

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

OCTOBER 10, 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 October 10, 2012, to order at 9:00 a.m. and led the flag salute.

00:00:40

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

At Roll Call, all Board members were present.

The following member of the public spoke:

Carl Holloway, NCSO customer, asked the Board to agendaize the consideration of an extension of his outside user's agreement for Tract 2642.

Michael LeBrun, General Manager, Peter Sevcik, District Engineer, and Mr. Holloway answered questions from the Board.

President Harrison directed staff to agendaize this topic for the next regular Board meeting.

00:06:44

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) REPORT FROM SUPPLEMENTAL WATER ALTERNATIVES EVALUATION COMMITTEE

Update on recent Committee activities

Kathie Matsuyama, SWAEC voting member and spokesperson, gave an update on the SWAEC recent activities. Michael LeBrun, General Manager, and Ms. Matsuyama answered questions from the Board. The Board thanked Ms. Matsuyama for her report.

C-2) REPORT ON SEPTEMBER 26, 2012 REGULAR MEETING CLOSED SESSION

Announcement of Actions, if any, taken in Closed Session

Mike Seitz, District Deputy Legal Counsel, announced that the Board discussed Item One (Conference with District Legal Counsel re: pending litigation pursuant to GC §54956.9 NCSO VS COUNTY SLO) 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, Whitlow/NCSO) in closed session, but took no reportable action.

The Board discussed Item Three (Conference with Legal Counsel pursuant to GC §54956.9, Anticipated litigation) in closed session, but took no reportable action.

00:06:44

C. PRESENTATIONS AND PUBLIC COMMENT (Continued)

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. Mr. Sevcik handed out a Southland WWTF Phase 1 monthly progress report (See Exhibit "A"). The Board thanked Mr. Sevcik for his report.

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 DirectorsDirector Eby

- ◇ September 24-27, Director Eby commented on attending the CSDA Annual Conference in San Diego, California. (See Exhibit "B").
- ◇ October 3-5, Director Eby commented on attending the LAFCO Conference in Monterey, California. (See Exhibit "B")
- ◇ October 17, A Public Forum for candidates for NCSD Board of Directors at 6:00 p.m. at NCSD.
- ◇ October 18, LAFCO will meet and interview 10 public member candidates for LAFCO. The public member seat is voted by the LAFCO members and not the public.

Director Winn

- ◇ October 3, The WRAC hosted a workshop on DWR grant applications at 10:00 a.m. At 1:30 p.m. the WRAC met for their regular monthly meeting.
- ◇ October 3, Director Winn commented on the "Complete Communities" workshop hosted by The SLO County Department of Planning and Building. (See Exhibit "C")
- ◇ October 9, The SLO County Board of Supervisors met and, among other things, discussed the "Complete Communities" workshops.
- ◇ October 11, A WRAC subcommittee will meet and evaluate the various applicants for the Integrated Regional Water Management Plan update.
- ◇ October 13, OctoberFest at the Nipomo Community Park from 10:00 a.m. to 5:00 p.m.

Director Vierheilig

- ◇ October 10, Nipomo Chamber Mixer from 5:00 to 7:00 p.m. at Trendy Sister Salon.
- ◇ November 1, SDRMA will have a webinar on the required Sexual Harassment Prevention Training for Special Districts. It will be free for SDRMA members.

Director Gaddis

- ◇ October 11, Vice Presidential debate.
- ◇ October 13 & 14, Open Studio Tours of local artists. Free books available at Olde Towne Nursery.
- ◇ October 16, Second Presidential debate.
- ◇ October 19 & 20, Nipomo Presbyterian Church rummage sale.
- ◇ October 26, 27, & 28 Jubilee by the Sea Jazz Festival in Pismo Beach.

Director Harrison

- ◇ October 20, At 5:00 p.m. The Rotary Club will host "A Taste of Italy" dinner, at St. Joseph's Church Hall which will benefit the Nipomo High School Drama Club.

Copy of document found at www.NoNewWipTax.com

C-5) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED

Nipomo Community Services District
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UNDER ITEM C AND BY MOTION RECEIVE and FILE PRESENTATIONS AND REPORTS

There was no public comment.

Upon the motion of Director Vierheilg and seconded by Director Gaddis, the Board unanimously approved to receive and file the presentations and reports as submitted. Vote 5-0.

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

01:12:19

D. CONSENT AGENDA

D-1) WARRANTS

D-2) APPROVE JULY 25, 2012 REGULAR BOARD MEETING MINUTES

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.

