

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 43 - Years of Service 1965 - 2008

MINUTES

JANUARY 14, 2009 AT 9AM

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

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

PRINCIPAL STAFF

BRUCE BUEL, **GENERAL MANAGER**
LISA BOGNUDA, **ASST. 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 Harrison called the January 14, 2009 Regular Meeting of the Nipomo Community Services District Board of Directors 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 presented an overview of recent Sheriff Department activities on the Nipomo Mesa.

January 7, 2009, Roman Bickford was murdered at the Pismo Beach Golf Course. A suspect, Michael Scott Recio, was arrested. Cmdr. Hascall is asking the public to report any information they may have concerning this case to 781-4500.

There was a burglary in the 100 block of Sunridge Lane. Antique fire arms and jewelry were among the items taken.

A purse was taken from a residence in the 1100 block of Noyes Road and was recovered in the 1000 block of Meadow Lane.

January 1, 2009, a man was found passed out in his car at 10:15 a.m. in the 1800 block of Pomeroy. There were three children, ages 7, 5, and 3 months, in the car.

As the problems with the economy increase, the crime rate also increases. It is important to help prevent petty theft from your vehicles to remove valuables and keep vehicles locked.

The Board thanked Cmdr. Hascall for his presentation.

C-2) BATTALION CHIEF BILL FISHER OF CAL FIRE

Battalion Chief Bill Fisher presented the Board with a copy of the December 2008 Cal Fire activity report for Nipomo Mesa. A copy of the report is available for viewing in the District office.

There were a total of 1,220 calls for Nipomo Station 20 and 759 for Mesa Station 22 for the 2008 year.

For December 2008, Nipomo Station 20 had a total of 116 calls: 9 fires, 9 vehicle accidents, 65 medical aids and 33 other calls.

Mesa Station 22 had a total of 62 calls: 6 fires, 4 vehicle accidents, 35 medical aids and 17 other calls.

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

Firefighter drilled on low angle rescue and had company elections.

A chipping program is scheduled for Feb. 26-27, 2009, for the Suey Creek area. Nipomo area chipping will occur in April and May.

The Board thanked Battalion Chief Fisher for his presentation.

C-3) PAAVO OGREN OF SLO COUNTY PUBLIC WORKS

Will Clemens, Dave Flynn and Daley Ramey, representatives from San Luis Obispo County Public Works Department, presented information concerning the funding for the Willow Road Extension project. There will be a community workshop held at Nipomo High School February 19, 2009, explaining the project and options for funding and to receive public input. A copy of the slides is available for viewing in the District office. The representatives agreed that the cost for the project is approximately \$42 million. There is funding available now for about \$30 million. The remaining funding is yet to be determined. Some potential options are (1) Assessment District, (2) Ad Valorem Tax, and (3) Parcel Tax.

Mr. Clemens stated that an economic stimulus package is predicted and may include \$30 billion for highways and bridges. Trickle down may include \$3 billion for California, with \$15 million for San Luis Obispo County.

The Board had various questions for the County representatives. When asked about the 28 acres of trees that would be removed to complete the project, the answer included making an oak woodlands area. The directors agreed that the Prop 218 protest of local funding for the project would probably succeed. The Board asked to be provided with a cost breakdown of the proposed Park N' Ride area.

The following members of the public spoke:

John Snyder, Nipomo resident, stated that he felt passing a vote for funding would be difficult. He stated that Cal Trans would not allow half an interchange that may have saved money initially. He proposed alternate routes, possibly with a frontage road.

Doug Wood, EIR consultant, explained that this interchange needed to be built the way it is proposed because of the probability of archeological artifacts in the area.

The Board thanked Mr. Flynn, Mr. Clemens and Mr. Ramey for their presentation.

C-4) DISTRICT ENGINEER PETER SEVCIK

Update re: District Engineer Activities

Peter Sevcik, District Engineer, reviewed the information presented in the Board letter outline of District Engineer activities for November 2008.

- o Southland Wastewater Treatment Facility Upgrade
- o Water and Sewer Master Plan Implementation
- o Santa Maria Waterline Intertie Project
- o Willow Road Waterline Extension Phase 1 Project
- o Waterline Relocation for County Drainage Project
- o Sewer System Management Plan
- o Sundale Well
- o Safety Program
- o Development Oversight
- o County Safe Routes to School Project, well reports, compliance reports, etc.

