

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

APRIL 23, 2014 AT 9:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

CRAIG ARMSTRONG, **PRESIDENT**
JAMES HARRISON, **VICE PRESIDENT**
LARRY VIERHEILIG, **DIRECTOR**
DAN GADDIS, **DIRECTOR**
BOB BLAIR, **DIRECTOR**

PRINCIPAL STAFF

MICHAEL S. LEBRUN, **GENERAL MANAGER**
LISA BOGNUDA, **FINANCE DIRECTOR**
MICHAEL W. SEITZ, **GENERAL COUNSEL**
PETER SEVCIK, **DIRECTOR OF ENG. & OPS.**
NITA WINDSOR, **BOARD CLERK**

Mission Statement: To provide its customers with reliable, quality, and cost-effective services now and in the future.

00:00 A. CALL TO ORDER AND FLAG SALUTE

President Armstrong called the Regular Meeting of April 23, 2014 to order at 9:00 a.m. and led the flag salute.

Michael LeBrun, General Manager, announced that the audio recorder was not operational for today's meeting.

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

At Roll Call, all Directors were present.

The Board took public comment.

Art Cocks, NCSD Customer, commented on our High Efficiency Washer rebate program, and encouraged the District to provide rebates for new water efficient sprinkler equipment.

00:08 C. PRESENTATIONS AND REPORTS

C-1) SAN LUIS OBISPO COUNTY SHERIFF COMMANDER JAY DONOVAN
Update Report re: South County Law Enforcement and Department News

San Luis Obispo County Sheriff Commander Jay Donovan gave an update on criminal activity in the area, and answered questions from the Board. The Board thanked Commander Donovan for his report.

C-2) CAL FIRE BATTALION CHIEF PAUL VAN GERWEN
Update Report re: South County Cal Fire Activity and Department News

Chief Van Gerwen was not in attendance, and there was no representative from Cal Fire present.

00:35 C-3) DIRECTOR OF ENGINEERING AND OPERATIONS
RE: Written Summary of Activities

Michael LeBrun, General Manager, reviewed the report on behalf of Peter Sevcik, Director of Engineering and Operations, who was on vacation. Mr. LeBrun answered questions from the Board. The Board thanked Mr. LeBrun for the report.

00:40

C. PRESENTATIONS AND REPORTS (CONTINUED)

C-4) REPORT ON APRIL 9, 2014 REGULAR MEETING CLOSED SESSION

Announcement of actions, if any, taken in Closed Session

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

Mr. Seitz reported that the Board discussed Item One (b) (NCSD v. Troesh, et al.) in closed session, but took no reportable action.

Mr. Seitz reported that the Board discussed Item Two (Conference with Legal Counsel pursuant to Govt. Code §54956.9(d)(2)&(e)(1) in closed session, but took no reportable action.

C-5) 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

- ◇ *Attended the Personnel Committee meeting on April 11*
- ◇ *Attended the NMMA Meeting on April 14*
- ◇ *Attended a Candidates Forum at Nipomo High School with candidates for the San Luis Obispo County 4th District Supervisorial seat on April 16*

Director Harrison

- ◇ *Attended the Central Coast Greenhouse Growers Open House on April 12*
- ◇ *Attended the NMMA Meeting on April 14*
- ◇ *Attended the Board Officer Coordination meeting on April 14*
- ◇ *Attended the San Luis Obispo County Board of Supervisors meeting on April 22*
- ◇ *Planning to attend the SCAC meeting on April 28*

Director Vierheilig

- ◇ *Attended the Black Lake Management Association meeting on April 15*
- ◇ *Commented on a newspaper article regarding Cambria looking to establish a desalination plant*
- ◇ *Will attend the Black Lake Management Association meeting on May 5*

Director Blair

- ◇ *Attended the San Luis Obispo County Board of Supervisors meeting on April 22*

Director Armstrong

- ◇ *Attended a meeting with the San Luis Obispo County Planning Department and San Luis Obispo County 4th District Supervisor Caren Ray on April 14*
- ◇ *Attended the Black Lake Management Association meeting on April 15*

C. PRESENTATIONS AND REPORTS (CONTINUED)

- C-6) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS

John Snyder, Nipomo resident, commented on the brevity of the reports.

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

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

00:45

D. CONSENT AGENDA

- D-1) WARRANTS
- D-2) APPROVE APRIL 9, 2014 REGULAR BOARD MEETING MINUTES
- D-3) RECEIVE QUARTERLY INVESTMENT REPORT
- D-4) RECEIVE THIRD QUARTER FINANCIAL REPORT
- D-5) ADOPT RESOLUTION RE-APPROVING WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN – AFFIRM ACTION TAKEN ON APRIL 9, 2014

President Armstrong asked if any Directors desired to pull items from the Consent Agenda or had any questions. No items were pulled from the Consent Agenda. Director Vierheilg noted one correction to the Resolution (Item D-5). Director Harrison requested clarification on warrants.

There was no public comment.

Upon the motion of Director Gaddis and seconded by Director Blair, the Board unanimously approved the Consent Agenda, as amended. Vote 5-0.

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

RESOLUTION 2014-1336
 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
 COMMUNITY SERVICES DISTRICT REAPPROVING A WATER
 SHORTAGE RESPONSE AND MANAGEMENT PLAN PURSUANT
 TO WATER CODE § 375.

