

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 44 - Years of Service 1965 - 2009

MINUTES

JUNE 24, 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**
BILL NELSON, **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 June 24, 2009 Regular Meeting of the Board of Directors of the Nipomo Community Services District to order at 9:02 a.m. and led the flag salute.

00:00:29

B. ROLL CALL

At Roll Call, all directors were present.

00:00:47

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) MIKE NUNLEY OF AECOM

Update re: Waterline Intertie Project and Southland WWTF Upgrade Project

Mike Nunley, AECOM Engineering Project Manager, reviewed the information provided in the Board packet concerning the Waterline Intertie Project. He answered questions from the Board. There was no public comment.

Mr. Nunley also reviewed the information concerning the Southland Wastewater Treatment Facility Upgrade Project. He answered questions from the Board. There was no public comment.

President Harrison thanked Mr. Nunley for the reports.

C-2) PAUL SORENSON OF FUGRO

Summary of Hydro-Geologic Research at Kaminaka Site re: Disposal of Treated Wastewater

Director Vierheilig recused himself from this portion of the meeting because his property is adjacent to the Kaminaka property being discussed in the item.

Paul Sorenson for Fugro West, Inc., reviewed the report entitled "Hydrogeologic Assessment, Kaminaka Property, Nipomo, California" provided in the Board packet. The northern half of the Kaminaka property (approximately 20 acres) was the extent of the investigation.

Mr. Sorenson answered the Board's questions. Peter Sevcik, District Engineer, answered some questions also. There was no public comment. Board discussion ensued. The Board thanked Mr. Sorenson for the report.

Director Vierheilig returned to the meeting.

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- C-3) NCSD UTILITY SUPERINTENDENT TINA GRIETENS
Update re: Utility Department Operations in May 2009

Tina Grietens, Utility Superintendent, introduced the newest employees (Yegy Vahabian and Jonathan Edwards) to the Board.

Ms. Grietens reviewed the report presented in the Board packet and answered questions from the Board.

Peter Sevcik, District Engineer, answered questions concerning the SCADA system. There was no public comment.

The Board thanked Ms. Grietens for the report.

- C-4) NCSD WATER CONSERVATION COORDINATOR CELESTE WHITLOW
Update re: May 2009 Activities and Semi-Annual Conservation Performance Review

Celeste Whitlow, Water Conservation Coordinator, reviewed the reports provided in the Board packet. The Board commented on the reports. Ms. Whitlow answered questions from the Board.

The Board thanked Ms. Whitlow for the reports.

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

Director Nelson

Chamber of Commerce, June 25, 2009, at noon at Blacklake.

Director Vierheilig

Thursday, June 25, 2009, 6:30 p.m. at the District office, there will be an informational meeting concerning the formation of a Zone of Benefit for a proposed park.

Saturday, June 27, 2009 Nipomo Incorporation Committee for Education (NICE) will have a strategic planning retreat at 8:00 a.m.

Director Eby

At the LAFCo meeting last week, there was discussion of transfer of three trailer parks having Arroyo Grande provide sewer service and Oceano provide water service.

Also discussed was the Price Canyon Master Plan whereby a 1700 acre development would receive clean water, while some parts of Pismo Beach would possibly be using reclaimed water.

Paul Hood, LAFCO Executive Officer, will be retiring in August.

Director Winn

Friday, 06/19/09 – attended Glendale negotiations with the DWR to get funding for local water projects. They are changing the map to make the areas better than they were.

06/25/09 – SLO Planning Commission to consider Conservation Open Space Element will be introduced looking at air quality. This will affect NCSD in water and energy policies. The Conservation Open Space Element Update (April 9 version) is on-line.

06/26/09 – CEQA workshop, Paso Robles Library.

- 07/01/09 – WRAC meeting
 - Conservation Open Space
 - Resource Capacity Study
 - Coast and Ocean Advisory Group

06/06/09 – Planning Commission 1:00 p.m. in SLO; will be looking at Conservation Open Space Element – Water Supply is the main issue.

They will also meet July 9th, 23rd and 30th.

