

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

DECEMBER 12, 2012, AT 9:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

JAMES HARRISON, **PRESIDENT**
LARRY VIERHEILIG, **VICE PRESIDENT**
DAN GADDIS, **DIRECTOR**
BOB BLAIR, **DIRECTOR**
CRAIG ARMSTRONG, **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 December 12, 2012, to order at 9:00 a.m. and led the flag salute.

00:00:40

B. SWEAR IN DIRECTORS, ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

Michael LeBrun, General Manager, administered the Oath of Office for Bob Blair and Craig Armstrong. At Roll Call, all Board members were present.

There was no public comment.

00:03:28

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) NIPOMO CHAMBER OF COMMERCE PRESIDENT RUDY STOWELL Update Report re: solid waste service grant

Rudy Stowell, Nipomo Chamber of Commerce President, gave an update on the use of the solid waste service grant. Mr. Stowell answered questions from the Board. The Board thanked Mr. Stowell for his update.

C-2) DISTRICT UTILITIES SUPERINTENDENT Update Report re: October and November 2012 Operations Report

Tina Grietens, Utility Superintendent, reviewed the report as presented in the Board packet. Michael LeBrun, General Manager, and Ms. Grietens answered questions from the Board. The Board thanked Ms. Grietens 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. Michael LeBrun, General Manager, and Mr. Sevcik answered questions from the Board. The Board thanked Mr. Sevcik for his report.

Mike Seitz, Deputy District Legal Counsel, joined the meeting at 9:20 a.m.

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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 and Reports from Directors

Director Gaddis

- ◇ January 28, SCAC will meet at NCSD at 6:00 p.m.

Director Vierheilig

- ◇ December 12, Nipomo Chamber Mixer from 5:00 to 7:00 p.m. at Nipomo Properties.
- ◇ December 12, Comments on the expansion of the Bob Jones Trail will be considered by the City of SLO.
- ◇ December 15, Santa Parade through Olde Towne Neighborhoods at 5:00 p.m.
- ◇ December 17, 6:00 p.m., DANA Adobe EIR review at NCSD.
- ◇ December 18, SLO County Board of Supervisors will meet and considered the approval of the Nipomo Community Park PEIR and the Nipomo Community Park Master Plan.

Director Harrison

- ◇ November 28, Attended an Olde Towne Nipomo Association meeting regarding Jim O. Miller Park.
- ◇ November 29, Attended NMMA TG meeting.
- ◇ December 7, Attended the SWAEC meeting.
- ◇ December 11, Commented on the Sheriff's Open House being positive for the Nipomo Community.
- ◇ December 14, Garbage man's Ball.
- ◇ December 18, 9:00 a.m., The Fire Safe Council will meet and discuss how to distribute \$200,000 in grant money for 2013.

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

The following member of the public spoke:

Mike Winn, former Director and NCSD customer, advised the Board on the procedure for nominating a member and alternate to the WRAC.

Upon the motion of Director Vierheilig and seconded by Director Blair, the Board unanimously approved to receive and file the presentations and reports as submitted.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilig, Blair, Armstrong, Gaddis, and Harrison	None	None

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00:50:58

D. CONSENT AGENDA

D-1) WARRANTS

D-2) APPROVE NOVEMBER 14, 2012 REGULAR BOARD MEETING MINUTES

D-3) ADOPT RESOLUTION COMMENDING FORMER DIRECTOR MICHAEL W. WINN

D-4) ADOPT RESOLUTION COMMENDING FORMER DIRECTOR EDWARD D. EBY

At the request of Director Blair, President Harrison pulled Items D-3 and D-4 for separate consideration.

Mike Seitz, Deputy District Legal Counsel, advised the Board to take Item D-2 separate.

Item D-1

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 Vierheilig and seconded by Director Gaddis, the Board unanimously approved the warrants as submitted.
Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilig, Gaddis, Blair, Armstrong, and Harrison	None	None

Item D-2

There was no public comment

Upon the motion of Director Vierheilig and seconded by Director Harrison, the Board approved the November 14, 2012 Regular Board Meeting Minutes.
Vote 3-0.

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

Directors Blair and Armstrong didn't vote due to not attending the November 14, 2012 Board meeting.

Item D-3

There was no public comment.

