

# NIPOMO COMMUNITY SERVICES DISTRICT

*Celebrating 43 - Years of Service 1965 - 2008*

## MINUTES

**AUGUST 13, 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, **FINANCE DIRECTOR/AGM**  
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

At Roll Call, all directors were present.

#### C. PRESENTATIONS AND PUBLIC COMMENT

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

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

On August 12, 2008, there was an assault on a woman. The perpetrator came through an unlocked window.

Two gang members (Soares and Sebastian) were arrested on August 7, 2008.

Graffiti is on the increase, mostly in Oceano. Thefts from unlocked vehicles have been more frequent during the summer months.

The Board thanked Commander Hascall for the report.

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

In Battalion Chief Bill Fisher's absence, Captain Felix Camacho gave the update of Cal Fire activities on the Nipomo Mesa.

Nipomo Station 20 had a total of 106 calls: 16 fires, 10 vehicle accidents, 53 medical aids and 27 various other calls.

Mesa Station 22 had a total of 55 calls: 4 fires, 5 vehicle accidents, 30 medical aids and 16 other calls.

There were three structure fires. The occupants of the fire in the travel trailer were able to escape uninjured. Captain Camacho reminded the audience to test smoke alarms monthly and replace the batteries at least once a year.

This area is in the middle of fire season. The firefighters from Nipomo have returned after 30 straight days of battling the lightening strike fires.

**Nipomo Community Services District  
REGULAR MEETING  
MINUTES**

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

Defensible space around houses needs to have a 30-100 foot clearance.  
It is tentatively scheduled to have a chipping event in the Suey Canyon area early in September.  
The construction of the Nipomo Fire Station is on schedule. Completion is expected in March, 2009.  
Volunteer workers have been trained on rope rescue.  
The Board thanked Captain Camacho for his report.

## C-3) JAN DI LEO OF SLO COUNTY PARKS

Update re: Community Park Revision Environmental Review

Ms. Jan DiLeo presented an update on the Nipomo Community Park Master Plan. The County is planning to prepare an environmental impact report on the Master Plan. She said a Request for Proposal (RFP) for the EIR preparation will be sent out in late August. At a request from the Directors, she agreed to send a copy of the RFP to NCSD staff for distribution to Board. She stated she had met with two Nipomo groups concerned with a community center in the park. They looked at several possible options to be included. A hand-out was provided to the public titled "Preliminary Community Center Input".

Ms. DiLeo thanked the participants for making this a public process. She stated she hopes this will unify the community. The Board asked a few questions about possible sites for the community center. The Board discussed the map provided by Ms. DiLeo.

The Board thanked Ms. DiLeo for her report.

## C-4) DISTRICT ENGINEER PETER SEVCIK

Update re: District Engineer Activities

District Engineer Peter Sevcik gave an update of recent activities. He reviewed the outline in the Board packet and answered questions from the Board.

Southland WWTF Upgrade	Safety Program
Water and Sewer Master Plan Implementation	Monthly compliance reports
Santa Maria Waterline Intertie Project	Development review
Waterline Relocation for County Drainage Project	

Mr. Sevcik answered questions from the Board. The Board thanked Mr. Sevcik for his report.

## C-5) DIRECTORS' ANNOUNCEMENTS OF DISTRICT &amp; COMMUNITY INTEREST

Receive Announcements from Directors Items of District & Community Interest

Director Vierheilig

US Fish and Wildlife Service is looking to list about 30,500 acres for critical habitat for an endangered plant (thistle) from Arroyo Grande Creek to Santa Ynez. They are looking for comments on the listing. Their website is FWS.gov/Ventura for more information. Comments need to be in by October 6, 2008.

Director Eby

The LAFCo's August 21, 2008 meeting has been canceled. Next meeting will be held Sept. 18<sup>th</sup>.

Piano concert to be held at the Dana Adobe September 21, 2008, 3-6:00 p.m. He has tickets for \$18.50.