Item D-1

Upon motion of Director Vierheilg and seconded by Director Winn, the Board unanimously approved the warrants. Vote 5-0.

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

Item D-2

Michael LeBrun, General Manager, read aloud a small paragraph that President Harrison added to Item C-2 on the September 26, 2012 Regular meeting minutes. The Board made two small corrections.

There was no public comment.

Upon the motion of Director Vierheilg and seconded by Director Winn, the Board unanimously approved the minutes of September 26, 2012, as amended. Vote 4-0.

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

Director Eby didn't vote due to not attending the September 26, 2012 Board meeting.

The Board took a break from 10:20 to 10:30 a.m.

E. ADMINISTRATIVE ITEMS

Nipomo Community Services District
REGULAR MEETING
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01:20:07

E-1) RECEIVE FINANCIAL AUDIT REPORT FOR FISCAL YEAR 2011-2012

Robert Crosby, Certified Public Accountant, of Crosby Company, reviewed the report as presented in the Board packet. Lisa Bognuda, NCSD Finance Director, Michael LeBrun, General Manager, and Mr. Crosby answered questions from the Board.

There was no public comment.

Upon motion of Director Vierheilg and seconded by Director Gaddis, the Board unanimously approved to accept and file the Audit Report for Fiscal Year 2011-2012. Vote 5-0.

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

01:53:40

E-2) CONSIDER GRANT REQUEST FROM NIPOMO CHAMBER OF COMMERCE IN AMOUNT OF \$6,556 FOR SOLID WASTE REMOVAL IN NIPOMO COMMUNITY COMMON AREAS

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Rudy Stowell, Nipomo Chamber of Commerce President, and Mike Seitz, District Deputy Legal Counsel, answered questions from the Board.

There was no public comment.

On condition of making several changes in the Chamber contract, upon the motion of Director Winn and seconded by Director Vierheilg, the Board unanimously approved the grant proposal, directed staff to execute a grant agreement with the Nipomo Chamber of Commerce, and disburse the grant funds accordingly. Vote 5-0.

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

President Harrison directed staff to agendize an update for the middle of December.

02:12:48

E-3) CONSIDER UPDATES AND CHANGES TO PERSONNEL POLICIES AND PROCEDURES TO ESTABLISH A JOB DESCRIPTION AND SALARY RANGE FOR ASSISTANT ENGINEER, AUTHORIZE STAFF TO ADVERTISE AND RECRUIT AN ASSISTANT ENGINEER

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.

Upon the motion of Director Vierheilg and seconded by Director Gaddis, the Board unanimously adopted Resolution 2012-1278, approving Assistant Engineer job description and salary range, and authorized staff to recruit an Assistant Engineer, as amended.

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Item E-3 (Continued)

Vote 5-0.

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

RESOLUTION NO. 2012-1278

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING THE DISTRICT PERSONNEL POLICY TO
INCLUDE AN ASSISTANT ENGINEER JOB DESCRIPTION

02:26:20

E-4) CONSIDER UPDATES AND CHANGES TO PERSONNEL POLICIES AND PROCEDURES TO ESTABLISH A JOB DESCRIPTION AND SALARY RANGE FOR PUBLIC INFORMATION ASSISTANT, AUTHORIZE STAFF TO RECRUIT AN PUBLIC INFORMATION ASSISTANT

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.

Upon the motion of Director Gaddis and seconded by Director Vierheilig, the Board unanimously adopted Resolution 2012-1279, approving a Public Information Assistant (a part-time contract position) job description and salary range, and authorize staff to recruit a Public Information Assistant, as amended.

Vote 5-0.

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

RESOLUTION NO. 2012-1279

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING THE DISTRICT PERSONNEL POLICY TO
INCLUDE A PUBLIC INFORMATION ASSISTANT JOB DESCRIPTION

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).
2. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC SECTION 54956.9, WHITLOW/NCSD (CASE # E20112E1116-00-APS FILED WITH THE DEPARTMENT OF FAIR HOUSING AND EMPLOYMENT)
3. CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVT. CODE §54956.9(b):
Anticipated litigation - 1 case

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

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K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to closed session at 11:45 a.m.

02:37:51

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

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

Mike Seitz, Deputy District Legal Counsel, announced that the Board discussed 1, 2, and 3, listed above for Closed Session but took no reportable action.

