

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

NOVEMBER 16, 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 November 16, 2011, to order at 9:00 a.m. and led the flag salute.

00:00:44 B. ROLL CALL AND PUBLIC COMMENT ON ITEMS NOT ON AGENDA

At Roll Call all Board members were present.

The following members of the public spoke:

Gary Epstein, Nipomo resident, commented on the beginnings of forming a program to have a demonstration garden for replacement of lawn and hopes that the District will help with some funding in the future.

John Snyder, Nipomo resident, commented on NCSD's lead in the assessment district for the Supplemental Water Project.

Director Winn stated that the public needs to be aware that a recording device is behind the projector screen.

00:01:45 PRESENTATIONS AND PUBLIC COMMENT

C-1) SHERIFF COMMANDER ROBIN WECKERLY
Update re: South County Law Enforcement Activities

Sheriff Commander Weckerly gave an update of the law enforcement activities in the South County and announced that she will be retiring. Commander Weckerly answered questions from the Board. The Board thanked Commander Weckerly for her service and the report.

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. Michael LeBrun, General Manager, Peter Sevcik, District Engineer, and Ms. Shields answered questions from the Board. The Board thanked Ms. Shields for her report.

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

00:01:45

C. PRESENTATIONS AND PUBLIC COMMENT (continued)

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

Receive Announcements from Directors Items of District & Community Interest

Director Gaddis

- ◇ November 28, 2011 – SCAC met and has concerns with getting funding for the SCAC from the 4th District Supervisor.

Director Vierheilig

- ◇ November 17, 2011 – The Nipomo Chamber of Commerce Luncheon will be held at Blacklake Golf Course at 11:45 a.m.

Director Eby

- ◇ November 9, 2011 – NCSD held a Town Hall meeting from 6:30 to 8:30 p.m. about solutions to the water shortage on the Nipomo Mesa. NCSD was pleased with the outcome.
- ◇ November 17, 2011 – LAFCO will meet and will review the Paso Robles Municipal Services Sphere of Influence.
- ◇ November 18, 2011 – CSDA will meet in San Luis Obispo.

Director Winn

- ◇ November 7, 2011 – Spoke in Paso Robles at the Sustainable Agriculture Exposition regarding the Santa Maria Litigation as a model of what not to do.
- ◇ November 15, 2011 – The SLO County Board of Supervisors met.
- ◇ November 18, 2011 – CSDA will meet at the Wallace Group at 11:30 a.m.
- ◇ December 7, 2011 – WRAC will meet for a workshop on the County Integrated Regional Water Management Plan from 9:00 a.m. to 12:00 p.m. The regular meeting will follow the workshop at 1:30 p.m.

Director Harrison

- ◇ November 9, 2011 – The Fire Safe Council will meet at 9:00 a.m. at the San Luis Obispo Vets hall.
- ◇ November 29, 2011 – There will be a free webinar at 10:00 a.m. on being a distinguished Board member.
- ◇ December 5, 2011 – Agenda coordination meeting at 2:00 p.m. Directors Harrison and Gaddis will attend.
- ◇ December 9, 2011 – The Garbage-man's Ball.

C-3) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

00:46:15

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE OCTOBER 26, 2011 REGULAR BOARD MEETING MINUTES

D-3) REVIEW PROPOSED AMENDMENT TO THE CALIFORNIA EMPLOYER'S RETIREE BENEFIT TRUST PROGRAM ("CERBT") AGREEMENT TO ALLOW THE USE OF THE ALTERNATIVE MEASUREMENT METHOD (AMM) TO PERFORM POST-EMPLOYMENT BENEFIT VALUATION

D-4) REVIEW SOLID WASTE FRANCHISE FEE AND RATE INCREASE DEFERRAL

Michael LeBrun, General Manager, and Lisa Bognuda, Finance Director, answered questions from the Board.

There was no public comment.

Upon the 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, Vierheilg, Gaddis, and Harrison	None	None

E. ADMINISTRATIVE ITEMS

00:57:25

E-1) REVIEW FINANCIAL AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2011

Robert Crosby, Crosby Company CPA, reviewed the audit report as presented in the Board packet. Lisa Bognuda, Finance Director, and Mr. Crosby answered questions from the Board.

There was no public comment.

Upon the motion of Director Eby and seconded by Director Vierheilg, the Board unanimously approved to accept and file the audit report for fiscal year 2010-2011, with statements of appreciation for Mr. Crosby and Ms. Bognuda.

Vote 5-0.

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

The Board took a break from 10:10 to 10:25 a.m.

**Nipomo Community Services District
REGULAR MEETING
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01:08:48

E-2 REVIEW SUPPLEMENTAL WATER PROJECT FINANCING OPTIONS

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Jon Seitz, District Legal Counsel, Peter Sevcik, District Engineer, and Mr. LeBrun answered questions from the Board.

The following member of the public spoke:

John Snyder, Nipomo resident, commented on the Supplemental Water Project.

The Board discussed the item.

Director Eby made the motion to direct staff to proceed with Scenario #2 funding option, and will include an analysis made without Rural Water Company in the Assessment District. The motion was seconded by Director Winn. Prior to the vote, Director Eby withdrew his motion, so the motion failed.

Upon the motion of Director Eby and seconded by Director Vierheilg, the Board approved staff to proceed with Scenario #2 funding option.
Vote 4-1.