## C-5) DIRECTORS' ANNOUNCEMENTS OF DISTRICT &amp; COMMUNITY INTEREST (CONT.)

Director Winn

- San Luis Obispo County Board of Supervisors met August 12, 2008. One significant item on the agenda was a proposal to transfer critical operations from the Planning Commission to a staff member or the all-staff Subdivision Review Board.
- Planning Commission has the following issues in process:
  - Inclusionary Housing,
  - Santa Margarita Ranch ag subdivision cluster housing,
  - Framework Document
- August 21, 2008, Nipomo Mesa Management Association (Technical Group) will be discussing drought triggers.
- August 26, 2008, Board of Supervisors will consider the proposed Perrett detachment north of the Santa Maria River.
- August 13, 2008, Pismo meeting discussing the use of the Oceano Dunes by the off-road vehicle business. From the years 2000 to 2007, there have been 18 people killed on the dunes and over 300 injuries reported per year. There have been four vehicular deaths thus far this year.
- As vehicles drive back and forth on the Dunes, the crust is broken down on the dunes and particulate matter is released into the atmosphere. Nipomo is the only community that is taxed on the amount of particulate matter blown (in part from the recreational vehicles) into Nipomo. The Air Pollution Control District fees should be paid by the people participating in that kind of activity.

## C-6) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

Kathy Kubiak, President of Olde Towne Nipomo Association, spoke to the Board regarding the proposed Jim O. Miller Park, proposed for the parcel of land owned by the County. The process is in limbo now because of changes in the Park Department and General Services. Ms. Kubiak asked the Board to appoint an emissary to lobby the Board of Supervisors.

Jim Tefft, Nipomo resident, congratulated and thanked Directors Eby and Winn for the Board position and all the work accomplished by this Board. He asked the Board to continue efforts for the proposed Jim O. Miller Park. The Olde Towne Design and Circulation Plan was approved in 1999. He volunteered the group's services in the efforts to complete the project. He thanked the Board.

Bruce Buel, General Manager, stated the latest correspondence with the County was concerning the property west of the Nipomo Community Services District building. County staff has requested documentation of our easements and encumbrances on that property. The District has contracted with the Wallace Group to locate the easements, including the area around the sewer lift station. The investigation should be complete by the end of August and the information given to SLO County General Services.

**Additional item for agenda**

Staff asked to add an item to the agenda. A situation arose after the agenda notice period and there was a need for action before the next meeting. The owner of a farming operation south of the Southland wastewater facility has applied for a permit to apply ethyl bromide on the farm. The farming operation must have permission from the adjoining properties considered as the outer zone.

Nipomo Community Services District  
REGULAR MEETING  
MINUTES

**Additional item for agenda** (continued)

Staff asked the Board for findings that this item arose after the notice period for this meeting and that there is a need for NCSD Board action at this meeting since the applicant wants to apply the chemical on Friday, August 15, 2008.

Jon Seitz, District Legal Counsel, explained that staff is not asking for action on the item at this time but to request to put the item on the agenda for discussion.

Upon motion by Director Vierheilig and seconded by Director Trotter, the Board agreed to add an item to the agenda pursuant to the findings that this item arose after the notice period for this meeting and that there is a need for NCSD Board action at this meeting. There was no public comment. Vote 4-1, with Director Winn voting no.

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

Mr. Buel stated that the item would be considered as E-7.

AUTHORIZE APPROVAL OF PERMISSION FOR SUCCESS VALLEY PRODUCE TO APPLY METHYL BROMIDE.

01:08:00

**D. CONSENT AGENDA**

Bruce Buel, General Manager, made some corrections to the Minutes of the July 23, 2008 meeting. Director Harrison requested that Items D-3 and D-4 be pulled for separate consideration.

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES  
Approve Minutes of 7/23/08 Regular Meeting

D-3) CANCEL REMAINDER OF AGREEMENT WITH MARLOWE AND COMPANY FOR LOBBYING SERVICES

D-4) RESOLUTION INCREASING DAILY LIMIT EXPOSURE OF AUTOMATIC CLEARING HOUSE (ACH) FOR DEBIT AND CREDIT TRANSACTIONS FOR BILLING AND PAYROLL VIA RABOBANK

Upon motion by Director Eby and seconded by Director Harrison, the Board unanimously approved Item D-1 and D-2 of the Consent Agenda, as amended. There was no public comment. Vote 5-0.