Upon the motion of Director Armstrong and seconded by Director Vierheilig, the Board unanimously approved Resolution 2012-1283, A Resolution commending Michael Winn for his dedicated service to the Nipomo Community Services District.
Vote 5-0.

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Item D-3 (Continued)

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Vierheilig, Blair, Gaddis, and Harrison	None	None

RESOLUTION NO. 2012-1283

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
COMMENDING MICHAEL W. WINN FOR HIS DEDICATED
SERVICE TO NIPOMO COMMUNITY SERVICES DISTRICT

Item D-4

There was no public comment.

Upon the motion of Director Vierheilig and seconded by Director Gaddis, the Board approved Resolution 2012-1284, A Resolution commending Edward Eby for his dedicated service to the Nipomo Community Services District.

Vote 4-1.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilig, Gaddis, Armstrong, and Harrison	Director Blair	None

RESOLUTION NO. 2012-1284

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
COMMENDING EDWARD D. EBY FOR HIS DEDICATED
SERVICE TO NIPOMO COMMUNITY SERVICES DISTRICT

E. ADMINISTRATIVE ITEMS

00:57:55

E-1) ELECTION OF 2013 BOARD PRESIDENT AND VICE PRESIDENT

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

General Manager took nominations for the President of the Board. The nominations were as follows:

Director Blair nominated Director Harrison.

There were no further nominations.

There was no public comment.

General Manager took a voice vote in favor of Director Harrison for President of the Board.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Blair, Vierheilig, Gaddis, Armstrong, and Harrison	None	None

General Manager took nominations for the Vice President of the Board. The nominations were as follows:

Director Harrison nominated Director Vierheilig.

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Item E-1 (Continued)

There were no further nominations.

There was no public comment.

General Manager took a voice vote in favor of Director Vierheilg for Vice President of the Board.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Gaddis, Blair, Armstrong, and Vierheilg	None	None

The Board took a break from 10:00 to 10:10 a.m.

01:00:27

E-2) CONSIDER SOLID WASTE RATE ADJUSTMENT REQUEST AUTHORIZE PROPOSITION 218 PROCEEDINGS TO INCREASE SOLIDWASTE RATES

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Tom Martin, South County Sanitary Services Manager, and Mr. LeBrun answered questions from the Board.

The following members of the public spoke:

Bill Kengel, NCSD Customer, commented on not needing the degree of examination to expand an existing land fill.

Mike Winn, former Director and NCSD customer, commented on the Board headed in the right direction, but thinks a 10% increase is excessive.

Upon the motion of Director Vierheilg and seconded by Director Gaddis, the Board directed staff to circulate the notice with an 11.6% rate increase and return the franchise fee to 10% (option #5) and schedule a protest hearing for February 13, 2013.

Vote 3-2.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilg, Gaddis, and Harrison	Directors Blair and Armstrong	None

01:30:53

E-3) CONSIDER CYPRESS RIDGE APPLICATION TO SLO COUNTY FOR CONDITIONAL USE PERMIT IN SUPPORT OF INCREASED RESIDENTIAL DEVELOPMENT WITHIN THE NIPOMO MESA GROUNDWATER CONSERVATION AREA

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Dennis Sullivan, Cypress Ridge Developer, handed the Board a project description (See Exhibit "A"). Mr. Sullivan and Mr. LeBrun answered questions from the Board.

The following member of the public spoke:

Bill Kengel, NCSD customer, commented on using the correct native plants.

Upon the motion of Director Harrison and seconded by Director Blair, the Board unanimously expressed support for the project and directed staff to follow this project and other Mesa Area development to affirm compliance with County Ordinances related to water resources conservation.

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Item E-3 (Continued)

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Blair, Vierheilig, Gaddis, and Armstrong	None	None

01:54:51

E-4) CONSIDER SUPPLEMENTAL WATER ALTERNATIVES REVIEW COMMITTEE NOMINATION TO FILL SEAT VACATED BY CRAIG ARMSTRONG

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Dave Watson, voting member of Supplemental Water Alternatives Evaluation Committee (SWAEC), gave an update on the SWAEC meeting.

There was no public comment.

