call, all directors were present.

00:00:46

#### C. PRESENTATIONS AND PUBLIC COMMENT

##### C-1) COMMANDER BRIAN HASCALL OF SLO COUNTY SHERIFF'S OFFICE

Commander Brian Hascall of the San Luis Obispo Sheriff's Office gave the Board an update on his office's activities on the Nipomo Mesa.

There were ten arrests and six citations during the 4<sup>th</sup> of July weekend. Two were arrested for vandalism of a vacant house on Silver Charm Place. Two people were arrested for theft of thousands of feet of copper wire. School is out for the summer. Be sure to lock car doors. There were five vehicle break-ins in Oceano last weekend.

The Board thanked Commander Hascall for his report.

##### C-2) BATTALION CHIEF BILL FISHER OF CAL FIRE

Battalion Chief Bill Fisher of Cal Fire gave the Board an update on the activities on the Nipomo Mesa. A copy of the outline is available for viewing in the District office.

Station 20 had a total of 95 calls: 17 fires, 9 vehicle accidents, 60 medical calls and 9 other calls. Mesa Station 22 had a total of 22 calls: 14 fires, 3 vehicle accidents, 46 medical and 20 other calls.

The wildland fires are keeping many of the firefighters and equipment busy. A fire prevention program was held at St. Joseph's Church on Father's Day.

The Board thanked Battalion Chief Fisher for his report.

##### C-3) HOWARD MARLOWE OF MARLOWE & COMPANY

Howard Marlowe of Marlowe and Company gave an update on the lobbying efforts to secure federal funding for the supplemental water project. Another member of the firm, Dennis Kern, was in the audience to answer any questions from the Board. Mr. Marlowe stated that it will probably be next March before there is much federal funding action on the project.

The Board thanked Mr. Marlowe for his report.

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C-4) DISTRICT ENGINEER PETER SEVCIK

Peter Sevcik, District Engineer, gave an update on the District Engineer's activities. He reviewed the outline in the Board packet and answered questions from the Board.  
The Board thanked Mr. Sevcik for his report.

C-5) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST  
Receive Announcements from Directors Items of District & Community Interest

Director Vierheilig

Nipomo Native Gardens will be having a work day Saturday July 12, 2008, from 9 am to noon. Bring gloves, some tools and water.

Director Eby

Kiwanis Club will be having a discussion of water in Nipomo at their July 18, 2008 meeting.

C-6) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

D. CONSENT AGENDA

Bruce Buel, General Manager, pointed out a few corrections in Items D-5, D-6 of the Consent Agenda. Director Vierheilig had asked before the meeting for legal counsel to explain the term "due diligence" as used in the construction management agreement in Item D-6. Mike Seitz, District Legal Counsel, explained that the term is similar to promptly or expeditiously.

Director Harrison asked to pull Item D-6 for separate consideration.

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES  
Approve Minutes of 6/25/08 Regular Meeting

D-3) APPROVE PROPOSAL TO SCAN UTILITY BILLING HISTORIC RECORDS

D-4) AMEND ASSISTANT GENERAL MANAGER JOB TITLE

**RESOLUTION NO. 2008-1096  
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT  
AMENDING THE DISTRICT PERSONNEL POLICY TO  
AMEND ASSISTANT GENERAL MANAGER JOB TITLE**

D-5) AUTHORIZE EXECUTION OF WATERLINE INTERTIE PROJECT DESIGN SERVICES AGREEMENT

D-6) AUTHORIZE PROCESSING OF WATERLINE INTERTIE PROJECT CONSTRUCTION MANAGEMENT REQUEST FOR PROPOSAL

D-7) ADOPT PROJECT DEVELOPMENT GUIDELINES

There was no public comment on the Consent Agenda. Upon motion by Director Vierheilig and seconded by Director Harrison, the Board unanimously approved Items D1 – D5 and D7 of the Consent Agenda, as amended. Vote 5-0.