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

*ITEMS FOR SEPARATE CONSIDERATION*

D-3 CANCEL REMAINDER OF LOBBY AGREEMENT WITH MARLOWE AND COMPANY FOR LOBBYING SERVICES

Director Harrison asked if it was a good idea to hire the lobbying service in the first place, why is it not now; and will the District continue the lobbying efforts after the first of the year?

Nipomo Community Services District  
REGULAR MEETING  
MINUTES

D. CONSENT AGENDA (CONTINUED)

D-3) CANCEL REMAINDER OF LOBBY AGREEMENT WITH MARLOWE AND COMPANY FOR LOBBYING SERVICES (CONTINUED)

Bruce Buel, General Manager, explained that the efforts need to be continued. Canceling the contract now will cause a period during which the District is not represented.

The Board discussed the matter. Director Trotter commented that, in his experience, it is important to have a consistent presence in Washington.

Upon motion by Director Vierheilg and second by Director Eby, the Board agreed to terminate the agreement with Marlowe and Company and directed staff to send notification of such. There was no public comment. Vote 4-1, with Director Harrison voting no.

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

D-4) RESOLUTION INCREASING DAILY LIMIT EXPOSURE OF AUTOMATIC CLEARING HOUSE (ACH) FOR DEBIT AND CREDIT TRANSACTIONS FOR BILLING AND PAYROLL VIA RABOBANK

Bruce Buel, General Manager, explained that the District currently uses the Automatic Clearing House feature offered by Rabobank. The current daily limit is \$60,000.00. It has been recommended to increase the limit to \$120,000 to allow for "Auto Pay" for customer accounts, payroll, and payroll taxes.

Upon motion by Director Trotter and seconded by Director Eby, the Board unanimously adopted Resolution 2008-1098. There was no public comment. Vote 5-0.

**RESOLUTION NO. 2008-1098**  
**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT INCREASING DAILY LIMIT EXPOSURE AUTOMATIC CLEARING HOUSE (ACH) ORIGATION FOR DEBIT AND CREDIT TRANSACTIONS FOR BILLING AND PAYROLL VIA RABOBANK**

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

E. ADMINISTRATIVE ITEMS

01:26:31

E-1) AUTHORIZE NEGOTIATION OF AGREEMENT WITH CANNON ASSOCIATES FOR DESIGN OF THE FIRST PHASE OF THE WATER MAINS IN THE PROPOSED WILLOW ROAD EXTENSION OR TAKE ALTERNATE ACTION

Bruce Buel, General Manager, gave the Board, and made available to the public, a list of the firms that responded to the Willow Road Waterline Design and Construction Management Proposal. The Board discussed what services would be provided for the proposed \$124,300. The Scope of Services includes project management, preliminary engineering, design and construction document, bid support, construction engineering services from Misty Glen to Hetrick. Seven firms submitted proposals.

There was no public comment. Upon motion by Director Vierheilg and seconded by Director Eby, the Board unanimously authorized staff to issue a task order to Cannon Associates for ratification at the August 27, 2008 meeting in the not-to-exceed amount of \$124,300. Vote 5-0.

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

*The Board took a break at 10:42 a.m. and resumed the meeting at 10:56 a.m.*

E-2) NOT USED

Item E-3 was moved to be considered after Item E-6.