07/08/09 – Wednesday, 12:00 p.m. Open House at the Nipomo Fire Station #20

07/20/09, 9:00 a.m. SCAC Land Use Committee

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C-5) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors (CONTINUED)

Director Harrison

June 11, 2009, South Coast Town Hall transition of communities meeting - would like to arrange for a presentation by South County Initiating Group for Transition San Luis Obispo County: concerning local Self Reliance, reduction of green house gasses by reducing energy consumption.

06/25/09 - 6:30 p.m. - Parks

06/26/09 - CEQA class in Paso

06/29/09 - Coordination meeting

07/08/09 - New fire station ribbon cutting

07/09/09 - Fire Safe Council

07/11/09 - Jack's Helping Hands 4:30 pm - late

South County Advisory Council map shows areas of districts. They would like to have it mounted on the wall and stored here.

C-6) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

John Snyder, Nipomo resident – stated that he attended the June 10th TMA meeting where Mr. Scalmanini spoke on the status of the Santa Maria Valley. Mr. Scalmanini said there were questions about the quality of the water. Mr. Snyder also commented about the availability of information on NCS D website. There should be better capability on the website, to include the District's past Agenda packets. Mr. Snyder wanted all the packets for the NCS D meetings to be left on the website. There should be well-reading records on the website.

The Board took a break at 10:55 a.m. and resumed the meeting at 11:06 a.m.

01:39:02

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES
Approve Minutes of 6/10/09 Regular Meeting

D-3) AUTHORIZE EXTENSION OF AGREEMENT WITH SCIENCE DISCOVERY FOR WATER CONSERVATION EDUCATION PROGRAM

D-4) ADOPT PERSONAL PROTECTIVE EQUIPMENT POLICY

D-5) RESET SECOND SEPTEMBER BOARD MEETING TO SEPTEMBER 30, 2009

D-6) ACCEPT ROOSEVELT APARTMENT WATER AND SEWER IMPROVEMENTS

The Board agreed to pull Items D3, D4, and D-6 for separate consideration.

Upon motion by Director Winn and seconded by Director Eby, the Board unanimously agreed to approve Items D-1, D-2, and D-5. There was no public comment. Vote 5-0.

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

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D. CONSENT AGENDA (CONTINUED)

D-3) AUTHORIZE EXTENSION OF AGREEMENT WITH SCIENCE DISCOVERY FOR WATER CONSERVATION EDUCATION PROGRAM

Celeste Whitlow, Water Conservation Coordinator, reviewed the programs costs with the Board. It was agreed that kids need to learn that water used outdoors is the highest amount of usage.

Upon motion by Director Winn and seconded by Director Vierheilig, the Board agreed to table this item until staff contacts Mr. DiMilo concerning possibly presenting the class programs to the school principals and certainly to the School District board to get approval before presenting to the teachers. Vote 4-1, with Director Harrison voting no.

| YES VOTES | NO VOTES | ABSENT |
|---|-------------------|--------|
| Directors Winn, Vierheilig, Eby, and Nelson | Director Harrison | None |

D-4) ADOPT PERSONAL PROTECTIVE EQUIPMENT POLICY

Peter Sevcik, District Engineer, answered questions from the Board about responsibilities, further requirements necessary, and suggested changes in the policy.

Upon motion by Director Vierheilig and seconded by Director Winn, the Board unanimously agreed to direct staff to make the recommended changes and bring this item back at the July 27, 2009 meeting for possible approval. There was no public comment. Vote 5-0.

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

D-6) ACCEPT ROOSEVELT APARTMENT WATER AND SEWER IMPROVEMENTS

Jon Seitz, District Legal Counsel, explained that the original requirements for this project changed.

Peter Sevcik, District Engineer, answered questions from the Board. The developer will be required to have the water and sewer lines video-inspected before the end of two years. The Board had several suggestions for changes to the resolution.

Upon motion by Director Vierheilig and seconded by Director Nelson, the Board unanimously approved Resolution 2009-1148, as amended, accepting improvements for the project at APN 092-130-044. There was no public comment. Vote 5-0.

