

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

MINUTES

JULY 13, 2011, AT 9:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

JAMES HARRISON, PRESIDENT
LARRY VIERHEILIG, VICE PRESIDENT
MICHAEL WINN, DIRECTOR
ED EBY, DIRECTOR
DAN A. GADDIS, DIRECTOR

PRINCIPAL STAFF

MICHAEL S. LEBRUN, GENERAL MANAGER
LISA BOGNUDA, ASSISTANT GENERAL MANAGER
MERRIE WALLRAVIN, SECRETARY/CLERK
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 Regular Meeting of July 13, 2011, to order at 9:02 a.m. and led the flag salute.

00:00:41 B. ROLL CALL

At Roll Call all Board members were present.

00:01:28 C. PRESENTATIONS AND PUBLIC COMMENT

C-1) REPORT ON June 22, 2011 REGULAR MEETING CLOSED SESSION

Jon Seitz, District Legal Counsel, announced that the Board had discussed the two items listed on the previous agenda. The Board took no reportable action on Item 1. The Board gave direction to staff on Item 2.

There was no public comment.

C-2) MIKE NUNLEY OF AECOM

Update Report re: Southland Wastewater Treatment Plant Upgrade

Eileen Shields, AECOM Assistant Project Manager, reviewed the report as presented in the Board packet. Ms. Shields and Mike Nunley, AECOM Project Manager, answered questions from the Board. The Board thanked them for their report.

There was no public comment.

C-3) NCSD DISTRICT ENGINEER PETER SEVCIK

Update Report re: Recent Activities

Peter Sevcik, District Engineer, reviewed the report as presented in the Board packet and answered questions from the Board. The Board thanked Mr. Sevcik for the report. There was no public comment.

C-4) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES, AND SEMINARS.

Receive Announcements and Reports from Directors

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Director Winn

On Sunday, June 26, a reception was held in Nipomo for 3rd District Supervisor Hill. The District always needs at least three votes from the County Board of Supervisors, and Supervisor Hill supports the Supplemental Water Project.

SCAC met on June 26, but did not have a quorum. They held an informational meeting without taking any action.

Creek and Coastal Clean Up Day is September 17.

Director Eby

LAFCO will meet on July 21 at 9:00 a.m. The meeting will include a field trip to Price Canyon.

NMMA TG will meet on July 21 at 10:00 a.m.

Opponents of supplemental water will hold a public meeting July 21 at 3:00 p.m. at Trilogy.

Carriage Homes Community meeting will be held on July 21 at 6:30 p.m. at NCSD Board Room to explore options for providing lighting and landscaping services to them.

Director Vierheilig

Chamber Mixer will be held on July 13 at Dana Adobe from 5:00 – 7:00 p.m.

Director Gaddis

SCAC will meet on July 25 at 6:30 p.m.

Director Harrison

A fundraiser will be held on July 23 to benefit the Arizona Fire victims.

Fire Safe Council will meet on July 28 at 9:00 a.m.

There was no public comment.

- C-5) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE and FILE PRESENTATIONS AND REPORTS

There was no public comment.

00:29:47 D. CONSENT AGENDA

D-1) WARRANTS

- D-2) BOARD MEETING MINUTES:
JUNE 8, 2011, REGULAR MEETING
JUNE 22, 2011, REGULAR MEETING

There was no public comment.

Upon motion of Director Winn and seconded by Director Eby, the Board unanimously approved the Consent Agenda. Vote 5-0.

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

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E. ADMINISTRATIVE ITEMS

00:36:16

- E-1) REVIEW MAY 18, 2011 LETTER FROM SAN LUIS OBISPO COUNTY REGARDING PROPOSED JIM O MILLER PARK SITE

The Board of Directors discussed the letter from San Luis Obispo County General Services. SLOCOG is interested in a potential park and ride at the proposed park site. The OTNA will take the leadership role in trying to move the development of the park forward.

There was no public comment.

The Board of Directors directed Staff to draft a letter responding to the County and bring it back to the Board for approval.

00:56:14

- E-2) AWARD CONTRACT FOR SOUTH FRONTAGE ROAD TRUNK SEWER CONSTRUCTION IN AMOUNT OF \$1,459,236 TO R. BAKER, INC. AND AUTHORIZE CONSTRUCTION CONTINGENCY IN THE AMOUNT OF \$150,000

Peter Sevcik, District Engineer, presented the Staff Report and answered questions from the Board.

There was no public comment.

Upon the motion of Director Vierheilig and seconded by Director Eby, the Board unanimously adopted Resolution 2011-1229. Vote 5-0.

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

RESOLUTION NO. 2011-1229

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES AWARDDING BID FOR THE SOUTH FRONTAGE ROAD TRUNK SEWER REPLACEMENT PROJECT TO R. BAKER, INC. IN THE AMOUNT OF \$1459,236 AND AUTHORIZING CONSTRUCTION CONTINGENCY OF \$150,000

01:12:00

The Board took a 10 minute break at 10:15 a.m.