*NOTE: AGENDA ITEMS E-4 THROUGH E-6 ARE NOT EXPECTED TO START BEFORE 10:30AM*

01:43:22

E-4) RECEIVE REPORT FROM FINANCE AND AUDIT COMMITTEE AND CONSIDER OPTIONS FOR PROVIDING WATER SERVICE TO BLACKLAKE

Bruce Buel, General Manager, stated that the Board, on July 23, 2008, referred the development of a scope of work and options for providing water service to Blacklake that avoid negative rate impacts on Town water customers to the Finance and Audit Committee. He noted that the minutes to the August 5<sup>th</sup> meeting of the Finance and Audit Committee are in the packet and a draft of the minutes of the August 11, 2008 Committee meeting was forwarded to the Board and made available at the present meeting. Director Trotter stated that it is not practical or desired by the Blacklake community that the system remains a stand-alone system. Director Eby stated that when the Reed Study was prepared several years ago, the rates were set to boost the reserves of the Town Division and the Blacklake Division to a certain level. At that point, the reserves for Blacklake were much lower than the Town Division's reserves. He asked if the two were not combined, what would be the rates of the two; and if the two were combined, what would the rates be given the same ground rules having the same percentage of reserves. He stated that the only purpose of doing the stand-alone analysis is to get a baseline, just as a comparison. The "big" Reed proposal would probably answer that question but would the "small" proposal? Mr. Buel stated that the "big" study would answer quite a few questions, such as what the costs would be if Blacklake is unwilling to pay for any merger. The "small" study could possibly answer the question of the "tip point" that would insure that neither division would be subsidizing the other division, in terms of rates. Director Vierheilig explained that the Finance Committee looked at the funded replacement fund and tried to get them to the same percentage levels, with the exception of water reserves. District policy is 50% but sometimes the Town Division's reserves were over 100% for O & M expenses.

The following members of the public spoke:

Mark Westfall, NCS D resident, complimented the committee for its very good working relationship established. He stated that when the initial proposal of \$1,692 was proposed, there was no mention of the effect on the Town Division rates. He also stated that the Blacklake Division brings tangible assets to the Town Division such as excess water from the wells.

Curt Curtis, NCS D resident, stated that the group and the committee discussed that the Blacklake Division is built out and will not need many upgrades in the future. The capacity fees could cover the Misty Glen connection.

Pat Eby, NCS D resident, stated that there was great communication in both committee meetings. She requested that the numbers on the proposal be validated. It was felt that all three options seem to be viable and can be defended. A study is not needed. If one of the three options is chosen, she stated she would not lead a Prop 218 protest. She suggested looking at how much the Town Division would pay if Blacklake is not part of a combined system.

Nipomo Community Services District  
REGULAR MEETING  
MINUTES

E-4) RECEIVE REPORT FROM FINANCE AND AUDIT COMMITTEE AND CONSIDER  
OPTIONS FOR PROVIDING WATER SERVICE TO BLACKLAKE (continued)

Bill Nelson, NCSD resident, also complimented the committee for action taken at the meetings. He stated that it would be a win-win situation if the two systems were merged. The Town system will win by having a more reliable system and a slightly lower rate because there would be more customers in the system. Nipomo Community Services District will win because there will be a less complicated system to maintain (no hydro-pneumatic tank). Blacklake will win because it will have higher pressures in the pipes and be able to meet State fire flow and maximum daily demand requirements using the pressure by the quad tanks. He stated that he thinks the biggest complaint seems to be the idea that the capacity fees collected before the systems were merged is not fair to Blacklake and would like the District to consider that.

Director Trotter stated that he was disappointed that the two committees did not recommend a specific Blacklake "Buy-in" plan. The committee quit too soon.

The Board discussed the amount of water from the Blacklake wells and the use of the water. The Board discussed with Mr. Reed about reducing the costs of the proposed study. The Board discussed to use the various numbers (determined by Bob Reed, with certain items taken away by Vierheilg and Pat Eby) and find out how they affect the Town Division and the Blacklake Division.

Upon motion of Director Harrison and seconded by Director Vierheilg, the Board unanimously agreed to hire The Reed Group with a not-to-exceed amount of \$17,500 to find out what the rates would be for both divisions if they are not consolidated, what they would be combined, and what the buy-in costs would be to have no negative impact on either division using current numbers. Both divisions will pay for the study at 85%-15%. Vote 5-0.

