

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

REGULAR BOARD MEETING JUNE 19, 1996 7:00 P.M.
BOARD ROOM 261 W. DANA STREET, SUITE 100 NIPOMO, CA

BOARD MEMBERS

STEVEN SMALL, **PRESIDENT**
KATHLEEN FAIRBANKS, **VICE PRESIDENT**
ALEX MENDOZA, **DIRECTOR**
AL SIMON, **DIRECTOR**
ROBERT BLAIR, **DIRECTOR**

STAFF

DOUGLAS JONES, **General Manager**
DONNA JOHNSON, **Secretary to the Board**
JON SEITZ, **General Counsel**

CALL TO ORDER AND FLAG SALUTE

President Small called the meeting to order at 7:03 p.m. and led the flag salute.

ROLL CALL

At Roll Call the following members were present: Directors Blair, Simon, Mendoza and Small. Ms. Fairbanks arrived a few minutes later.

CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL

1. Existing litigation GC§ 54956.9
NCSD vs. Shell Oil, et. al. Case No. CV 077387

President Small called for the meeting to be temporarily adjourned for the Closed Session scheduled for the end of the meeting due to attorney's necessity to leave early.

The Board came back into open session at 7:13 p.m. President Small reported that the Board decided to direct Scott Baker, legal counsel, to begin settlement with Dandy Westpro concerning the polybutylene pipe matter.

APPROVAL OF MINUTES

1. ADJOURNED MEETING OF MAY 29, 1996
Upon motion of Director Mendoza and seconded by Director Simon, the Board unanimously approved the Minutes of the May 29, 1996 Adjourned Meeting.

SPECIAL MEETING OF JUNE 10, 1996

Upon motion of Director Simon and seconded by Director Blair, the Board unanimously approved the Minutes of the June 10, 1996 meeting with the change in Item 2 concerning the Sub-Committee that was formed.

PUBLIC COMMENTS PERIOD

2. PUBLIC COMMENTS
Public comments on matters other than scheduled items.
Presentations limited to three (3) minutes

President Small opened the meeting to Public Comments on matters other than items on the agenda. There were no Public Comments at this time.

BOARD ADMINISTRATION

3. NCSD 1996-97 FISCAL YEAR BUDGET & APPROPRIATION LIMITATION
Consideration of adopting the District's 1996-97 Fiscal year Budget and Appropriation Tax Limitation (Discussion/Action)

Mr. Jones explained that the proposed budget presented at this meeting was prepared using Option 1 of the two options presented at the June 10, 1996 Board Study Session. Option 1 used income based on the rates remaining unchanged. The proposed expenditures for both Option 1 or Option 2 are \$1,473,677.00

Mr. Stoddard from Black Lake asked what would the deficit be if the rates were not increased. Answer: \$110,863.00

Directors Fairbanks suggested that the budget was not studied enough because of the issue of Option 1 or 2. She felt that more time is needed to study budget.

Alan Noll, Riviera Circle, said it sounded like there would be no rate increase if this budget were adopted.

Mr. Seitz read the title of Resolution 96-582 and explained what the budget includes and the necessity for adopting one.

Mr. Stoddard, J. Frederick, Cees Dobbe and John Snyder each had questions about the proposed budget.

Upon motion of Director Blair and seconded by Director Mendoza, the Board unanimously adopted Resolution 96-582 with the suggested change (the removal of wording in Item 1).

**RESOLUTION 96-582
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE 1996-97 FISCAL YEAR BUDGET**

Upon motion of Director Fairbanks, seconded by Director Simon, the Board unanimously approved Resolution 96-583.

**RESOLUTION NO. 96-583
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
DETERMINING THE APPROPRIATION LIMITATION
FOR THE 1996-1997 FISCAL YEAR**

4. DISTRICT USER RATES & ACCOUNT FUNDING REVIEW
The Board's Sub-Committee to review rates & accounts and to report recommendation to the Board in Mid-July (Discussion/Information)

Mr. Jones presented the time table suggested for the first reading of the proposed rate adjustment. Mr. Dobbe asked about Mr. Stoddard's letter to the Board. Mr. Stoddard explained his view of the request for the Board to postpone action on the rate adjustments until the Black Lake area residents could evaluate proposed changes. Mr. Stoddard requested that the Board wait until August for the first reading.

DISTRICT USER RATES & ACCOUNT FUNDING REVIEW (Continued)

J. Frederick asked about past records. Director Small answered that it is the intention of the District to adopt something as a starting point and determine accuracy.

John Snyder asked if the rate increases were based on the Boyle Report. He said he would submit a list of the questionable expenditures on the Boyle Report.

Legal Counsel said capacity charges need to be reasonably related to services it provides or the capacity purchasing.