00:50 E. ADMINISTRATIVE ITEMS

E-1) CONSIDER SOLID WASTE GRANT PROPOSAL FROM NIPOMO CHAMBER OF COMMERCE IN AMOUNT OF \$1,980.00

Richard Malvarose, President of the Nipomo Chamber of Commerce, reviewed the proposal as presented in the Board packet, and answered questions from the Board.

The following members of the public spoke:

Wally Crooks, NCSD Customer, spoke in favor of the Grant Request.

Bill Kengel, NCSD Customer, commented on expenditure of government funds and his Blume Street project.

Upon the motion of Director Harrison and seconded by Director Gaddis, the Board unanimously voted to approve the Grant request not to exceed \$2,000.00, and directed Staff to work with the Nipomo Chamber of Commerce to extend the boundaries of the clean-up area.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
<i>Directors Harrison, Gaddis, Blair, Vierheilig and Armstrong</i>	<i>None</i>	<i>None</i>

01:00 E-2) ADOPT RESOLUTION DECLARING DROUGHT STAGE II IN ACCORDANCE WITH WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN

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

The following members of the public spoke:

John Snyder, Nipomo resident, expressed concerns regarding the data used to draft the Water Shortage Response and Management Plan. Michael Seitz, District Legal Counsel, responded to Mr. Snyder's concerns.

Ed Eby, NCSD Customer, commented in favor of adopting the Resolution, and brought to the Board's attention that a copy of the proposed Resolution was not included in the Board packet.

The Board took a break from 10:15 a.m. to 10:24 a.m.

Copies of the proposed Resolution were made available to the Board and public (see Exhibit "A"). After review, the Board took additional public comment.

John Snyder, Nipomo resident, expressed his disagreement with the Resolution.

Ed Eby, NCSD Customer, commented in favor of the Resolution.

E. ADMINISTRATIVE ITEMS (CONTINUED)

ITEM E-2 (CONTINUED)

Upon the motion of Director Harrison and seconded by Director Vierheilig, the Board voted to adopt the Resolution declaring a Stage II Drought in accordance with the Water Shortage Response and Management Plan.

Vote 4-1.

YES VOTES	NO VOTES	ABSENT
<i>Directors Harrison, Vierheilig, Gaddis and Armstrong</i>	<i>Blair</i>	<i>None</i>

RESOLUTION 2014-1337
 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
 COMMUNITY SERVICES DISTRICT DECLARING THAT THE
 GROUNDWATER BASIN UNDERLYING THE DISTRICT IS IN A
 STAGE II WATER SHORTAGE CONDITION.

01:30

E-3) REVIEW DRAFT EMPLOYEE HANDBOOK (EMPLOYEE POLICIES MANUAL)

Director Gaddis, Chairman of the Personnel Committee, reviewed the report as presented in the Board packet. He noted one correction to the Draft Employee Handbook. Michael LeBrun, General Manager, answered questions from the Board.

There was no public comment.

The Board directed Staff to make the one correction, and distribute the Draft Employee Handbook to the District employees for their review and comment for future final review and approval by the Board.

F. GENERAL MANAGER'S REPORT

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun announced that the District will hold two public workshops regarding the Water Shortage Response and Management Plan, Supplemental Water Rates and Drought Rates on May 5, 2014. The first workshop will be held at 3:00 p.m. in the Black Lake Conference Room, and the second workshop will be held at 6:30 p.m. in the NCSD Board Room. Mr. LeBrun and Lisa Bognuda, Finance Director, answered questions from the Board.

There was no public comment.

G. COMMITTEE REPORTS

Michael LeBrun, General Manager, reviewed the minutes of the April 11, 2014 Personnel Committee Meeting. Mr. LeBrun answered questions from the Board.

There was no public comment.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

It was announced that there will be an SCAC Meeting on April 28, 2014 at 6:30 p.m. in the NCSD Board Room.

Director Gaddis will attempt to attend both public workshops on May 5. Director Vierheilig will attend the public workshop at 3:00 p.m. on May 5. Director Blair will attend the public workshop at 6:30 p.m. on May 5, and Director Harrison will attend the 3:00 p.m. workshop and will attempt to attend the workshop at 6:30 p.m. as well.

I. CLOSED SESSION ANNOUNCEMENTS

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9

- a) SMVWCD VS. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
- b) NCSD v Troesh, et al. SLOCSC# CV130175
- c) Bening v NCSD SLOCSC #14CV-0069

2. CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVT. CODE §54956.9(d)(2)&(e)(1):
 Significant Exposure to Litigation - 1 case.

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

01:52 K. ADJOURN TO CLOSED SESSION

President Armstrong adjourned to closed session at 10:52 a.m.

03:24 L. OPEN SESSION
 ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 12:24 p.m.

Michael Seitz, District Legal Counsel, announced that the Board discussed Items 1(a) and 1(c) listed above under closed session announcements, but took no reportable action.

Mr. Seitz reported that the Board discussed Item 1(b) in closed session, and that the Board voted 4-0-0 approving settlement of the matter at a cost of \$100,000.00. Director Blair abstained.

YES VOTES	NO VOTES	ABSTAIN
<i>Directors Harrison, Vierheilig, Gaddis and Armstrong</i>	<i>None</i>	<i>Blair</i>

Nipomo Community Services District
REGULAR MEETING
MINUTES

L. OPEN SESSION (CONTINUED)

Mr. Seitz reported that the Board did not discuss Item 2 in closed session.

ADJOURN

President Armstrong adjourned the meeting at 12:30 p.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hour 58 minutes
Closed Session	1 hour 32 minutes
TOTAL HOURS	3 hours 30 minutes