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

*The Board took a break at 11:57 a.m. and resumed at 12:04 p.m.*

02:44:24

E-5) RECEIVE PRESENTATION FROM RATE CONSULTANT RE POTENTIAL INCREASES  
IN TOWN WATER CAPACITY CHARGES FOR NEW DEVELOPMENT'S SHARE OF  
WATERLINE INTERTIE PROJECT AND SET ADOPTION HEARING

Bruce Buel, General Manager, explained that an analysis of the capacity charges for the Town water system and for supplemental water was requested by the Board.

Bob Reed of The Reed Group, Inc., prepared the analysis in a report entitled "Capacity Charges for Town Water System and for Supplemental Water". He presented a series of slides:

- Water Capacity Charges –
  - Town water system distribution system buy-in capacity charge
  - Supplemental water capacity charge
    - Santa Maria MOU water supply
    - Nipomo waterline intertie project
    - Desalinization project
- Town Buy-In Capacity Charge
  - New customers "buy-in" to the capacity in the existing water distribution system: Value of existing system / No. of existing customers
  - Calculation include depreciated replacement cost of existing assets, capital reserves, and adjustments for outstanding debt
  - Calculation excludes water supply facilities

**Nipomo Community Services District  
REGULAR MEETING  
MINUTES**

E-5) RECEIVE PRESENTATION FROM RATE CONSULTANT RE POTENTIAL INCREASES IN TOWN WATER CAPACITY CHARGES FOR NEW DEVELOPMENT'S SHARE OF WATERLINE INTERTIE PROJECT AND SET ADOPTION HEARING (continued)

- Buy-In Capacity Charge Schedule
- Supplemental Water Capacity Charge
  - New customers pay for supplemental water capacity:  
Cost of System Expansion / No. of new customers
  - Calculation includes estimated cost of future supplemental water supply projects
- "No Impact" Supply Mix -
  - 44% of groundwater and 56% supplemental water results in no net impact to groundwater basin
- Supplemental Water Projects
  - Santa Maria MOU and Nipomo Intertie Pipeline
  - Up to 3000 AF annually
  - \$1,250 per AF for water (O&M and capital)
  - \$31.7 million for Intertie Pipeline and related improvements
- Desalinization Project
  - Up to 6,300 AF annually
  - \$88.6 million for desalinization plant
- Current and Future Demand
- Supplemental Water Needs
- Supplemental Water Capacity Charge
- Supplemental Water Capacity Charge Schedule

There was no public comment. The Board discussed portions of the report. Upon motion by Director Eby and seconded by Director Vierheilig, the Board unanimously agreed to set a hearing for September 10, 2008, and directed staff to make the report available to the public, Home Builders Association, environmental groups, and the County's Economic Advisory Council. Vote 5-0.

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

03:33:05

E-6) RECEIVE PRESENTATION FROM RATE CONSULTANT RE POTENTIAL INCREASES IN BLACKLAKE SEWER USER FEES AND FORWARD PROPOSAL TO BLACKLAKE AREA OVERSIGHT ADVISORY COMMITTEE FOR COMMENT

Bruce Buel, General Manager, provided an overview of the report from The Reed Group, Inc. entitled "Blacklake Sewer System Financial Plan and User Rates".

Bob Reed, of The Reed Group, Inc., reviewed the slide presentation:

- Current Situation
  - The Blacklake sewer system continues to be in a weak financial condition
    - Previously recommended rate increases were not adopted
    - Current operating expenses and transfers exceed revenues, and the balance in the Operating Fund is only about \$15,000
    - The Funded Replacement Fund has a negative balance of \$143,000.
- Revenues and Expenses
- Financial Plan Assumptions
- Capital Project Funding
- Blacklake Sewer Loan Surcharge



**Nipomo Community Services District  
REGULAR MEETING  
MINUTES**

E-6) RECEIVE PRESENTATION FROM RATE CONSULTANT RE POTENTIAL INCREASES IN BLACKLAKE SEWER USER FEES AND FORWARD PROPOSAL TO BLACKLAKE AREA OVERSIGHT ADVISORY COMMITTEE FOR COMMENT (CONTINUED)