Upon motion of Director Simon and seconded by Director Blair, the Board unanimously agreed to wait until August 21, 1996 to have the first reading of the proposed ordinance.

Mr. Stoddard thanked the Board.

5. WELL PUMP HOUSE BIDS

Review bids received and recommend steel pump houses be constructed and award work to J. Miller Construction (Discussion/Action)

Mr. Jones explained that the District went out for bid again to build the three pump houses enclosing the Eureka, Bevington and Via Concha wells. There was a direction to bid for both wood and metal pump houses. Staff felt that metal, requiring less maintenance, was the best value. Staff recommends the J. Miller Construction Co. from San Luis Obispo be awarded the bid for \$11,300 construction of 3 pump houses. Upon motion of Director Blair and seconded by Director Fairbanks, the Board unanimously agreed to award the bid to J. Miller Construction Co. for metal pump houses and approved Resolution 96-584.

**RESOLUTION NO. 96-584
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AWARDING THE CONSTRUCTION OF PUMP HOUSES TO
J. MILLER CONSTRUCTION CO.**

6. PROPOSAL FOR LAND APPRAISAL

Review an appraisal proposal to appraise the value of land (Walsh Property) needed for the wastewater treatment plant expansion (Discussion/Action)

Mr. Jones explained a need to get an appraisal of the portion of the Walsh property that is proposed to be used for an expansion planned at the wastewater treatment plant. Mr. Todd Murphy of Schenberger, Taylor, McCormick & Jecker, proposed a \$5,000 fee for the appraisal work. Mr. Harold Walsh, one of the owners of the subject property, commented. Also, John Snyder and Cees Dobbe commented. Members of the Board agreed that more information was needed from Mr. Murphy, giving a more detailed account of the proposed appraisal. Upon motion of Director Blair and seconded by Director Fairbanks, the Board unanimously agreed to table this item until a later meeting.

7. ELECTION OF DISTRICT BOARD OF DIRECTORS
Notice to be sent to SLO County Clerk for the election of two directors to the District Board of Directors in the November 5, 1996 General Election. (Discussion/Action)

Mr. Jones explained that 2 board positions are up for election in November. Resolutions and other steps are necessary before July 3.

J. Frederick asked who can vote for District positions. The answer-registered voters living within the District, which is a state mandated rule. Upon motion of Director Simon, seconded by Director Fairbanks, the Board unanimously adopted Resolution No. 96-585.

**RESOLUTION NO. 96-585
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING REGULATIONS PERTAINING TO CANDIDATES
STATEMENTS SUBMITTED TO THE VOTERS FOR THE DISTRICT'S
GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 1996**

Upon motion of Director Fairbanks, seconded by Director Mendoza, the Board unanimously adopted Resolution No. 96-586.

**RESOLUTION NO. 96-586
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
REQUESTING THE BOARD OF SUPERVISORS OF
THE COUNTY OF SAN LUIS OBISPO TO CONSOLIDATE
A GENERAL DISTRICT ELECTION TO BE HELD ON NOVEMBER 5, 1996
WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE
SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTION CODE**

FINANCIAL REPORT

8. APPROVAL OF WARRANTS

Upon motion of Director Simon and seconded by Director Blair, the Board unanimously approved the Warrants presented at the June 19, 1996 Regular Meeting.

OTHER BUSINESS

9. MANAGER'S REPORT

Mr. Jones reported on the following items:

1. BLACK LAKE SEWER LINE REPAIR
2. NEWDOLL ANNEXATION PROPERTY TAX EXCHANGE
3. CSDA/SLO CHAPTER NEWS
4. COUNTY REQUEST TO USE DISTRICT BUILDING FOR NOVEMBER ELECTION

10. DIRECTORS COMMENTS

Director Fairbanks asked if we have what is called a double will-serve. Director Small asked if the Board thought that Byron Briley would be a good choice as representative of the special districts in the County Treasury Oversight Committee (CTOC). The Board all agreed that he would be an acceptable candidate.

11. PUBLIC COMMENTS

Beverly Chapman explained to the Board that she was negotiating with the County to leave the trailer, presently being used for the Nipomo Library, where it is and have it be used for social services needed in Nipomo. She is asking that the District help in putting a proposal together involving the District purchasing the trailer and possibly leasing it.

George Kiley suggested the streamling of County services.

John Snyder asked about the Boyle Report and the Kennedy-Jenks report.

The Board adjourned to a Closed Session to confer with legal counsel.

CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL

2. Initiation of litigation pursuant to GC§ 54956.9 (c) two cases

The Board came back into open session. The Board had no reportable action.

ADJOURN

*GC§ refers to Government Code Sections

President Small adjourned the meeting at 10:18 p.m.