Upon the motion of Director Armstrong and seconded by Director Vierheilig, the Board unanimously appointed Sam Saltoun as a new voting member to the SWAEC.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Vierheilig, Gaddis, Blair, and Harrison	None	None

01:59:51

E-5) APPROVE SOLICITATION OF CONSULTING SERVICES TO UPDATE THE DISTRICT'S FIVE-YEAR STRATEGIC PLAN

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.

The Board directed staff to bring a review of the 2009-2014 (current) Strategic Plan to the Board in early 2013 and schedule a full update of the Strategic Plan for 2014.

02:09:43

E-6) CONSIDER CASH RESERVE POLICY

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 Armstrong and seconded by Director Vierheilig, the Board unanimously adopted Resolution 2012-1285, A Resolution approving the adoption of the cash reserve policy for the District.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Vierheilig, Gaddis, Blair, and Harrison	None	None

RESOLUTION NO. 2012-1285

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
APPROVING THE ADOPTION OF THE CASH RESERVE
POLICY FOR THE DISTRICT

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.

G. COMMITTEE REPORT

There were no committee reports.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Harrison

- ◇ Requested the Board members review the Committee assignment list.

02:46:33

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.

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to closed session at 12:00 p.m.

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

The Board came back into Open Session at 1:15 p.m.

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

ADJOURN

President Harrison adjourned the meeting at 1:16 p.m.

MEETING SUMMARY	HOURS
Regular Meeting	3.00
Closed Session	1.15
TOTAL HOURS	4.15

DECEMBER 12, 2012

REGULAR BOARD MEETING MINUTES

EXHIBIT "A"



Trees placed along the trail at the perimeter of the property will enhance the pedestrian experience while retaining the open meadow effect of the open space area. The easterly portion of the open space, roughly 14 acres of level land area, remains suitable for agricultural use should the Association decide to lease it for that purpose. A portion of the trail doubles as a well access road that could serve as farm equipment access also.

The landscape concept includes drought-tolerant grasses and forbs for the basin, vegetated swales and other disturbed areas, and native shade trees along the trails. A plant list is provided to guide lot owners in planning attractive, water conserving front and rear yard landscaping that meets the strict limitations imposed by the Nipomo Water Conservation District guidelines for water use.

The Draft Design Guidelines and a preliminary list of landscape materials suitable for natural open space areas, vegetated swales and basin, and private yard landscaping are attached to this project description.

Water and Wastewater

Domestic Water Supply

Domestic water will be provided to the 21 residential lots by Rural Water Company. There are two existing wells on the property; one well will be dedicated to Rural Water upon project approval, and a new pipeline will be constructed to deliver this water to the existing Water Storage tanks at Cypress Ridge. This well location is identified as Existing Domestic Well on the project utility plan.

Outdoor Water Supply

Irrigation water for each residence will be provided from a separate existing irrigation well on the southerly side of the property. Separate irrigation pipe and meters will be installed to each residential lot for private yard landscaping and outdoor use. This well is available for agricultural irrigation in the common area also, and is identified as Existing Irrigation Well on the utility plan.

Wastewater

The redesigned cluster lot layout allows a gravity flow sewer connection to Cypress Ridge Wastewater Treatment Plant (CRWWTP). To accomplish sewer service, the grading design allows a gravity sewer line to serve all 21 lots in the single access roadway. The change from septic allowed the lots to vary in size from one acre each to a range of sizes between 0.84 acres to 1.97 acres, as shown on the tentative map.

The wastewater flow from the proposed residential development will benefit the CRWWTP in meeting operational standards, and will be recycled as golf course irrigation. The increased recycled water volume from the treatment plant will result in reduced well pumping for make-up irrigation water. By recycling the domestic water used by the project through the CRWWTP and onto the golf course, the net volume of domestic water consumed is reduced to 10 percent of the total used by the project. This is based on the 1996 Cypress Ridge Environmental Impact Report (EIR) estimation that 90 percent of household water is reused in golf course



irrigation and 10 percent is lost to evaporation. See Table 2 and Table 3 for a complete water demand summary.