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C-4) DISTRICT ENGINEER PETER SEVCIK (CONTINUED)

Mr. Sevcik included two attachments in his report – "NCSD Production Well Water Level and Rainfall" and "NCSD Production Well Pumping Status".
Mr. Sevcik answered questions from the Board.

The following member of the public spoke:

John Snyder, Nipomo resident, stated he thinks it is exciting to have 12 readings per well per year. He suggested taking 24 readings – pump on and pump off every month or twice a month.

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

Director Vierheilig

Nipomo Incorporation Committee for Education (NICE) meeting to be held Thursday, January 22nd at 6:00 p.m. in the Nipomo Library.

Director Eby

LAFCo meeting January 15, 2009: They will be electing two public members. Also, there is an opening for re-election of special district members. Results of the Sphere of Influence survey will be discussed.

February 20th there will be Avila Beach services review.

Celebration at the Dana Adobe, Friday, January 16, 2009, 3:00 p.m. Sam Blakeslee will be there. There will be a tour of the newly acquired property.

Director Winn

Mr. Winn and Mr. Buel will be attending a seminar at UCLA concerning water law and state law. Supervisor Achadjian will be meeting with Mr. Buel and Mr. Winn, Thursday, January 29, 2009.

Conference call voting is possible for the LAFCo elections.

Water Resources Advisory Committee meeting February 4, 2009, in the San Luis Obispo City Council Chambers will be huge. Conservation and Open Space Element update; report on proposed Laetitia ag cluster, wells might be impacted, proposal to add development on the west side.

There will be a meeting Thursday, January 16, 2009, with Supervisor Achadjian and the other NMMA purveyors.

C-6) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

01:29:31

D. CONSENT AGENDA

Bruce Buel, General Manager, stated that there were some corrections needed in the Consent Agenda. In the Warrants presented - the number of the voided check should have been 19530, not 15870. In D-3, a February 27th retreat is planned and should be added to the list of meetings.

Director Eby asked to pull Items D-5 and D-6 for separate consideration.

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES
Approve Minutes of 12/10/08 Regular Meeting

D-3) CONFIRM 2009 MEETING SCHEDULE

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D. CONSENT AGENDA (CONTINUED)

D-4) CONFIRM CONFLICT OF INTEREST CODE

RESOLUTION NO. 2009-1115
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT VERIFYING
ITS ANNUAL REVIEW AND RE-ADOPTION
OF ITS CONFLICT OF INTEREST CODE

D-5) CONFIRM INVESTMENT POLICY

D-6) RATIFY 2009 COMMITTEE/LIASION ASSIGNMENTS

D-7) ACCEPT TEFFT/THOMPSON UTILITIES RELOCATION PROJECT

D-8) AMEND FY08-09 BUDGET AND TRANSFER RESERVES RE NEW LITIGATION

RESOLUTION NO. 2009-1116
A RESOLUTION OF THE NIPOMO COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS
AMENDING THE DISTRICT BUDGET TO PROVIDE FOR PROSECUTION OF THE LITIGATION
APPROVED ON DECEMBER 10, 2008

D-9) AUTHORIZE EXECUTION OF AMENDMENT TO WATERLINE INTERTIE PROJECT
FINAL DESIGN AGREEMENT TO ADD DESIGN OF FRONTAGE SEWER
COLLECTION MAIN

D-10) APPROVE PARTICIPATION IN PREPARATION OF NMMA ANNUAL REPORT BY
TECHNICAL GROUP

D-11) AUTHORIZE DIRECTOR TRAVEL TO WASHINGTON DC

Upon motion by Director Winn and seconded by Director Eby, the Board unanimously approved the remaining items on the Consent Agenda – D1, 2, 3, 4, 7, 8, 9, 10, and 11. There was no public comment. Vote 5-0.

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

The Board took a break at 10:34 a.m. and resumed the meeting at 10:48 a.m.

Item D-5

Director Eby asked about Exhibit A (6A-3) for the proposed resolution for the 2009 investment policy. After Board discussion and no public comment, the Board asked to have more information brought back to the February 11th meeting. Upon motion by Director Eby and seconded by Director Vierheilg, the Board unanimously agreed to table this item until new information can be made available. Vote 5-0.

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

Item D-6

Director Eby asked about the function and authority of the delegates to the Board of Supervisors and the Planning Commission representatives. President Harrison explained that he would not be able to attend all the meetings of the Board of Supervisors but Director Winn goes to most of the meetings.