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

**RESOLUTION NO. 2009-1148
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING WATER AND SEWER IMPROVEMENTS AND EASEMENTS
FOR ROOSEVELT APARTMENTS (APN 092-130-044)**

The Board considered Closed Session next.

03:04:45

I. CLOSED SESSION ANNOUNCEMENTS

Jon Seitz, District Legal Counsel, announced the following items to be discussed 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. INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956 (ONE CASE)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to Closed Session at 12:17 p.m.

03:05:35

L. OPEN SESSION
ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:43 p.m.

Jon Seitz, District Legal Counsel, announced that the Board heard an update on the items listed above but took no reportable action. The Board heard an update on the initiation of litigation but took no reportable action.

03:07:17

E. ADMINISTRATIVE ITEMS

The Board decided to table Items E-3 and E-8.

E-1) DISCUSS DEVELOPMENT OF EMERGENCY WATER SHORTAGE REGULATIONS

Bruce Buel, General Manager, explained that he interacted with the members of the Nipomo Mesa Management Area Technical Group (NMMA TG) to review the possibility of implementing a common set of Mesa-Wide Emergency Water Shortage Regulations. He reported that the Water Conservation Committee discussed Rule 14.1 regulations and recommended some changes for developing a voluntary program based on Rule 14.1. Mr. Buel provided a copy of the Minutes of the June 17, 2009 Water Conservation Committee to the Board and the public.

Director Eby provided the Board and the public with a copy of some recommendations he had for a voluntary emergency regulations program.

Jon Seitz, District Legal Counsel, reviewed the Water Conservation and Rationing Plan from Golden State Water Company and discussed it with the Board.

There was no public comment.

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E-1) DISCUSS DEVELOPMENT OF EMERGENCY WATER SHORTAGE REGULATIONS
(CONTINUED)

Upon motion by Director Vierheilg and seconded by Director Harrison, the Board agreed to authorize District Legal Counsel and District Manager to develop a conceptual program with a voluntary component and a mandatory component to present to the Technical Group on July 7th to determine if there is support and come back to this Board and request that the CPUC utilities petition the CPUC for determination of emergency status on the Nipomo Mesa. Vote 4-1, with Director Winn voting no.

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|--|---------------|--------|
| YES VOTES | NO VOTES | ABSENT |
| Directors Vierheilg, Harrison, Eby, and Nelson | Director Winn | None |

The Board agreed to conduct a special meeting July 2, 2009, at 1:30 p.m. to discuss the draft conceptual program.

The Board took a break at 3:07 p.m. and resumed the meeting at 3:14 p.m.

00:00:00

E-2) SET FY09-10 APPROPRIATIONS LIMIT AND ADOPT FY09-10 BUDGET

President Harrison opened the Public Hearing.
Lisa Bognuda, NCS D Finance Director, answered questions from the Board concerning the proposed FY 2009-2010 Budget.

Upon motion by Director Vierheilg and seconded by Director Eby, the Board unanimously approved Resolution 2009 1149, adopting the FY 09-10 Budget. There was no public comment. Vote 5-0.

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

**RESOLUTION 2009-1149
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE 2009-2010 FISCAL YEAR BUDGET**

Upon motion by Director Vierheilg and seconded by Director Eby, the Board unanimously approved Resolution 2009 1150, determining the appropriation limitation for FY 09-10. There was no public comment. Vote 5-0.

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

**RESOLUTION NO. 2009-1150
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
DETERMINING THE APPROPRIATION LIMITATION FOR THE 2009-2010 FISCAL YEAR**

E-3) ADOPT 2010-2014 NCS D STRATEGIC PLAN

This item was postponed to a future meeting.