02:38:34

F. GENERAL 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.

02:48:11

- G. COMMITTEE REPORT
- September 24, 2012 Supplemental Water Alternatives Evaluation Committee Meeting Minutes
 - October 2, 2012 Personnel Committee Meeting Minutes
 - October 2, 2012 Finance and Audit Committee Meeting Minutes

The reports were as presented. There was no public comment.

02:52:33

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Vierheilig

- ◊ Requested staff to provide the Board a copy of the Groundwater Adjudication Appellate Court ruling, when available.

Director Eby

- ◊ Requested staff to look into the feasibility of gas digesters.

Director Winn

- ◊ Commented on giving staff an update on the Round 2 Prop 84 IRWM Program Grant.

Director Harrison

- ◊ Confirmed the Agenda setting meeting for Monday, October 15, 2012, at 2:00 p.m.

ADJOURN

President Harrison adjourned the meeting at 1:25 p.m.

MEETING SUMMARY	HOURS
Regular Meeting	3.10
Closed Session	1.15
TOTAL HOURS	4.25

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REGULAR BOARD MEETING MINUTES

EXHIBIT "A"

Nipomo Community Services District



Southland WWTF Improvements Phase 1 Project Monthly Progress Report



Prepared By:
MNS Engineers, Inc.

SEPTEMBER 2012

Schedule and Budget Summary

Schedule Summary

Notice to Proceed	July 30, 2012
Original Contract Days	645
Contract Days Added	00
Revised Contract Days	645
Elapsed Time (Days)	(62)
Remaining Time (Days)	583
Contract Completion Date	May 6, 2014
Time Elapsed to Date	1%
Work Completed to Date	5%
Approved Change Orders	00

Budget Summary

Original Contract Amount	\$10,224,900.00
Approved Change Orders	\$0.00
Revised Contract Amount	\$10,224,900.00
Previous Payments	\$307,876.00
Current Month Pay Request	\$249,916.50
Total Work Completed	\$557,792.50
Work Remaining	\$9,667,107.50

Progress Summary

Mobilization

Summary of Work:

Biological and archaeological surveys were completed prior to the start of construction. Cushman began mobilization on July 30, the effective date of the Notice to proceed. They started mobilization by removing the debris and eucalyptus logs from the site. After clearing and grubbing the staging area, relocating the entrance fence and grading a new entrance road for construction, all under the observation of the biological, archaeological and Native American monitor, the office trailers for MNS Engineers and Cushman were moved onto site and temporary facilities including power and internet service were set up.

Pictures:



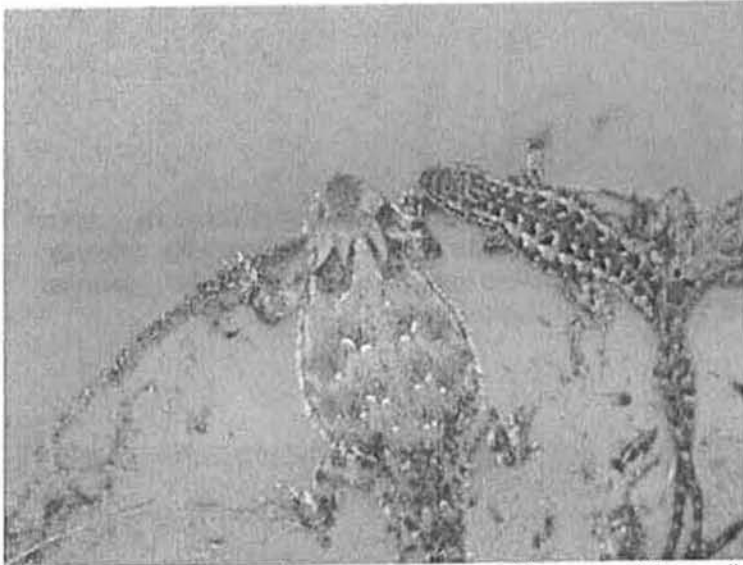
Removing eucalyptus logs and debris from the site