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Item D-6 (CONTINUED)

Director Eby also asked where the president is empowered to appoint delegates. Is it in the Board By-laws? Mr. Seitz answered that there is none but that is why this is on the agenda for a confirmation. There is no written definition of the duties of these proposed delegates.

Director Eby also asked if there were any other Brown Act organizations in the County that send delegates to the Board of Supervisors or Planning Commission meetings. Mr. Seitz answered that there are other agencies that do send delegates.

Director Eby suggested that this gives the appearance of creating an insulation between the public and NCSD.

Jon Seitz, District Legal Counsel, explained that any Board member may attend any Brown Act meeting. Delegates from NCSD sometimes need to speak to the Board of Supervisors on a case-by-case basis.

Director Winn noted there have been times when the general public will speak to the BOS and incorrectly give NCSD policy. Sometimes there are things brought up at a Board of Supervisors meeting that cannot be brought to the NCSD Board in a timely manner and before the BOS votes on the item. President Harrison assured the Board that the intention of the placing the delegates on the list is to have someone in attendance at the BOS meetings who can report back to the NCSD Board; and that there is no effort and or intent to isolate the public from NCSD but to assure that both NCSD and the public be kept informed.

Upon motion by Director Winn and seconded by Director Vierheilig, the Board agreed to approve the appointments as presented. Vote 4-1 with Director Eby voting no.

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

E. ADMINISTRATIVE ITEMS

02:04:40

E-1) CONSIDER REQUEST FROM BLACKLAKE MANAGEMENT ASSOCIATION TO CONTINUE WATER RATE PROTEST HEARING FOR 90 DAYS

Bruce Buel, General Manager, reviewed the request from the Blacklake Management Association for a minimum 90-day delay for the Protest Hearing scheduled for January 28, 2009.

Director Eby asked who pays the \$800 that the Protest Hearing will cost. Mr. Buel answered that the cost would come out of the Blacklake Water Fund.

Mr. Buel stated that the last time the Protest Hearing was took place, the cost was approx. \$3,000 in legal fees, approx. 100 hours of staff time, plus printing and postage costs. If the Protest Hearing is successful, there is a possibility to reactivate an independent system.

The following members of the public spoke:

Nancy Fleming, NCSD resident and homeowner at Blacklake, speaking as an individual home owner and not as a representative of any association in Blacklake, requested that the Board deny the request for the extension of the Protest Hearing.

Bill Nelson, NCSD resident, stated that he attended the three meetings of the BLMA. There is no support in the Blacklake community for building a stand-alone water system. A 90-day delay for the Protest Hearing was voted down.

The Board discussed the matter.

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E-1) CONSIDER REQUEST FROM BLACKLAKE MANAGEMENT ASSOCIATION TO CONTINUE WATER RATE PROTEST HEARING FOR 90 DAYS (CONTINUED)

Director Trotter stated that he doesn't believe a Proposition 218 Protest will be successful or even launched over the rate increases. "More rational people are coming forward to represent the people of Blacklake. I think you'll see a whole different attitude out there in the future."

Director Vierheilig stated that the cost to have a stand-alone system would be prohibitive. Director Eby stated that a 90-day delay would not serve as a benefit to the residents of Blacklake.

Upon motion by Director Trotter and seconded by Director Eby, the Board agreed to deny the request for a 90-day delay for the Protest Hearing. Vote 5-0.

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

Mr. Buel stated that BLMA needs to provide a copy of its by-laws before the Blacklake Area Oversight committee can be activated.

02:19:00

E-2) CONSIDER ADOPTION OF RESOLUTION IMPLEMENTING THE BLACKLAKE SEWER RATE INCREASE

Bruce Buel, General Manager, reviewed the draft resolution implementing the rate increase proposed for customers within the Blacklake Sewer Fund Service Area. The Board ordered preparation of this resolution following the December 10, 2008 protest hearing at which there was not a majority protest. He changed the date in Section 2-D from April 2009 to March 2009.

The Board discussed the matter.

Upon motion by Director Eby and seconded by Director Vierheilig, the Board unanimously adopted the resolution to increase the sewer rates with the Blacklake Division, as amended. There was no public comment. Vote 5-0.

**RESOLUTION NO. 2009-1117
BI-MONTHLY SEWER RATES (Blacklake Division Only)
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING APPENDIX A TO CHAPTER 4.12 OF THE NIPOMO COMMUNITY SERVICES DISTRICT CODE TO INCREASE SEWER RATES WITHIN THE BLACKLAKE DIVISION AND ESTABLISH LOAN SURCHARGE REPAYMENT PROGRAM**

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

The Board considered Item E-4 next. Item E-3 will be heard at a later time.

