

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

SEPTEMBER 24, 2014, AT 9:00 A.M.

JON S. SEITZ 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.**
JESSICA MATSON, **BOARD CLERK**

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 Armstrong called the Regular Meeting of September 24, 2014, to order at 9:00 a.m. and led the flag salute.

00:00:44

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

At roll call, all Board members were present.

The following members of the public spoke:

Mark Westfall, NCSD Customer, commented on the hotel project at Blacklake and asked about NCSD's position on development.

00:06:20

C. PRESENTATIONS AND REPORTS

C-1) REPORT ON SEPTEMBER 10, 2014 REGULAR MEETING CLOSED SESSION Announcement of actions, if any, taken in Closed Session

Mike Seitz, District Legal Counsel, announced that the Board discussed Item 1.1(a) from the September 10, 2014, Regular Meeting (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 1.2 from the September 10, 2014, Regular Meeting (Conference with District Legal Counsel re: liability claim pursuant to GC §54956.9 Specialty Construction and NCSD) in closed session, but took no reportable action.

00:07:05

C-2) DIRECTOR OF ENGINEERING AND OPERATIONS Summary of recent activities

Peter Sevcik, Director of Engineering and Operations, reviewed the report as presented in the Board packet. Mr. Sevcik answered questions from the Board. The Board thanked Mr. Sevcik for his report and complimented him on job performance.

There were no public comments.

00:19:36

C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES, AND SEMINARS.

Receive Announcements and Reports from Directors

ITEM C-3 (Continued)

Director Vierheilg

- ◇ September 16, Attended a Blacklake Management Association meeting.
- ◇ Nipomo Native Garden will hold their annual fall plant sale on October 5th from 9AM-1PM.

Director Gaddis

- ◇ September 22, Attended SCAC meeting.

00:25:50

- C-4) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE and FILE PRESENTATIONS AND REPORTS

There were no public comments.

*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, Blair, Harrison, and Armstrong	None	None

00:26:00

D. CONSENT AGENDA

D-1) WARRANTS

D-2) APPROVE MINUTES OF PREVIOUS BOARD MEETINGS

- SEPTEMBER 3, 2014 SPECIAL MEETING
- SEPTEMBER 10, 2014 REGULAR MEETING

D-3) STANDPIPE TANK MODIFICATION AND REHABILITATION PROJECT ACCEPTANCE

Director Harrison asked for clarification on warrants.

There were no public comments.

*Upon the motion of Director Harrison and seconded by Director Gaddis, the Board unanimously approved the consent agenda.
 Vote 5-0.*

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

E. ADMINISTRATIVE ITEMS

00:28:30

- E-1) APPROVE WATER RATE STUDY, SCHEDULE RATE HEARING, AUTHORIZE NOTICE OF RATE HEARING

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:

Mark Westfall, NCS D Customer, asked a question regarding the timeline of the 218 Notice and rate adoption.

ITEM E-1 (Continued)

Ed Eby, NCSD Customer, commented in support of approving the rate study and the cost of the Supplemental Water Project.

*Upon the motion of Director Gaddis and seconded by Director Armstrong, the Board unanimously approved the Rate Study, Public Notice and Proposition 218 proceedings, and Scheduled a Rate Adoption Hearing for Friday, November 21, 2014 at 2 PM.
 Vote 5-0.*

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

00:55:01

E-2) AMEND CASH RESERVE POLICY

Lisa Bognuda, Finance Director, reviewed the report as presented in the Board packet. Ms. Bognuda answered questions from the Board.

There was no public comment.

*Upon the motion of Director Harrison and seconded by Director Vierheilig, the Board unanimously approved staff's recommendation to adopt a Resolution 2014-1357 amending the cash reserve policy.
 Vote 5-0.*

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

RESOLUTION NO. 2014-1357 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE POLICY FOR THE DISTRICT

00:58:56

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 were no public comments.

G. COMMITTEE REPORTS

- September 3, 2014 Solid Waste Committee Minutes

01:01:49

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

None.

01:01:57

I. CLOSED SESSION ANNOUNCEMENTS

- 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).
 - NCSD v County SLOCSC #CV090010
 - Bening v NCSD SLOCSC #14CV-0069

ITEM I (Continued)

- 2. CONFERENCE WITH LEGAL COUNSEL: LIABILITY CLAIM PURSUANT TO SECTION 54956.95:
 Claimant: Specialty Construction
 Agency: NCSD

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There were no public comments.

01:02:27

K. ADJOURN TO CLOSED SESSION

President Armstrong adjourned to closed session at 10:02 a.m.

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

The Board came back into Open Session at 10:46 a.m.

Mike Seitz, District Legal Counsel, announced that the Board discussed Item 1(a), Item 1(b), Item 1(c) and Item 2 in closed session but took no reportable action.

ADJOURN

President Armstrong adjourned the meeting at 10:47 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hour 3 minutes
Closed Session	44 minutes
TOTAL HOURS	1 hour 47 minutes