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00:07:29

E-4) AWARD QUOTE FOR DISPOSAL OF STORED WASTEWATER BIO-SOLIDS

Peter Sevcik, District Engineer, explained that the Southland Wastewater Treatment Facility has two unlined sludge-drying beds that are full and need to be cleaned out so that they can be improved as part of the planned Southland WWTF upgrade project. Chicago Grade Landfill has quoted \$93,750 to haul and accept the bio-solids from the treatment facility. Mr. Sevcik answered questions from the Board. The Board made a minor edit to the proposed resolution. Upon motion by Director Vierheilg and seconded by Director Winn, the Board unanimously approved the disposal project at the Southland Wastewater Treatment Facility with Resolution 2009-1151, as edited. There was no public comment. Vote 5-0.

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

**RESOLUTION NO. 2009-1151
A RESOLUTION OF THE NIPOMO COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS APPROVING THE SOUTHLAND WASTEWATER
TREATMENT FACILITY BIO-SOLIDS DISPOSAL PROJECT**

The Board considered Item E-6 next.

00:22:36

E-6) REVIEW COMMITTEE ASSIGNMENTS FOR BALANCE OF 2009

Bruce Buel presented the revised Committee Assignments for the rest of the 2009 year. Upon motion by Director Winn and seconded by Director Eby, the Board unanimously approved the new listing, as presented in the Board packet. There was no public comment. Vote 5-0.

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

00:23:25

E-5) DISCUSS DISTRICT WELL LEVEL MONITORING AND REPORTING POLICY

Because of the absence of Peter Sevcik, District Engineer, Bruce Buel, General Manager, asked if the item could be tabled to a later date. Upon motion by Director Vierheilg and seconded by Director Winn, the Board unanimously agreed to table this item to the July 8, 2009 meeting. There was no public comment. Vote 5-0.

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

00:28:40

E-7) DISCUSS FORMAT FOR DISTRICT QUARTERLY NEWSLETTER

Bruce Buel, General Manager, explained the most recent newsletter inserted into customers' bills was printed on glossy stock with two colors. Converting to one ink on newsprint paper would actually increase the annual costs of producing the newsletter. The Board discussed the newsletter and options. No Board action was taken.

E-8) DISCUSS PRESIDENT HARRISON'S REQUEST RE: WILL-SERVE AND INTENT-TO-SERVE LETTER PROCESSING

This item was tabled.

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00:36:00

F. MANAGER'S REPORT

Bruce Buel, General Manager, presented the Manager's Report as published. He added that the informational meeting for parks will be held Thursday, June 25, 2009, at 6:30 p.m. in the District boardroom.

He stated that he will not be able to attend the July 1st WRAC meeting. Director Eby will attend. Roberto Cruz will begin his duties as Inspector on June 29th.

Director Eby stated that he was disappointed about exclusion of funding for Waterline Intertie Project and we are continuing to pay the lobbyist for what?

Mr. Buel stated that WRDA monies are still possible. Director Eby asked about other grants. Mr. Buel noted that the District did not qualify for the stimulus grants.

00:45:32

G. COMMITTEE REPORT

Bruce Buel, General Manager, presented the report as published. He added that Olde Towne Association would like to have a meeting to discuss configuration of the proposed park. The Parks Committee agreed to meet August 7, 2009, at 1:30 p.m.

00:48:27

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Winn

Spoke with Paavo Ogren on the Willow Road funding update. The District efforts will be complete before the funding for the Willow Rd comes up for a vote.

WRAC staff commented about monitoring wells. It was approved in the budget.

Check the website capacity.

Dept of Public Health has expanded the definition of a disadvantaged community – if fee for a service exceeds 4% of income.

Director Vierheilig

Some customers have spoken to him about the lack of fairness of their sewer bill being the same for one person as for four or more. Mr. Buel stated that the Board will be looking at a different basis of billing for sewer use.

ERAF – did we get paid back on the last ERAF monies taken? Mr. Buel stated that we did get paid for the taxes borrowed in 2003-04. We did not get any of the funds returned that were taken in 1991 or in 1992-93.

ADJOURN

President Harrison adjourned the meeting at 4:13 p.m.

➤ **THE FOLLOWING REGULAR BOARD MEETING IS JULY 8, 2009
TENTATIVELY SCHEDULED ITEMS INCLUDE:**

- Olde Town Park Initial Study
- Olde Town Park Zone of Benefit Formation