02:26:50

E-4) REVIEW AND DISCUSS TECHNICAL MEMORANDUM REGARDING UNUSED GROUNDWATER STORAGE BELOW SEA LEVEL

Bruce Buel, General Manager, explained that copy of SAIC's 12/19/08 Technical Memorandum entitled "Available Groundwater Storage Below Sea Level", attached to the Board letter, was in response to the request tendered by the Board on December 10, 2008. The Technical Memorandum suggests that the volume of unused storage volume has increased in the fall over the past two years, but that the Fall 2008 reading is still lower than the 1991 reading. Mr. Buel noted that the Technical Group has not reviewed the information as of this date.

Director Winn stated that the demand on the Mesa continues to grow and that the unused storage volume needs to be subtracted in our calculations from the total water above mean sea level.

The following member of the public spoke:

John Snyder, Nipomo resident, stated that the report presented has the same information and the same mistakes as the previous analysis from SAIC. The Groundwater Basin boundary was not resented at the Phase III trial. What's the best size hole that we should have here in Nipomo?

The Board discussed the matter. Director Winn said the boundary for the litigation area was set by the judge and posted to the Santa Clara website in December 2001. It showed hydrological limits and showed parcels that overlapped Nipomo Creek and has been a matter of public record since 2001.

There was no action taken.

02:36:00

E-5) CONSIDER ADOPTION OF DRAFT REIMBURSEMENT AGREEMENT WITH SLO COUNTY FOR PHASE 1 OF WILLOW ROAD WATERLINE PROJECT

Peter Sevcik, District Engineer, explained that San Luis Obispo County is planning to extend Willow Road from Pomeroy Road to Hetrick Road early next year. The District's 2007 Water and Sewer Master Plan Update recommended the construction of a 12-inch diameter waterline in this segment of roadway. Installation of the District's waterline concurrent with the County's roadway project is more cost-effective than installing the line in the future since the water line can be installed before the roadway is paved. The County is finalizing the design for the roadway and the District is developing a design for the waterline so that the projects can be bid concurrently.

Staff negotiated an agreement to incorporate the construction of the District's proposed waterline into the County's project. Under the terms of the proposed agreement, the District will be responsible for design of the waterline, inspection of the waterline, direct construction cost of the waterline and reimbursing the County for all reasonable administrative costs incurred by the County for the preparation of contract documents, bidding and/or construction phase related to the waterline work. In exchange, the County will bid and construct the District's waterline work as part of the County's project. Staff anticipates this approach to the project will result in a total overall project cost that will be significantly less than if the District was to construct the project separate from the County's roadway project.

The Board discussed the agreement and thanked Mr. Sevcik and Mr. Seitz for their work in getting this agreement in the final form.

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E-5) CONSIDER ADOPTION OF DRAFT REIMBURSEMENT AGREEMENT WITH SLO COUNTY FOR PHASE 1 OF WILLOW ROAD WATERLINE PROJECT (CONTINUED)

Upon motion by Director Winn and seconded by Director Vierheilig, the Board unanimously approved Resolution 2009-1118, approving an agreement with San Luis Obispo County. There was no public comment. Vote 5-0.

RESOLUTION NO. 2009-1118
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT APPROVING A REIMBURSEMENT AGREEMENT WITH SAN LUIS OBISPO COUNTY FOR CONSTRUCTION OF WILLOW ROAD PHASE 1 WATERLINE EXTENSION

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

02:47:05

E-6) ADOPT EMERGENCY ACTION PLAN SAFETY POLICY

Peter Sevcik, District Engineer, explained that Title 8, Section 3220, of the California Code of Regulations requires employers to have an emergency action plan for employees that provides information and guidance for safely and effectively managing an emergency event in the workplace. The District staff has prepared an Emergency Action Plan Policy based on Cal/OSHA's requirements and model emergency action plan.

The Board discussed and asked questions concerning the policy.

Upon motion by Director Winn and seconded by Director Trotter, the Board unanimously approved Resolution 2009-1119, as amended in Exhibit A. There was no public comment. Vote 5-0.

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

RESOLUTION NO. 2009-1119
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ADOPTING AN EMERGENCY ACTION PLAN POLICY

The Board considered Closed Session next.

