

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 44 - Years of Service 1965 - 2009

MINUTES

MAY 27, 2009 AT 9AM

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

JAMES HARRISON, **PRESIDENT**
LARRY VIERHEILIG, **VICE PRESIDENT**
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 its customers with reliable, quality, and cost-effective services now and in the future.

00:00:00

A. CALL TO ORDER AND FLAG SALUTE

President Harrison called the May 27, 2009, Regular Board meeting to order at 9:00 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call, the following directors were present:

Directors Eby, Winn, Vierheilig and Harrison

Note: Bruce Buel, General Manager, was not in attendance due to illness.

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) MIKE DI MILO OF SCIENCE DISCOVERY (@ Approximately 11:30AM)
Update re: FY2008-09 Water Conservation Education Program
(This item was tabled until approximately 11:30 a.m.)

C-2) NCSD UTILITY SUPERINTENDENT TINA GRIETENS
Update re: Utility Division Activities in April 2009
Ms. Grietens, Utility Superintendent, reviewed the information provided in the Board report. Ms. Grietens answered questions from the Board.

C-3) NCSD WATER CONSERVATION SPECIALIST CELESTE WHITLOW
Update re: Water Conservation Program Activities in April 2009
Ms. Whitlow, Water Conservation Specialist, reviewed the information provided in the Board report. Ms. Whitlow answered questions from the Board.

C-4) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors Items of District & Community Interest
Director Vierheilig
June 6, 2009 – Native Garden workday

Director Eby

Reported that a mountain lion has been sighted in the area

Director Harrison

May 28, 2009 – Fire Safe Council Meeting at 10:00 a.m.

June 3, 2009 – Special Board Meeting to interview candidates

Director Winn

May 28, 2009 – Planning Commission Meeting

June 1, 2009 – NMMA 10:00 a.m. to 2:00 p.m.

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C-4) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
(CONTINUED)

Director Winn (CONTINUED)

June 3, 2009 – WRAC Meeting at 1:30 p.m. at San Luis Obispo Library will discuss ag clusters and the Paso Robles Basin Resource Capacity Study

June 4, 2009 - COORT (Coastal Advisory Group) meeting

June 4, 2009 – Katcho will be chairing a meeting with the water suppliers at 11:00 a.m.

June 9, 2009 – Board of Supervisors will discuss ag clusters

June 26, 2009 – CEQA workshop in Paso Robles

C-5) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

00:47:26

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING

Approve Minutes of 5/13/09 Regular and 5/20/09 Special Meeting

D-3) AMEND LEGAL SERVICES AGREEMENT WITH SHIPSEY AND SEITZ

D-4) *NOT USED*

D-5) ADOPT SUPPORT POSITION FOR AB1366 PASSAGE

D-6) RETAIN UTILITY COST MANAGEMENT TO INVESTIGATE POTENTIAL OVERPAYMENT OF DISTRICT ELECTRIC BILLS

D-7) ADOPT OPPOSE POSITION TO GOVERNOR'S PROPOSAL TO SUSPEND PROPOSITION 1A OF 2004 RE LOCAL GOVERNMENT PROPERTY TAXES

Upon motion by Director Winn and seconded by Director Vierheilg, the Board unanimously approved the Consent Agenda. There was no public comment. Vote 4-0.

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

E. ADMINISTRATIVE ITEMS

E-1) AUTHORIZE SUBMITTAL OF APPLICATION TO LAFCO TO ACTIVATE LIMITED PARKS AUTHORITY AND INITIATE PROPERTY OWNER OUTREACH PROGRAM

Peter Sevcik, District Engineer, and Jon Seitz, District Legal Counsel, reviewed corrections to the Staff Report, Financing Plan and proposed Resolutions:

- The estimated cost is \$922,075 and not \$992,075
- Code Section 61110 should not have a comma
- The word currently should be inserted in the Whereas that states the District does not currently desire to own or operate the Nipomo Community Park, currently owned and operated by the County of San Luis Obispo
- All reference to the Jim O. Miller Park should be removed and the words "proposed park located at the corner of West Tefft and Carrillo (herein referred to as "the Park") or the Park be inserted.
- The Board of Directors stated the financing plan should include a listing of any pledged funds from donations, sponsorships or service clubs.