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

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D. CONSENT AGENDA (CONTINUED)

D-6) AUTHORIZE PROCESSING OF WATERLINE INTERTIE PROJECT CONSTRUCTION MANAGEMENT REQUEST FOR PROPOSAL

Director Harrison asked if the District is going to pay Boyle Engineering \$900,000 to design the water line intertie project, then why is there a need for a construction management firm?

Mike Nunley, Boyle Engineering Waterline Intertie Project Manager, explained that it is common practice in a project of this magnitude, to have another set of [engineer's] eyes review the plans for constructability and cost savings' analysis.

Upon motion by Director Eby and seconded by Director Vierheilig, the Board authorized staff to circulate the request for proposals and work with the Supplemental Water Project Committee to recommend the firm to be selected for subsequent Board consideration. There was no public comment on this item. Vote 4-1 with Director Harrison voting no.

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

E. ADMINISTRATIVE ITEMS

00:59:00

E-1) CONSIDER DEBLAUW INTENT-TO-SERVE LETTER APPLICATION FOR RESIDENTIAL SUBDIVISION ON POMEROY

Bruce Buel, General Manager, explained that the District receive an application from Richard and Carolyn DeBlauw for water service to Tract 2734 for a 6-lot subdivision on Pomeroy Rd. and Hunter Ridge Lane. He provided a copy of the latest Water Allocation Summary. (A copy is available for viewing in the District office.) This request can be allocated over a two-year allocation year period.

The following member of the public spoke:

Richard DeBlauw, owner of the project, requested that the Board give a positive response to his request for service.

The Board asked questions and discussed the project.

Director Eby stated that the Allocation Policy and the goals in the District's Mission Statement are in conflict in principle. He stated that he cannot support a project when the District cannot guarantee water availability for 20 years.

Director Trotter stated that there are too many unknowns to provide water at this time.

Upon motion by Director Vierheilig and seconded by Director Harrison, the Board agreed to issue an Intent-to-Serve letter and include allocation for water for four (4) lots this water year and two (2) lots in next water year. Vote 3-2 with Directors Trotter and Eby voting no.

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

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01:17:04

E-2) DISCUSS MECHANICS OF PROPOSITION 218 BLACKLAKE PROTEST PROCEEDING

Bruce Buel, General Manager, explained the response from Mr. Bob Reed of The Reed Group. It would take two months and a cost of approximately \$22,000 to do an analysis such as has been requested. Three rate studies would be required.

The Board discussed that rates should cover expenses. Fifty percent of O & M costs should be in reserve. The District has a funded replacement policy. The Board would like an accounting of the O & M costs through June 30.

The following members of the public spoke:

Bill Petrick, NCS D resident, stated that the Board should fix the problems. He asked if the District has been fair and equitable for not maintaining Blacklake's system. He stated that a one dollar surcharge is legally defensible.

Bill Nelson, NCS D resident – stated that the Blacklake rates up to 2009 were established by a 2005 Reed report. Two separate systems were being operated – Town & Blacklake. The problem was that NCS D did not provide Reed with the proper engineering data to correct the equipment replacement fund. The Blacklake rates should have been higher. In 2006, the systems were tied together. The total amount of water remained the same. The hydro pneumatic tanks or the pumps did not need to be running or maintained. The amount of work for NCS D was cut down. The Blacklake rates should have gone down due to an economy of scale.

The Board discussed the mechanics of the Proposition 218 protest proceeding. The Reed proposal will be received next week and will be included in the July 23<sup>rd</sup> Board packet.

The protests can be submitted until the meeting of July 23<sup>rd</sup>. If less than 293 protests are received, there will be no need to verify signatures. If more than 300 are received, some of the signatures may be verified.

Signature verification can be contracted with the County. It was suggested to contact Tami at Cambria CSD to get pointers for conducting a protest proceeding.

There was no Board action necessary.

01:52:13

E-3) CONSIDER CONDITIONAL BID AWARD AND AUTHORIZE EXECUTION OF CONTRACT FOR RELOCATION OF NCS D'S TEFFT AND THOMPSON WATERLINES DISPLACED BY COUNTY DRAINAGE WORKS ON HAYSTACK CREEK AND AUTHORIZE EXECUTION OF CONSTRUCTION MANAGEMENT AGREEMENT WITH CANNON ASSOCIATES

Peter Sevcik, District Engineer, reviewed the process.