New entrance road and temporarily relocated fence



Prepping staging area for trailers, parking and equipment



Five horned lizard relocated by Rincon with several fence lizards



MNS Engineers and Cushman field office trailers

Site Work

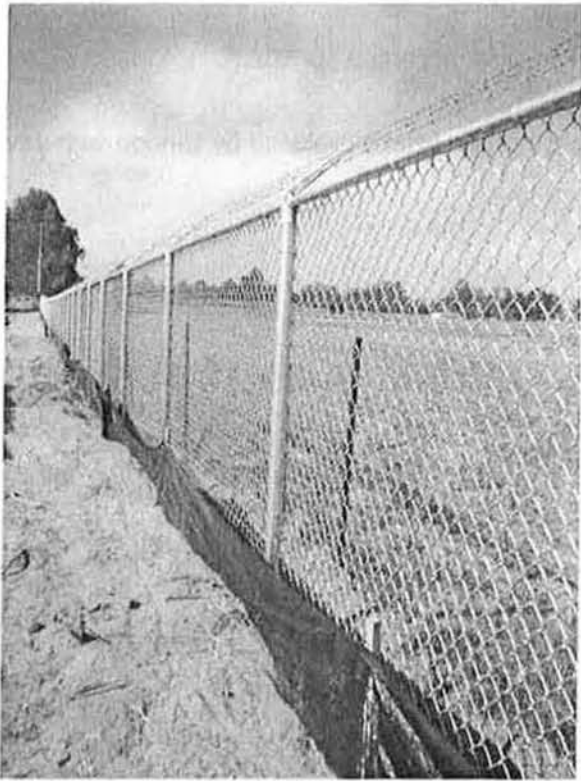
Summary of Work:

Cushman relocated the Pond #1 electrical service, installed temporary piping to Pond #2, cleared and grubbed Areas B & C, removed the existing fence in Areas A, B & C, relocated the aerators from Pond #1, drained Pond #1 and removed the sludge and liner, bypassed Pond #1, surveyed the fence line and installed new chain link fence and exclusionary fence.

Pictures:



Pond No. 1 bypass



New chain link fence with exclusionary fence



Removing sludge from Pond No. 1



Liner removed and continued removal of sludge from Pond No. 1

Process 50 – Secondary Clarifier No. 1

Summary of Work:

Cushman's subcontractor, Switzer Grading, started excavation for both the clarifiers. Excavation is approximately 75% complete.

Pictures:



Starting excavation for Clarifiers No. 1 & 2



Continued excavation of Clarifiers No 1 & 2



Continued excavation for Clarifiers No. 1 & 2, approximately 65% complete



Excavation approximately 75% complete

Process 90 – Sludge Drying Beds

Summary of Work:

The sludge drying beds were excavated to subgrade and compacted for placement of aggregate base material.

Pictures:



Excavation of sludge drying beds



Sludge drying bed subgrade compacted and ready for aggregate base

Potential Change Orders

1. Extra Surveying

Cushman's surveyor, Above Grade, discovered the control called for in the Contract Documents was in error and set control points to be used for construction based on known points on site. Cost is estimated to be \$3,900.

2. Extra work at Pond #1

In order to bypass Pond #1, Cushman had to plug a defective telescoping valve at Pond #3 and modify piping between Ponds #3 and 4. Cost is estimated to be approximately \$15,000.

3. Fencing Changes

Modifications were made to the site fencing to protect permanent fencing from damage if the District elects to do Alternative X and also to remove existing fence which is no longer needed. This resulted in a credit change order to the District estimated to be \$20,000.

4. Remove buried debris

While Cushman was preparing to excavate for the clarifiers, they discovered buried debris on the site which included concrete, pipe, metals, old asphalt and miscellaneous trash. In order to reduce disposal costs, the debris was separated from the sand by using a "Grizzly". The debris was hauled from the site and disposed of while the remaining sand was stockpiled on site and will be used under landscape areas or berms. The estimated cost is approximately \$24,000.

Pictures:



Separating debris from sand with Grizzly



Debris to be hauled from site



Remaining sand material after buried debris was separated out

OCTOBER 10, 2012

REGULAR BOARD MEETING MINUTES

EXHIBIT "B"

CSDA Conference in San Diego 9/24 to 9/27

Chula Vista Desal Plant Tour

Sweetwater (water) Authority, 30,000 connections
Most water is reservoir water from rainfall, but desal is run at full time
Drought backup often needed
Richard A. Reynolds Groundwater Desalination Facility
Intake is fossil brackish water from 6 wells, 400-800 feet below sea level at 87°F
Produces 4,500-5,500 AFY
Cost \$14M in 1999
Surface discharge up to 10,000 ppm into Sweetwater Creek
"This discharge would never be allowed today."