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E-1) AUTHORIZE SUBMITTAL OF APPLICATION TO LAFCO TO ACTIVATE LIMITED PARKS AUTHORITY AND INITIATE PROPERTY OWNER OUTREACH PROGRAM (CONTINUED)

Upon motion of Director Vierheilig and seconded by Director Winn, the Board of Directors unanimously approved the Financing Plan as corrected. There was no public comment. Vote 4-0.

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

Upon motion of Director Vierheilig and seconded by Director Eby, the motion was to approve the Resolution with the corrections above. Director Winn stated he could not support the motion unless the word "limited" was stricken from the title. Director Vierheilig agreed to modify the motion to include the word "limited" be stricken from the title. Director Eby did not agree and withdrew his second of the motion. Director Winn seconded the motion as amended by Director Vierheilig. The Board of Directors unanimously approved Resolution 2009-1143. There was no public comment. Vote 4-0.

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

RESOLUTION NO. 2009-1143
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO
INITIATE PROCEEDINGS FOR ACTIVATION OF PARKS AUTHORITY

- Staff recommendations #3, #5, #6 ad #7 were considered as one motion:
- #3 – Direct Staff to mail information on the Proposal and the Zone of Benefit to the 417 properties in the proposed zone of benefit
 - #5 – Set a Hearing for July 8, 2009 to consider Formation of the Zone of Benefit
 - #6 – Direct Staff to publish the notices required for the July 8, 2009 Hearing and invite all 417 property owners to the Hearing
 - #7 – Adopt the attached Resolution initiating the Formation of the Zone of Benefit

Upon motion of Director Winn and seconded by Director Vierheilig, the Board of Directors unanimously approved staff recommendations #3, #5, #6 and #7 with the removal of reference to "Miller Park" and inserted "the Park". There was no public comment. Vote 4-0.

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

RESOLUTION NO. 2009-1144
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
INITIATING PROCEEDINGS TO ESTABLISH THE ZONE OF
BENEFIT FOR THE OPERATION AND MAINTENANCE OF THE PROPOSED PARK

The Board took a break at 10:50 a.m. and resumed the meeting at 11:00 a.m.

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01:50:00

- E-2) AUTHORIZE SUBMITTAL OF APPLICATION TO LAFCO TO ACTIVATE GRAFFITI ABATEMENT AUTHORITY

The Board of Directors discussed this item. Upon motion of Director Eby and seconded by Director Winn, the Board of Directors unanimously agreed to send this item back to Staff. The Board of Directors requests that Staff invite the Sheriff to make a presentation to the Board of Directors, obtain a copy of the Oceano Community Services District model and update the financing plan as required based on the new findings. There was no public comment. Vote 4-0.

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

- C-1) MIKE DI MILO OF SCIENCE DISCOVERY (@ Approximately 11:30AM)
Update re: FY2008-09 Water Conservation Education Program

Mr. DiMilo gave the Board of Directors an update on his Education Program in the Nipomo Elementary Schools. Director Winn suggested that he make a presentation to the Lucia Mar Unified School District Board of Directors. There was no public comment. No action was required.

- E-3) DETERMINE VOTE POSITION ON COUNTY VECTOR CONTROL ASSESSMENT AND AUTHORIZE SUBMITTAL

The Board of Directors discussed the pros and cons of voting “yes”, “no” or not submitting a vote. Upon motion of Director Eby and seconded by Director Vierheilg, the motion was to submit a “No” vote. There was no public comment. Vote 2-2.

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

Upon motion of Director Harrison and seconded by Winn, the motion was to submit a “Yes” vote. There was no public comment. Vote 2-2.

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

Upon motion of Director Eby and seconded by Director Winn, the motion was to not respond to the ballot. There was no public comment. Vote 3-1.

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

The Board considered Closed Session next.