- Proposed Overall Blacklake Sewer Rate Increases
- Proposed Blacklake Sewer Rates
- Alternative Blacklake Sewer Rates
- Next Steps
  - ◇ Incorporate any revisions based on Board/staff direction and comments
  - ◇ Meeting (conf. call) with Blacklake representatives
  - ◇ Board meeting – September 10<sup>th</sup>
  - ◇ Mail notice of proposed rates
  - ◇ Public hearing – November 12<sup>th</sup>
  - ◇ Implement in January 2009

The Board discussed needing the findings that multi-family and single-family rates should be the same.

The following members of the public spoke:

Bill Nelson, NCSD resident, stated that he supports staff's recommendation to talk with the Blacklake community. There have been substantial increases in District expenses, such as the addition of a District Engineer, Utility Superintendent and utility workers. The Replacement Fund includes the Golf Course trunk line rehab in 2010. The rehab was originally suggested in 2007, at a cost of \$90,000. The Board should increase that amount by 3% per year. He suggested that staff look at a lift station in Blacklake that needs rehabbing, at an approx cost of \$50,000.

Curt Curtis, NCSD resident – stated that he will be happy to work with the folks in Blacklake to help present the facts.

The Board discussed the G & A percentage for the Blacklake sewer, and the General Manager explained that the G & A proration for Blacklake was consistent with NCSD accounting practices. Unexpected expenditures need to be kept in mind.

President Winn appointed Director Trotter and himself as an ad hoc committee to make a presentation to the Blacklake Master Association.

04:19:06

E-7) TO AUTHORIZE ADDITIONAL APPROVAL OF PERMISSION FOR SUCCESS VALLEY PRODUCE TO APPLY METHYL BROMIDE

Ed Higashi, from Success Valley Produce, explained that the company has a strawberry farm on Orchard Road in Nipomo and is planning to fumigate with Methel Bromide, Saturday, August 16, 2008. There is a 36-hour re-entry interval. He asked that the District's workers not enter the area (which is a buffer zone) for 12 hours nor to work in the area for a 24-hour period.

The Board asked questions. Mr. Higashi stated that some of the written materials requested by the Board were out in his vehicle. The Board took a break at 1:53 p.m. in order for Mr. Higashi to retrieve the written materials. The Board returned at 2:04 p.m. Copies were distributed to the Board.

Nipomo Community Services District  
REGULAR MEETING  
MINUTES

E-7) TO AUTHORIZE ADDITIONAL APPROVAL OF PERMISSION FOR SUCCESS VALLEY  
PRODUCE TO APPLY METHYL BROMIDE (CONTINUED)

The Board discussed the notices of application. Jon Seitz, District Legal Counsel, explained that the Board may grant a license for one time only for this applicant; the District is not establishing a precedence for the applicant or the surrounding properties; the license will extend from August 15 to August 22, 2008; and the applicant will provide to the District all notices of application. In the future, any similar applicant should give notice at least 21 days in advance.

Upon motion by Director Harrison and seconded by Director Eby, the Board approved a one-time license to the applicant with all the conditions cited by Mr. Seitz. Vote 5-0.

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

The Board went to Closed Session next.

04:50:27

I. CLOSED SESSION ANNOUNCEMENTS

Jon Seitz, District Legal Counsel, announced the following to be discussed in Closed Session.

1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 SMVWCD VS. NCSO (SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES).
2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSO (CASE NO. CV 040877), MARIA VISTA VS. NCSO (CASE NO. CV 061079), AND MARIA VISTA VS. LINDA VISTA FARMS, NCSO ET AL. (CASE NO. CV 040150);
3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; MARIA VISTA ESTATES VS. NCSO ET AL. (CASE NO. ND07-10362RR IN UNITED STATES BANKRUPTCY COURT, CENTRAL DISTRICT, NORTHERN DIVISION)
4. PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957 – GENERAL MANAGER ANNUAL REVIEW

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

K. ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 2:20 p.m. Director Trotter left the meeting.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 3:16 p.m. Jon Seitz, District Legal Counsel, announced that the Board heard an update on Items 1 through 3, but took no reportable action. Item 4 – The Board conducted the review of the General Manager. Due to the absence of Director Trotter, the Board continued the item until a full Board meets to finalize the review.