Upon motion by Director Vierheilg and seconded by Director Trotter, the Board unanimously:

- Authorized the General Manager to execute a construction management agreement for the Tefft Street and Thompson Avenue Waterline Relocation Project with Cannon Associates in the amount of \$14,680.

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E-3) CONSIDER CONDITIONAL BID AWARD AND AUTHORIZE EXECUTION OF CONTRACT FOR RELOCATION OF NCSD'S TEFFT AND THOMPSON WATERLINES DISPLACED BY COUNTY DRAINAGE WORKS ON HAYSTACK CREEK AND AUTHORIZE EXECUTION OF CONSTRUCTION MANAGEMENT AGREEMENT WITH CANNON ASSOCIATES (CONTINUED)

- Conditionally award the bid to R. Baker, Inc.
- Authorize execution of a contract with R. Baker Inc. for \$78,300 and authorize staff to issue the Notice to Proceed as soon as the contract is fully executed and all bonds and insurance documents are completed to the satisfaction of the General Manager if no bid protests are received within three business days of the bid opening
- Authorize the General Manager to issue individual Change Orders for up to \$5,000 with an aggregate Change Order total not to exceed \$15,000
- Concur with the County's Mitigated Negative Declaration and authorize staff to file a Notice of Determination
- Shuffle funds from the Blume Street looping project into the waterline relocation project.

Vote 5-0.

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

02:07:53

F. MANAGER'S REPORT

Bruce Buel, General Manager, added information to the Manager's Report presented in the Board packet.

Two calls and an email were received from property owners outside the District on Hetrick Road south of the Summit Station area. Their wells were out of water. The wells are 400 feet deep.

Tuesday, July 15, 2008, the SLO County Board of Supervisors will consider setting a hearing date of August 26, 2008, to consider the Perrett request.

Mr. Buel asked Director Winn to give an update on the Santa Margarita Ranch EIR.

Director Winn stated that NCSD and WRAC submitted letters requesting certification of a 20-year water supply. There is a possibility that the Ranch is negotiating for Nacimiento water. They will be coming to the Planning Commission on July 24<sup>th</sup>.

Interviews were performed this week. Mr. Buel thanked Peter Sevcik and Rick Motley for assisting Tina Grietens with the interviews. Three candidates will be called for a second interview.

The parking lot will be closed July 19 & 20, 2008, for resealing.

All the water companies will have a tiered rate structure. Woodlands has a two-tiered rate structure where the second tier is 100 units of water. Director Winn would like to convince them to make the second tier 70 or 80 units. Supervisor Achadjian is trying to set up a meeting for August.

02:19:11

G. COMMITTEE REPORT

The Supplemental Water Committee will be meeting August 11, 2008.

02:19:30

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Vierheilig

He asked if the District objected to one digging up the water meter box on one's property and installing aluminum screening to deter gophers from filling up the meter boxes.

He asked if the District could re-visit the Water Allocation Policy.

He stated that the Miller Park transfer of title is progressing slowly. Director Winn said that directors could go door-to-door asking if residents would be willing to pay for park activities.

Director Eby

He stated that the Water Allocation Policy could be considered after the Fall water level readings.

Director Winn

He stated that CSDA SLO County Chapter annual meeting will be Friday, July 11.

The Planning Commission meeting will be July 24<sup>th</sup>.

The August 26, 2008 Board of Supervisors meeting will be discussing the Perret detachment request. He stated that the SCAC (South County Advisory Commission) needs to reply. Letters need to be delivered by July 18<sup>th</sup>.

I. CLOSED SESSION ANNOUNCEMENTS

There was no need to go into Closed Session.

ADJOURN

President Winn adjourned the meeting at 11:44 a.m.

➤ **THE NEXT REGULAR BOARD MEETING IS JULY 23, 2008.**

**TENTATIVELY SCHEDULED ITEMS INCLUDE:**

- Blacklake Water Division Rate Change Protest Hearing
- Scoping Hearing for WIP EIR