

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## REGULAR MINUTES

FEBRUARY 8, 2012, 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 February 8, 2012, to order at 9:00 a.m. and led the flag salute.

00:00:48

#### B. ROLL CALL AND PUBLIC COMMENT ON ITEMS NOT ON AGENDA

At Roll Call, Directors Harrison, Winn, and Eby were present. Director Vierheilig was not present, due to a scheduled absence.

The following members of the public spoke:

Dan Hall, NCSD customer, invited NCSD Board to do a half-hour presentation on Supplemental Water at a town hall meeting at Blacklake Village.

Ruth Brackett, NCSD customer, had conflicts and concerns about the Supplemental Water Project. Her main concerns were on the future reliability and future costs.

Directors Harrison and Eby commented on Ms. Brackett's comments and concerns.

Carl Marshall, NCSD customer, had questions about the costs of the Supplemental Water Project.

Jon Seitz, District Legal Counsel, Director Harrison, and Director Eby commented on Mr. Marshall's questions.

#### C. PRESENTATIONS AND PUBLIC COMMENT

##### C-1) REPORT ON January 11, 2012 REGULAR MEETING CLOSED SESSION Announcement of Actions, if any, Taken in Closed Session

Jon Seitz, District Legal Counsel, announced that the Board discussed Item One (Conference with District Legal Counsel re: pending litigation pursuant to GC §54956.9 SMVWCD VS. NCSD) in closed session, but took no reportable action.

The Board discussed Item Two (Conference with District Legal Counsel re: pending litigation pursuant to GC §54956.9 NCSD VS COUNTY SLO) in closed session, but took no reportable action.

The Board discussed Item Three (Conference with District Legal Counsel re: significant exposure to litigation pursuant to CG §54956.9 (b) (3) (c) receipt of tort liability claim. Claimant: Celeste Whitlow. Agency claimed against Nipomo Community Services District) in closed session, but took no reportable action.

00:25:36

- C-1) REPORT ON January 11, 2012 REGULAR MEETING CLOSED SESSION (Cont.)  
Announcement of Actions, if any, Taken in Closed Session

The Board discussed Item Four (Public employee evaluation GC §54957 Title District General Manager Sixth-Month Performance Evaluation) in closed session, and will continue the discussion in today's closed session.

- C-2) SHERIFF COMMANDER JAMES TAYLOR  
Update re: South County Law Enforcement Activities

Sheriff Commander Taylor gave an update of the law enforcement activities in South County. Commander Taylor answered questions from the Board. The Board thanked Commander Taylor for his report.

- C-3) MIKE NUNLEY OF AECOM

Eileen Shields, AECOM Assistant Project Manager, reviewed the report as presented in the Board packet. Michael LeBrun, General Manager, and Ms. Shields answered questions from the Board. The Board thanked Ms. Shields for her report.

- C-4) 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.

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

Director Gaddis

- ◇ February 27, 2012 – SCAC will meet at 6:30 p.m. at NCSD.

Director Eby

- ◇ Announced that LAFCO will not meet in February. The next meeting will be in March and they will hear a hydrological analysis on the Los Robles Del Mar annexation.
- ◇ Announced that NCSD held 4 workshops on financial effects of funding the Supplemental Water Project. The workshops were attended by approximately 500 people.
- ◇ This week the NMMA will meet and work on the 2011 annual report completion.
- ◇ February 24 and March 16 – will be the following 2 NMMA meetings.

Director Winn

- ◇ February 1, 2012 – WRAC met and had a workshop in the morning on governance issues for the IRWM Plan and held the regular meeting in the afternoon.
- ◇ February 3, 2012 – Attended the Annual Conference held at UCLA, for Land Use Law and Water Laws. This year information from the Conference will be posted on-line.
- ◇ March 7, 2012 – WRAC will meet in the afternoon and will work on the formal adoption of the IRWM Plan.

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

Director Harrison

- ◇ February 3, 2012 – Attended the Annual Planning Conference held at UCLA, for Land Use Law and Water Laws.
- ◇ February 1, 2012 – President Harrison, the General Manager, 4<sup>th</sup> District Supervisor, and Paavo Ogren met. The meeting went well and was very informative.
- ◇ Announce that the Fire Safe Council received a grant for \$200,000. This grant will allow them to fund the chipping event this year.

- C-6) 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.

*The Board took a break from 10:15 to 10:30 a.m.*

Jon Seitz, District Legal Counsel, announced that the Board is on Agenda Item C-6.

There was no public comment.

Upon the motion of Director Eby and seconded by Director Winn, the Board unanimously approved to receive and file presentations and reports as submitted.  
Vote 4-0.

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

01:15:01

**D. CONSENT AGENDA**

- D-1) APPROVE WARRANTS
- D-2) APPROVE JANUARY 25, 2012 REGULAR BOARD MEETING MINUTES
- D-3) ACCEPT QUARTERLY FINANCIAL REPORT

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

At the request of Director Gaddis, Director Harrison pulled item D-3 for further discussion.

There was no public comment.