Nipomo Community Services District  
REGULAR MEETING  
MINUTES

04:53:08

E-3) AUTHORIZE SUBMISSION OF VOTE FOR OPEN CSDA BOARD SEAT

Bruce Buel, General Manager, described the candidates for the open seat to the California Special District's Association Board. The Board discussed the different candidates.

Upon motion by Director Eby and seconded by Director Harrison, the Board unanimously authorized the General Manager to cast a vote on behalf of Nipomo Community Services District for candidate Tim Ruiz. Vote 4-0, with Director Trotter absent.

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

04:56:57

F. MANAGER'S REPORT

Bruce Buel, General Manager, added to the report presented in the Board packet: Rick Richard will be coming to work for the District in the maintenance department Monday, August 18, 2008. Both new employees, Messrs. Richard and Davison, will be introduced at the next meeting.

The Board of Supervisors will be holding a hearing next Tuesday, August 19, 2008, regarding retrofit on resale regulations.

The Perret detachment proposal will be considered at the Board of Supervisors meeting, August 26, 2008.

The Board had a few questions and thanked Mr. Buel for the report.

04:59:40

G. COMMITTEE REPORT

1. 7/21/08 Water Conservation Committee Meeting
2. 8/4/08 Southland WWTF Upgrade Project Meeting
3. 8/5/08 Finance and Audit Committee Meeting

The Committee Reports are as presented in the Board packet. The minutes to the August 11, 2008 Finance and Audit Committee meeting will be in the next meeting's packet.

Director Eby stated that the Supplemental Water Committee reviewed the construction management proposals at their August 11, 2008 meeting.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORT

Director Vierheilig

The members of the Olde Towne Nipomo Association are looking for a representative to talk with the Board of Supervisors concerning the Jim O. Miller Park. Director Winn stated that he will be meeting with Supervisor Achadjian Friday, August, 15, 2008.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORT

Director Eby

- He stated that he read the minutes of the January 23, 2008 meeting concerning the Boyle Report about the disposal of effluent from Wastewater Treatment Facility. The Mesa site was not completely ruled out.
- Cambria had a 3-year drought in the 1800's, lost all their cows and has never been the same as a major California dairy products area. He compiled some information about other 3-year droughts in this area. He would like the Board to realize the effect of consumptive use now is greater than in the past. Future groundwater pumping on the Mesa will have a much greater effect on the groundwater in storage with the greater consumptive use today.

Director Winn

- He would like to have staff ask Commander Hascall if he has comments on the protection of the avocados in Mr. Perrett's orchard. Mr. Perrett suggests there is not enough law enforcement.
- In the detachment – what is the plan for crop protection? Ask County Planning to tell the Board how Williamson Act contracts can be terminated.
- He stated that it is not too late to be thinking about creek clearance permits. The CCC does not get clearance permits. Even though we do not have drainage powers, the District needs to coordinate with the County for waste removal. Who can get the creek clearance accomplished?
- He stated that the City of Santa Maria may not sell us supplemental water beyond the initial 3,000 afy if we oppose the Perrett detachment.
- He would like staff to confirm that there will actually be an October Festival. Director Harrison stated that the information he received confirmed it.
- The Conservation Sub-Committee continues to meet. He would like more focus on the big institutional water users.
- The pipeline under the river may be smaller and may affect rates.

## ADJOURN

President Winn adjourned the meeting at 3:47 p.m.

- **THE NEXT REGULAR BOARD MEETING IS AUGUST 27, 2008.**  
**TENTATIVELY SCHEDULED ITEMS INCLUDE:**
- Southland WWTF Upgrade Project
  - Honey Grove Subdivision Reimbursement Request Hearing