Water Use Summary

The project as proposed will result in no additional groundwater pumping, and could potentially save up to one acre-foot per year. Based on water demand factors used in the 1996 FEIR for Cypress Ridge Tract 1933, the Water Demand for all residential outdoor uses is estimated at 1.04 acre-feet per year (AFY), as shown in Table 2, below. This water would be supplied from the on-site irrigation well; the amount used for outdoor purposes would be considered "lost". Domestic or indoor water would be recycled and used for golf course irrigation, with an estimated 10-percent loss to evaporation. The net water consumed for domestic purposes, representing the 10% lost to evaporation, totals 0.46 AFY, per Table 3 below. Thus, the total net water demand of the project – indoor and outdoor - is 1.5 AFY.

To offset the project's water demand, one acre of irrigated turf grass will be removed from the Cypress Ridge Golf Course and replaced with non-irrigated native grasses. Per the Turfgrass Water Demand factor from the 1996 EIR and subsequent Cypress Ridge Resort Negative Declaration (ED03-186), one acre of turf grass uses 2.5 AFY of irrigation water. Removal of one acre of existing irrigated turf therefore reduces the water demand on the wells by 2.5 AFY; more than offsetting the amount of water used by this subdivision as designed.

TABLE 3: Cypress Estates Estimated Landscape Water Demand

	LS Per Residential Lot*	No. lots	Total Area	Area in Acres	Water Demand Factor**	AFY Water Used
Drip Irrigated Shrubs & Ground Cover	1,200 sf	21	25,200 sf	0.58 ac.	1.0 AFY	0.58 AFY
Turf area per lot (in SF)	300 sf	21	6,300 sf	0.145 ac.	2.5 AFY	0.36 AFY
Common Area (Drip Irrigated shrubs & ground cover)			4,500 sf	0.103 ac.	1.0 AFY	0.1 AFY
Total Irrigation Consumption						1.04 AFY

* Based on Nipomo Water Conservation Landscape Restrictions, South County Area Plan

** Cypress Ridge 1996 EIR Table V-4, and Water Resources discussion on Page V-45

TABLE 4: Residential Indoor Water Demand

	Rate	Amount	Total	Reduction Factor	Net New Consumption
Residential lots Interior use	0.22 afy	21 lots	4.62 AFY	90% recharge*	0.46 AFY
Total Residential Consumption					0.46 AFY

* Assumes 10% is lost to evaporation per Cypress Ridge 1996 EIR Table V-4



Total Combined Water Used by Project (1.04 + 0.46 AFY):	1.5 AFY
Water Saved by Removing of 1 Acre Irrigated Turf (Per Table 2**):	- 2.5 AFY
<hr/>	
Project Water Balance:	+1.0 AFY

Water Conservation Measures

The project will incorporate requirements for water conservation measures into the Design Guidelines to ensure that future lot development is consistent with the Nipomo Mesa Water Conservation Area Standards of Title 22112.020.F. Standard requirements will include:

- Low water-use toilets, showerheads, faucets
- Low water-use clothes washers
- Automatic shut-off devices for bathroom and kitchen faucets
- Point-of-use supplemental water heater systems or tankless water heaters
- Water-conserving landscape with strict limits on irrigated area
- Strictly limited turf area
- Separate meter for outdoor water
- Drip irrigation and soil moisture sensors

In addition, LID features will be required on every lot. Features such as rain barrels or cisterns to capture roof runoff, rain gardens or pervious pavement to percolate surface runoff, and vegetated swales to clean surface flows will be incorporated into custom home designs. These options are listed in the attached Design Guideline Elements.

Project Design Features and Special Amenities

Transfer of Development Credit

The County's Residential Cluster Land Use Ordinance (section 22.22.140) allows for reduced lot size in Residential Suburban zoning to a minimum of 20,000 square feet if the subdivision is clustered to preserve open space. The Residential Suburban (RS) zoning standard for the 60-acre site would allow for 12 residential lots; this project proposes to transfer an additional 9 units of density for a total of 21 residential lots.

The applicant has applied for a Transfer of Development Credit (TDC) through the County and the Land Conservancy to transfer nine (9) residential credits to the subject property from the Land Conservancy's property located at 960 Zenon Way (Choine parcel). The sending site is approximately 900 feet from the receiving site, consistent with the TDC requirements for close proximity between sending and receiving sites. The Choine property will become permanent Open Space with the transfer of the development credits.

As designed, the transferred density does not create any new adverse impacts to the receiving site. The proposed residential lots are proposed to be reduced from the 5-acre minimum to an average size of 1.07 acres.