Upon the motion of Director Eby and seconded by Director Winn, the Board unanimously approved Items D-1 and D-2, as amended.  
Vote 4-0.

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

CONSENT AGENDA (Cont.)

Item D-3

Lisa Bognuda, Finance Director, answered questions from the Board.

There was no public comment.

Upon the motion of Director Winn and seconded by Director Gaddis, the Board unanimously approved the Quarterly Financial Report with their appreciation of the presentation by staff.

Vote 4-0.

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

E. ADMINISTRATIVE ITEMS

01:28:10

E-1) APPROVE DOUGLAS WOOD & ASSOCIATES, INC. TASK ORDER FOR SUPPLEMENTAL WATER PROJECT ADDENDUM EIR

Peter Sevcik, District Engineer, reviewed the report as presented in the Board packet. Jon Seitz, District Legal Counsel, Douglas Wood, Douglas Wood & Associates, and Mr. Sevcik, answered questions from the Board. The Board thanked Mr. Sevcik for his report.

There was no public comment.

Upon the motion of Director Eby and seconded by Director Gaddis, the Board unanimously approved a Douglas Wood & Associates, Inc. task order for the preparation of the addendum EIR for the Supplemental Water Project in the amount of \$13,630.

Vote 4-0.

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

01:57:14

E-2) REVIEW DRAFT INVESTMENT POLICY

Paul McDonnell, C.M. de Crinis & Co., reviewed the report as presented in the Board packet. Jon Seitz, District Legal Counsel, and Mr. McDonnell answered questions from the Board.

There was no public comment.

Upon the motion of Director Eby and seconded by Director Winn, the Board unanimously adopted the 2012 Investment Policy, Resolution 2012-1244, as amended.

Vote 4-0.

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

RESOLUTION NO. 2012-1244

A RESOLUTION OF THE BOARD OF DIRECTORS  
 OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
 ADOPTING THE YEAR 2012 DISTRICT  
 INVESTMENT POLICY

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02:05:17

E-3) REVIEW DRAFT DEBT MANAGEMENT POLICY

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Maryann Goodkind, Fulbright & Jaworski, reviewed the policy in detail. Jon Seitz, District Legal Counsel, Lisa Bognuda, Finance Director, Michael LeBrun, General Manager, and Ms. Goodkind answered questions from the Board.

There was no public comment.

Jon Seitz, District Legal Counsel, read back all edits to the Board.

Upon the motion of Director Eby and seconded by Director Winn, the Board unanimously approved staff to bring the debt management policy back to the Board with all edits and any proposed changes, on February 29, 2012, with an option to adopt the debt management policy.

Vote 4-0.

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

02:56:01

I. CLOSED SESSION ANNOUNCEMENTS

I-1) CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9 SMVWCD VS. NCSO (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; NCSO VS. COUNTY SLO, ET AL. (CASE #CV090010)

I-3) PUBLIC EMPLOYEE EVALUATION (GOVERNMENT CODE §54957)  
Title: District General Manager Six-Month Performance Evaluation, pursuant to contract.

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to closed session at 12:15 p.m.

02:25:55

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

The Board came back into Open Session at 1:50 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. For Item I-3 listed above for closed session, on a 4-0 vote, with Director Vierheilig being absent, the Board adopted an evaluation stating:

“During this evaluation period you (being the General Manager) have met and generally exceeded the expectations of the Board. You have demonstrated a high level of competence and motivation in implementing Districts projects. The District is thriving under your leadership of District staff.”

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02:59:47

E-4) SUPPLEMENTAL WATER PROJECT UPDATE

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

There was no public comment.

There was no action taken.

03:25:07

E-5) REVIEW BOARD BY-LAWS AND POLICES AND PROPOSE EDITS FOR CONSIDERATION

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

There was no public comment.

Upon the motion of Director Harrison and seconded by Director Gaddis, the Board unanimously directed staff to bring this item back to the Board on February 29<sup>th</sup> meeting with all changes as noted.  
Vote 4-0.

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

03:53:00

F. MANAGER'S REPORT

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun answered questions from the Board. There was no public comment.

G. COMMITTEE REPORT

Ad Hoc Committee for Education and Outreach. There was no public comment.

04:24:10

H. DIRECTOR'S REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Winn

- ◇ Requested to have the County Chapter CSDA give training for ethics as well as sexual harassment prevention training if it is required.
- ◇ Requested staff to agendize a discussion of contract with Tramutola for the meeting of February 29, 2012.
- ◇ Suggested the consideration of adopting an Ordinance on submission of materials to the Board.

Director Harrison

- ◇ Requested an update on the contract between all water purveyors to install the intertie connections.
- ◇ Confirmed that the next NMMA meeting will be held on February 24, 2012, at 10:00 a.m. Directors Eby and Gaddis will attend.
- ◇ Confirmed that the NMMA will meet again on March 16, 2012, at 10:00 a.m. Directors Eby and Winn will attend.



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ADJOURN

President Harrison adjourned the meeting at 3:25 p.m.

MEETING SUMMARY	HOURS
Regular Meeting	5.00
Closed Session	1.30
TOTAL HOURS	6.30