I. CLOSED SESSION ANNOUNCEMENTS

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

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);

I. CLOSED SESSION ANNOUNCEMENTS (CONTINUED)

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. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; NCSO VS. COUNTY OF SAN LUIS OBISPO, ET AL (CASE NO. TBD)
5. INITIATION OF LITIGATION PURSUANT TO SUBDIVISION C OF GOVERNMENT CODE SECTION 54961 (ONE CASE)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public present to comment.

K. ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 12:14 p.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

Director Trotter left the meeting at 1:00 p.m.

The Board came back into Open Session at 1:11 p.m.

Jon Seitz, District Legal Counsel, announced that the Board heard an update on Items 1-4 above. There is no reportable action.

Item 5 – With a vote of 5-0, the Board agreed to authorize legal counsel to initiate litigation.

03:01:38

E-7) CONSIDER NIPOMO BUSINESS PARK REQUEST TO PHASE PAYMENT OF FEES

Peter Sevcik, District Engineer, explained the request from developers of Tract 2652, for a one (1) year time extension of the Intent-to-Serve letter, a reimbursement agreement for upsizing the sanitary sewer line in Juniper Street and phasing of the payment of fees for the project. The extension of the Intent-to-Serve letter was issued and staff is currently working on developing the reimbursement agreement for the sanitary sewer in Juniper Street for Board consideration at a future Board meeting.

Payment of connection fees and charges is governed by District Code Section 3.04.051. The estimated fee deposit that is due for this project before the District can issue a Will-Serve letter is \$1,483,118 based on the District's current capacity charges and fees. The Will Serve letter needs to be issued prior to the expiration of the Intent-to-Serve letter on December 14, 2009 otherwise the developer will have to reapply for a new I-T-S letter. The developer has requested that he be allowed to pay the water and sewer fees for each building just prior to the issuance of building permits for each building instead of following the District's current requirements and has provided the attached schedule that indicates the projected building permit issuance date.

Jon Seitz, District Legal Counsel, explained that if the Board chooses to support phasing of a project, a change in District policy should probably occur.

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E-7) CONSIDER NIPOMO BUSINESS PARK REQUEST TO PHASE PAYMENT OF FEES
(CONTINUED)

The Board discussed the matter.

George Newman, representative for Nipomo Business Park, LP, developers of Tract 2652, spoke to the Board concerning funding difficulties. He answered questions from the Board.

Jon Seitz, District Legal Counsel, explained the purpose and use of the District's capacity fees. They go into an identified fund and the revenues are used to pay for infrastructure. The Board discussed the matter.

Director Eby suggested that any changes should be applied globally. We need to investigate ways to change the laws and learn from past phased projects. There should be allocation for commercial developments. If the District agreed to the phasing of fee payments, it would be out the money needed to improve infrastructure and would need to borrow the money needed for such. If the money was collected, the district would need to borrow less, thus costing the District less in interest, etc.

Director Winn suggested that the District would need to change the ordinance first to be fair to the developers of other projects. The District needs a commercial allocation policy.

Upon motion by Director Eby and seconded by Director Winn, the Board agreed to continue the request until staff presents possible changes to the code that is mutually beneficial. Vote 4-0, with Director Trotter being absent.

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

03:59:33

E-8) CONSIDER ALLSHOUSE REQUEST FOR MODIFICATION OF EXISTING INTENT-TO-SERVE LETTER FOR TRACT 2906

Peter Sevcik, District Engineer, explained the request from developer of Tract 2906, a sixteen lot (16) multi-family development (15 PUD lots and 1 lot for the existing 4-unit apartment building) at 1 Avenida de Amigos. The project is being developed by Mike Allshouse and he is represented by Pamela Jardini, Planning Solutions. The request is that each of the sixteen lots be served by an individual water meter instead of a single master-meter, as required by the I-T-S conditions. The project has changed from apartments to individually owned dwelling units; however, the change was not recognized at the time the current I-T-S letter was issued.

Mr. Sevcik answered questions from the Board about the project.

Pamela Jardini, from Planning Solutions and representatives for owner/developer Mike Allshouse, answered questions from the Board.

Upon motion by Director Winn and seconded by Director Vierheilg, the Board unanimously agreed to continue this item to the January 28th meeting. Vote 4-0, with Director Trotter absent.

