

# NIPOMO COMMUNITY SERVICES DISTRICT

## MINUTES

JUNE 2, 1999 7:00 P.M.  
BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

### BOARD MEMBERS

ROBERT BLAIR, **PRESIDENT**  
GENE KAYE, **VICE PRESIDENT**  
AL SIMON, **DIRECTOR**  
RICHARD MOBRAATEN, **DIRECTOR**  
ALEX MENDOZA, **DIRECTOR**

### STAFF

DOUGLAS JONES, **GENERAL MANAGER**  
DONNA JOHNSON, **SECRETARY TO THE BOARD**  
JON SEITZ, **GENERAL COUNSEL**

**NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson.**

### **CALL TO ORDER AND FLAG SALUTE**

President Blair called the June 2, 1999 meeting to order at 7:02 p.m.

#### 1. ROLL CALL

At Roll Call, all Board members were present.

### **PUBLIC COMMENTS PERIOD**

#### 2. PUBLIC COMMENTS

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board.

**Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.**

President Blair opened the meeting to Public Comments.

There were none.

**BOARD ADMINISTRATION** (The following may be discussed and action may be taken by the Board.)

#### 3. CEQA REVIEW OF THE WATER LINES AND STORAGE FACILITY PROJECT

Recommend approval and filing a Negative Declaration on the water lines and storage project

Mr. Jones explained that an Environmental Determination of the Water Line and Storage Facility Project would be necessary for the project.

Mr. Jim Garing, Garing Taylor & Assoc., explained that it was determined that there was no significant environmental impact on the area and a Negative Declaration was in order.

There were no public comments.

Upon motion of Director Simon and seconded by Director Mendoza, the Board unanimously approved Resolution 99-694.

#### **RESOLUTION NO. 99-694**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
ADOPTING AN ENVIRONMENTAL NEGATIVE DECLARATION AND  
AUTHORIZING THE GENERAL MANAGER TO FILE A NOTICE OF  
DETERMINATION FOR THE TEFFT STREET WATER LINE AND STORAGE FACILITY PROJECT**

#### 4. EASEMENT FOR STORAGE SITE

Authorization of legal counsel to proceed with Eminent Domain to acquire an easement

Mr. Jones explained that the District is in the process of converting the existing lease held by the District to an easement and acquiring an additional acre easement to build a one-million gallon storage facility. All property owners except one have signed the agreement for a Right-of-Entry. There were no public comments.

Upon motion of Director Kaye and seconded by Director Mobraaten, the Board unanimously agreed to proceed with the Eminent Domain procedure if the matter has not been cleared up by June 9, 1999.

5. CONSTRUCTION OF TEFFT STREET WATER LINE & STORAGE FACILITY  
Award bid to Sansone Co. to construct the water line & storage facilities

Bids to construct the Tefft Street Water Line and Storage Facility were opened March 29, 1999. The bids were reviewed by Garing, Taylor and Assoc. The lowest responsible bidder was Sansone Co. There were no public comments. Upon motion of Director Kaye and seconded by Director Mobraaten, the Board unanimously approved Resolution 99-695 awarding the contract to Sansone Co. in the amount of \$807,101.50.

**RESOLUTION NO. 99-695  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
AWARDING THE CONTRACT TO SANSONE CO. INC.  
FOR CONSTRUCTION OF NEW WATER LINES AND  
ONE MILLION GALLON STORAGE FACILITY**

6. PHASE II SEWER PLANT EXPANSION BIDS RECEIVED  
Review bid results and make a selection to send to the State for approval

Mr. Jones explained that bids for Phase II of the Southland Wastewater Treatment Plant Expansion were opened May 20, 1999. The low bidder, R. Baker, Inc. failed to submit the Attachment B, as required by the State and the EPA bid specification requirements. Sansone Construction Co. was the apparent low responsive bidder. There were no public comments. Upon motion of Director Simon and seconded by Director Kaye, the Board unanimously agreed to reject Baker's as being a non-responsive bid and accept the bid from Sansone in the amount of \$769,519.80. The bid documents will be sent to the State for their approval.