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

Director Winn made the motion to direct staff to proceed with Scenario #2 funding option, and to do an additional analysis of projected costs with NCSD, GSW, and WMWC. Director Vierheilg seconded the motion. Prior to the vote, Director Vierheilg withdrew his motion. Subsequently, Director Harrison seconded the motion. The motion failed.
Vote 2-3.

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

03:10:24

I. CLOSED SESSION ANNOUNCEMENTS

I-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).

I-2) CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC SECTION 54956.9; NCSD VS. COUNTY SLO, ET AL. (CASE #CV090010)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to closed session at 11:50 p.m.

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

The Board came back into Open Session at 1:05 p.m.

Jon Seitz, District Legal Counsel, announced that the Board discussed items I-1 and I-2 listed above for closed session, but took no reportable action.

The board considered item E-5 next.

03:12:06

E-5) CERTIFY SOUTHLAND WASTEWATER TREATMENT FACILITY IMPROVEMENTS
FINAL ENVIRONMENTAL IMPACT REPORT

Doug Wood, Doug Wood & Associates, reviewed the report as presented in the Board packet. Peter Sevcik, District Engineer, Michael LeBrun, General Manager, Jon Seitz, District Legal Counsel, and Mr. Wood answered questions from the Board.

There was no public comment.

Upon the motion of Director Gaddis and seconded by Director Vierheilg, the Board unanimously adopted Resolution 2011-1238 certifying the Final EIR with minor edits. Vote 5-0.

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

RESOLUTION NO. 2011-1238

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES
CERTIFYING THE NCSD SOUTHLAND WASTEWATER
TREATMENT FACILITIES IMPROVEMENTS FINAL
ENVIRONMENTAL IMPACT REPORT

The board considered item E-6 next.

E-6) CONSIDER ESTABLISHING A PRE-QUALIFICATION POLICY AND APPEALS
PROCEDURE FOR THE SOUTHLAND WASTEWATER TREATMENT FACILITY
IMPROVEMENT PROJECT PHASE 1

Peter Sevcik, District Engineer, reviewed the report as presented in the Board packet. Jon Seitz, District Legal Counsel, and Mr. Sevcik answered questions from the Board.

There was no public comment.

Upon the motion of Director Vierheilg and seconded by Director Winn, the Board unanimously adopted Resolution 2011-1239 establishing the pre-qualification and appeals policy for the Southland Wastewater Treatment Facility upgrade phase I project, as amended. Vote 5-0.

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

RESOLUTION NO. 2011-1239

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES
ESTABLISHING A PRE-QUALIFICATION POLICY AND APPEALS
PROCEDURE FOR THE SOUTHLAND WASTE WATER
TREATMENT FACILITY IMPROVEMENT PROJECT PHASE I

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The board took a break from 2:15 to 2:25 p.m.

- E-3) CONSIDER A \$11,500 BUDGET AUGMENTATION FOR WAGNER BONSIGNORE CONSULTING ENGINEERS INCREASING NOT TO EXCEED FOR TASK 200 LITIGATION SUPPORT FOR 2011 TO \$106,500

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

There was no public comment.

Upon the motion of Director Winn and seconded by Director Eby, the Board unanimously approved the \$11,500 budget augmentation, directed staff to issue a task order and revise the project not to exceed to \$106,500.

Vote 5-0.

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

- E-4) CONSIDER A \$5,000 BUDGET AUGMENTATION FOR WAGNER BONSIGNORE CONSULTING ENGINEERS INCREASING NOT TO EXCEED FOR TASK 100 LITIGATION SUPPORT FOR 2011 TO \$20,000

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

There was no public comment.

Upon the motion of Director Vierheilg and seconded by Director Eby, the Board unanimously approved the \$5,000 budget augmentation, and directed staff to issue a task order and revise the project not to exceed to \$20,000.

Vote 5-0.

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

03:25:12

F. MANAGER'S REPORT

Michael LeBrun, Interim General Manager, reviewed the report as presented in the Board packet. Peter Sevcik, District Engineer, and Mr. LeBrun answered questions from the Board. There was no public comment.

03:48:43

G. COMMITTEE REPORT

The Finance and Audit Committee met on November 1, 2011.

The committee minutes were as presented. There was no public comment.

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03:51:24

H. DIRECTOR'S REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Gaddis

- ◇ Requested staff to keep up the good work.

Director Vierheilig

- ◇ Requested staff to keep up the good work.

Director Eby

- ◇ Questioned if it is now appropriate to consider the 2.3 million dollar grant as an early start for the Supplemental Water Project and, if so, how we might use it.

Peter Sevcik, District Engineer commented on Director Eby's question.

Director Winn

- ◇ Requested staff to consider working north to south on the Supplemental Water Project, if there are any slippages in other areas.
- ◇ Announced that the Regional Water Control Board will meet in San Luis Obispo on December 1, 2011, and will discuss Ag waivers.
- ◇ Director Winn was pleased with staff's work on recruiting new employees.
- ◇ Commented on reviewing response of the question cards from the Town Hall Meeting.
- ◇ Requested staff to revisit the policy on the public recording and taping Board meetings.

ADJOURN

President Harrison adjourned the meeting at 3:30 p.m.

MEETING SUMMARY	HOURS
Regular Meeting	5.30
Closed Session	1.00
TOTAL HOURS	6.30