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

04:18:32

F. MANAGER’S REPORT

Bruce Buel, General Manager, stated that the Manager's Report is as presented. He added that the California Conservation Corps efforts on Hetrick are moving along well. LAFCO Special Districts Selection Committee will be held February 20th at the SLO Library. Director Harrison will vote. January 15th, there will be a LAFCo meeting. Nine comments have been received on the Environmental Impact Report for the supplemental water project. Supplemental Water Project Design & Construction Committee meeting will be January 26th at 1:00 p.m. Miller Park – a draft MOU was received from the County and will be brought to the Board January 28th.
 The Board asked when the final EIR is expected. Mr. Buel answered - early March. Director Harrison asked how many buildings were there supposed to be on the Hill Street project. – It will be checked.

04:27:42

G. COMMITTEE REPORT

1. 12/15/08 SWP Committee Meeting

Mr. Buel stated that the Committee Report is as submitted.

04:30:34

H. DIRECTORS’ REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Winn

Water Resources Advisory Committee meeting with the Board of Supervisors. Meeting with Supervisor Achadjian January 15, 2009, at 2:30 p.m. Director Winn cannot attend. Water rates need to be discussed. Mutual water companies need to be discussed with Supervisor Achadjian. Proposition 218 brings up the issue of proportional value. Should this Board take a position on Willow Road funding? SLO CSDA bi-monthly meeting Friday, January 16, 2009, 11:30 a.m. at Wallace's office in San Luis Obispo. Parks – With all the development we have been having, not one park has been built in 15 years. A long-term lease is being negotiated with the Dana-Adobe that would not allow public access to County land purchased by Nipomo Quimby fees for \$2.7million designated for parks – only cattle and native plants. We would like to be kept apprised of the situation.

Director Vierheilig

Monday, January 26, 2009 meeting with Supervisor Achadjian concerning the proposed Jim O. Miller Park.

Director Eby

NOAA weather prediction – there is a chance of normal weather this year. But there is no rain expected for the next 10 days.

04:43:09

E-3) REVIEW SOUTHLAND WASTEWATER UPGRADE PROJECT INITIAL STUDY, SELECT PROCESS FOR CEQA COMPLIANCE, RETAIN HYDRO-GEOLOGIC CONSULTANT TO PERFORM RESEARCH, AND AUTHORIZE REQUEST FOR PROPOSALS FOR ENVIRONMENTAL REVIEW

Director Vierheilig recused himself because his property is within 500 feet of one of the proposed sites to be discussed. Jon Seitz, District Legal Counsel, advised that any action taken by the Board would need to be unanimous, because there were only three directors present.

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E-3) REVIEW SOUTHLAND WASTEWATER UPGRADE PROJECT INITIAL STUDY, SELECT PROCESS FOR CEQA COMPLIANCE, RETAIN HYDRO-GEOLOGIC CONSULTANT TO PERFORM RESEARCH, AND AUTHORIZE REQUEST FOR PROPOSALS FOR ENVIRONMENTAL REVIEW (CONTINUED)

Bruce Buel explained that the Southland Wastewater Upgrade Project Initial Study had been revised and was included in the Board packet. An earlier version of this Initial Study was reviewed by the Southland Upgrade Project Committee in November and that draft was edited per direction of the Committee. Mr. Buel provided the Minutes to the Committee meeting of January 12, 2009. Included in the Board packet are two proposals for Hydro-Geologic evaluation of the Kaminaka and the Pasquini Properties. The work set forth in the proposals is designed to provide the information required for adequate environmental review and feasibility of the two properties as alternate disposal sites. Fugro proposes to spend \$81,100 on the Kaminaka Property and \$128,800 on the Pasquini Property.

Director Eby asked about the possibility of destabilizing the Bluff. He asked about the proximity of the Kaminaka property possibly jeopardizing the Dana Wells. He also stated that he does not want to exclude the Mesa Road site now that property owners are informed that the disposal site will be underground.

Upon motion by Director Winn and seconded by Director Eby, the Board unanimously agreed that an EIR be prepared, authorized execution of two agreements with Fugro to perform the tasks set forth in the two proposals on a time-and-materials basis with a not-to-exceed total expenditure limit of \$209,900, and authorized staff to circulate a RFP for professional services relative to processing CEQA.

There was no public comment. Vote 3-0.

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

ADJOURN

President Harrison adjourned the meeting at 3:18 p.m.

- **THE NEXT REGULAR BOARD MEETING IS JANUARY 28, 2009**
TENTATIVELY SCHEDULED ITEMS INCLUDE:
 - Blacklake Water Rate Increase Protest Hearing
 - Waterline Intertie Project Funding