- E-3) AUTHORIZE TASK ORDER FOR SOUTH FRONTAGE ROAD TRUNK SEWER REPLACEMENT PROJECT CONSTRUCTION MANAGEMENT SERVICES WITH MNS ENGINEERS INC. IN AMOUNT OF \$247,790 AND AUTHORIZE A CONTINGENCY IN THE AMOUNT OF \$25,000

Peter Sevcik, District Engineer, presented the Staff Report and answered questions from the Board.

There was no public comment.

Upon the motion of Director Vierheilig and seconded by Director Eby, the Board unanimously adopted Resolution 2011-1230. Vote 5-0.

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

RESOLUTION NO. 2011-1230

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES AWARDDING BID FOR THE SOUTH FRONTAGE ROAD TRUNK SEWER REPLACEMENT PROJECT CONSTRUCTION MANAGEMENT SERVICES WITH MNS ENGINEERS, INC. IN THE AMOUNT OF \$247,790 AND AUTHORIZING CONTINGENCY OF \$25,000

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01:30:00

E-4) AUTHORIZE AGREEMENTS WITH FULBRIGHT JAWORSKI LLP ATTORNEYS AT LAW AND C.M. de CRINIS & CO., INC. WITH AN APPROXIMATE VALUE OF \$150,000.00 FOR BOND AND DISCLOSURE COUNSEL AND FINANCIAL ADVISORY SERVICES IN SUPPORT OF SOUTHLAND WASTEWATER TREATMENT FACILITY UPGRADE PROJECT

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun answered questions from the Board.

There was no public present.

Upon the motion of Director Eby and seconded by Director Winn, the Board made findings that Fulbright Jaworski LLP and CM de Crinis & Co. Inc. are currently providing the District similar services for the Supplemental Water Project, their fees are competitive, and the District wishes to retain the services of these firms for the Southland Wastewater Treatment Facility Upgrade Project. Vote 5-0.

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

01:52:00

F. MANAGER'S REPORT

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun answered questions from the Board. The Personnel Committee agreed to meet on July 26, 2011, at 10:00 a.m. to review recruitment service proposals. Mr. LeBrun asked that an Ad Hoc Committee be formed to meet with the BLMA to review the existing sewer rate structure and management of the sewer system and that the Ad Hoc Committee report back to the Board of Directors. The Ad Hoc Committee will be staffed by NCSD Staff. President Harrison proposed to appointed Director Eby and himself to the Ad Hoc Committee.

Wally Crooks, BLMA representative, stated that the BLMA is interested in reviewing the Blacklake sewer rates and the management of the Blacklake sewer system.

Upon motion of Director Winn and seconded by Director Vierheilg, the Board of Directors unanimously approved the appointment of Director Eby and Harrison to the Ad Hoc Committee.

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

02:45:00

I. CLOSED SESSION ANNOUNCEMENTS

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9 SMVWCD VS. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

02:46:00

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

The Board came back into Open Session at 1:48 p.m.

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Jon Seitz, District Legal Counsel, announced that the Board discussed item one listed above for closed session, but took no reportable action.

G. COMMITTEE REPORT

None

02:247:00

E-5) CONSIDER DRAFT WATER FUND RATE STUDY AND RATE ADOPTION SCHEDULE

Mr. LeBrun reviewed the Staff Report and introduced Clayton Tuckfield of Tuckfield & Associates, Inc. Mr. Tuckfield made a power point presentation regarding the Water Fund Rate Study. The Board asked questions of Mr. Tuckfield. Director Vierheilg requested that Page 16, paragraph 3 be rewritten. Director Eby stated he would not support the Water Rate Study because of the four-tier water rate structure.

Jon Seitz, District Legal Counsel, stated that the written protest votes would be accepted up until the close of the Public Hearing.

There was no public comment.

Upon motion of Director Winn and seconded by Director Vierheilg, the Board of Directors approved the Draft Water Fund Rate Study. Vote 4-1.

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

Upon motion of director Winn and seconded by Director Vierheilg, the Board of Directors unanimously agreed to direct Staff to initiate the Prop 218 proceedings. Vote 5-0.

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

03:39:00

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Winn

Field Staff should be trained on how to deal with Supplemental Water Project questions.

Director Gaddis

Requested status of request to staff to look into a program where employees can come forward with ideas that would help the District run better and lower District costs. If it were a successful idea, the District would implement a one-time bonus for that employee.

ADJOURN

President Harrison adjourned the meeting at 3:44 p.m.

MEETING SUMMARY	HOURS
Regular Meeting	5.00
Closed Session	1.75
TOTAL HOURS	6.75