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02:43:54

I. CLOSED SESSION ANNOUNCEMENTS

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

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL PENDING LITIGATION GC§54956.9 SMVWCD VS. NCSO (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
2. 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)
3. 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. CV090010)
4. ANNUAL PERFORMANCE REVIEW OF DISTRICT LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION 54957

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

K. ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 12:00 p.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:00 p.m.

Jon Seitz, District Legal Counsel, reported the following:

The Board heard updates on Items 1, 2 and 3 listed above. There was no reportable action on these items. Item #4 was continued until the next regular Board Meeting. Vote 4-0.

02:46:00

E-4) APPROVE TURF REPLACEMENT PROGRAM

Celeste Whitlow, Water Conservation Specialist, presented the program to the Board of Directors and the Board of Directors asked questions. The Board of Directors recommended that reference to "turf substitute" be removed and that the reference to the plants listed in the "California Invasive Plant Council" be replaced with the reference to the plants listed by San Luis Obispo County.

Upon motion of Director Vierheilg and seconded by Director Winn, the Board of Directors unanimously approved the Turf-Replacement Program with the changes recommended above and a maximum budget of \$4,800 and a cap of \$500 per account. There was no public comment. Vote 4-0.

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

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03:33:14

E-5) REVIEW CURRENT INVESTMENT POLICY AND DETERMINE FUTURE USAGE OF LAIF

Lisa Bognuda, Finance Director, presented the Staff Report and the Board of Directors discussed the safety and liquidity of funds invested in Local Agency Investment Fund (LAIF).

The Board of Directors directed Staff to research if there are any investments that are 100% backed by the US Government that are liquid. There was no public comment.

04:02:15

E-6) RECEIVE UPDATE FROM WATER CONSERVATION COMMITTEE ON DEVELOPMENT OF EMERGENCY WATER SHORTAGE REGULATIONS

Jon Seitz, District Legal Counsel, presented the most recent version of the draft emergency water shortage regulations which includes comments from the Water Conservation Committee. The Board of Directors asked many questions of Staff.

At 3:00 p.m. President Harrison called for a five minute break.

The Board of Directors recommended the following corrections to the draft:

- The title be changed to "Partial Regulations for Emergency Water Shortage"
- The word "purveyor" be removed and the word "water company" be inserted
- Stage II include suspension of the issuance of Intent-to-Serve Letters
- Leave in the Enforcement Section, but note that is for NCSD only
- Leave in Section 3.24.100, Exceptions
- Correct the typographical errors on pages 2, 4 and 7

Jon Seitz, District Legal Counsel, will present the draft with above corrections and recommendations to the NMMA on Monday, June 1, 2009.

05:04:51

E-7) ESTABLISH POSITION ON SLO COUNTY PUBLIC WORKS PROPOSAL QUIT CLAIM PROPERTIES IN SANTA MARIA RIVER CHANNEL TO SANTA BARBARA COUNTY

Peter Sevcik, District Engineer, presented GIS Mapping of the parcels in question and stated that NCSD may need easements on some of these parcels for the waterline intertie project. The Board of Directors identified the following four parcels 090-291-037, 090-331-014, 090-341-032 and 092-231-017 as parcels of direct interest to NCSD.

Upon motion of Director Winn and seconded by Director Vierheilg, the Board of Directors unanimously directed Staff to write a letter to the Planning Department with copies to Public Works and Supervisor Achadjian to include the following points:

- Express NCSD's concerns
- Request that NCSD be notified of all proposed actions
- Request that NCSD be given the opportunity to state concerns
- Request that any mining rights be retained by SLO County

There was no public comment. Vote 4-0.

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

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05:30:00

F. MANAGER'S REPORT

The report is as submitted. Director Eby requested that a schedule for the waterline intertie assessment district be included in the packet with a "no sooner than" schedule. There were no public comments.

G. COMMITTEE REPORT

1. May 18, 2009 Infrastructure Project Committee Meeting

The report is as submitted. There were no public comments.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Winn

Asked that NCSD track the "Distributed Power District" formation.

ADJOURN

President Harrison adjourned the meeting at 4:04 p.m.