Brown Act

Posting agendas not required (but recommended)
Advisory committees now subject to Brown Act if appointed by agency

AB 340

New pension rules - Jan 1 2013

Rate Rollback

Raising rates to boost reserves to improve bond rating OK
Case history - Forest Hill Public Utility Agency
Bottom line - good public relations

Local Investing using County Treasurer-Tax Collectors

County Pools mandated by state law
8-10 basis points fee
Higher yield than LAIF
Rated where LAIF is not

LAFCO Conference in Monterey 10/3 to 9/5

Salinas Plain has massive seawater intrusion from groundwater overpumping for agriculture.
Wastewater Recycling Plant provides 12,000 acres of farmland sole source of irrigation. Groundwater is too salty to use.
20M gallons per day recycled for irrigation. 100% used on farmland in summer, excess dumped into Monterey bay in winter.
Wastewater from Pacific Grove, Monterey, Marina, Salinas, Castroville and Moss Landing

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REGULAR BOARD MEETING MINUTES

EXHIBIT "C"

Wednesday, 3 October 2012

In response to the SLO County "Complete Communities" survey, County planners that desire an accurate and realistic view of Nipomo must do several things:

- 1) Recognize that Nipomo residents prefer:
 - a. homes on larger lots
 - b. a horse-friendly community
 - c. as little high-density urban development as possible
 - d. no "big box" stores (even though their taxes are attractive)
 - e. driving to work and to shopping in their own vehicles
 - f. either slow growth or no growth
- 2) Although the western and northern edges of the Mesa have a special relationship with Arroyo Grande, Nipomo is primarily a bedroom community for Santa Maria.
- 3) Think regionally beyond the County line that separates Nipomo from its urban core in Santa Maria.

Santa Maria is indeed a "complete community" and has the following essentials that Nipomo depends on (but generally would prefer not to have here):

- a. a large regional hospital with thousands of medical specialists
- b. an airport
- c. a State-accredited community college
- d. "big box" stores such as Costco, Home Depot, Target, Foods Co, Food 4 Less, Smart & Final, Walmart, Farm Supply, Orchard Supply Hardware, La Vallarta, the Santa Maria Mall (containing stores such as Sears and May Company)
- e. an annual County Fair
- f. overlying the majority of the Santa Maria Groundwater Basin
- g. 47% of the entire CCWA State water allocation (with excess water for growth & export)
- h. over 100,000 population, with a large variety of jobs
- i. a major supply of high-density, workforce housing
- j. a robust and well developed transportation network
- k. many sports fields in public parks
- l. large unattractive car lots along the freeway
- m. a local landfill requiring low mileage for dump trucks

NIPOMO: STATUS OF EXISTING COMMUNITY FACILITIES

FACILITY STATUS IS ASSESSED ON A SCALE OF VERY COMPLETE (A) TO VERY INCOMPLETE (D)



COMMUNITY FEATURES	STATUS	NOTES
Infrastructure	Water Supply ¹	A Existing supply is adequate to meet existing demand
	Water System*	D Very high per capita cost of needed improvements
	Sewer System*	B High per capita cost of needed improvements
	Storm Drainage*	C High per capita cost of needed improvements
	Solid Waste	A Landfill capacity until 2059 (Cold Canyon)
Transportation	Street Maintenance	A Pavement Condition Index (PCI) of 67 percent (within the "good roads" category)
	Street & Highway System*	B Moderate per capita cost of needed improvements
	Bike Lanes and Paths	C The bike system is 23 percent complete
	Transit	B One bus route with four stops
	Park-N-Ride Lots	D No park-n-ride lot
	Sidewalks	C The sidewalk system is 23 percent complete
	Streetscape Facilities*	A Low per capita cost of needed improvements
Public Facilities	Public Safety Buildings (Fire)	A Adequate existing facilities
	Public Safety Buildings (Police)	C Small report center only; no Sheriff patrol station
	Community/Neighborhood Parks	B Parks provided at 51 percent of County standard
	Trails	B Four trails
	Libraries	C Library space provided at 43 percent of County standard
	Community & Civic Facilities	D No community facility
	Public Services Buildings	A Four public service facilities
	Schools ²	D At or in excess of capacity

¹ The water supply in the Santa Maria Groundwater Basin is in serious condition.

² Based on San Luis Obispo County 2008 Annual Summary Report. 2012 information being prepared by the school district.

*It is difficult to measure existing conditions quantitatively for these facilities. In these cases, "cost per capita for near-term improvements" is used to determine the facility's "status." The per capita costs for these facilities range from "low" being less than \$180 per capita and "very high" being greater than \$939 per capita. It should be noted that cost per capita is used for comparative purposes only and does not represent any proposed costs or fees to individuals or households.