7. REQUEST TO PAY FEES FROM ESCROW - TRACT 1658 (KENGEL)  
Developer is requesting the District Capacity Fees be paid from escrow

Mr. Jones explained that Mr. Kengel, developer of Tract 1658, requested that the District's water and sewer capacity fees be paid from an escrow account.

During this agenda item, the following member of the public spoke:

Bill Kengel, Developer for Tract 1658 - He asked that the Board be reasonable and fair.

Upon motion of Director Simon and seconded by Director Mobraaten, the Board unanimously approved the use of a Letter of Credit through escrow as described by Mr. Seitz [The Letter-of-Credit and the Will-Serve Letter will be put into escrow and when the map records, District fees will be paid from escrow.] in lieu of paying the fees prior to the issuance of a Will-Serve Letter. The Board made a finding based on Mr. Kengel's testimony that he has a financial hardship and that a Letter-of-Credit is equivalent to cash. In reviewing the escrow instructions and the Letter of Credit, staff time etc. would be paid by Mr. Kengel. Mr. Seitz asked Mr. Kengel to have Mid State Bank send a proposed Letter of Credit for his approval. The Board directed staff to bring back a resolution outlining this type of policy for future developers with a hardship.

8. REQUEST TO ABANDON EASEMENT - TRACT 1658 (KENGEL)  
Abandonment of District easement on APN 092-130-004

Mr. Jones explained that an easement was given to the District in 1986 but has not been used. A different layout of the tract caused the easement for the water and sewer lines to be in the roadway. There were no public comments. Upon motion of Director Mendoza and seconded by Director Simon, the Board unanimously approved Resolution 99-696 abandoning the old easement.

**RESOLUTION NO. 99-696  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
VACATING A PUBLIC SERVICE EASEMENT APN 092-130-004**

9. BLACK LAKE STREET LIGHTING CHARGES (PUBLIC HEARING)  
Establishing the annual charge to be put on the tax rolls to maintain the street lighting

Mr. Jones explained that the street lighting in the Black Lake Development is provided by NCSD. In order to maintain the street lighting, an annual charge is assessed on each parcel for the service rendered. There were no public comments. Upon motion of Director Kaye and seconded by Director Simon, the Board unanimously approved Resolution No. 99-697.

**RESOLUTION NO. 99-697  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
PROVIDING FOR THE COLLECTION OF STREET LIGHT CHARGES ON  
THE SAN LUIS OBISPO COUNTY TAX ROLLS FOR MAINTENANCE AND  
OPERATION OF EXISTING PUBLIC STREET LIGHTS IN THE  
BLACK LAKE DEVELOPMENT (GOLF COURSE AREA)**

10. DISTRICT 1999-2000 FISCAL YEAR BUDGET (PUBLIC HEARING)  
Adoption of the 1999-2000 FY Budget and Appropriation Limitation

Mr. Jones explained that the budget for 1999-2000 was presented to the Board in draft form April 21, 1999. The Board's Financial Committee reviewed the proposed budget and recommended a few minor changes. Those changes have been incorporated in the final budget. President Blair opened the Public Hearing concerning the 1999-2000 FY Budget for NCSD. There were no public comments. Upon motion of Director Kaye and seconded by Director Mobraaten, the Board unanimously approved Resolution No. 99-698 adopting the 1999-2000 FY Budget.

**RESOLUTION 99- 698  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
ADOPTING THE 1999-00 FISCAL YEAR BUDGET**

Mr. Jones explained that the Appropriation Limitation limits the expenditures with respect to population and revenue increases. The Appropriation Limitation has not affected the District's budget. Upon motion of Director Kaye and seconded by Director Mendoza, the Board unanimously approved Resolution No. 99-699 determining the appropriation limitation.

**RESOLUTION NO. 99-699  
RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
DETERMINING THE APPROPRIATION LIMITATION  
FOR THE 1999-2000 FISCAL YEAR**

11. **CONSENT AGENDA** *The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the consent agenda and will be considered separately. Questions or clarification may be made by the Board members without removal from the Consent Agenda. The recommendations for each item are noted in parenthesis.*

The following items were presented to the Board. There were no public comments. Upon motion of Director Kaye and seconded by Director Mendoza, the Board unanimously approved the items on the Consent Agenda.

- a) **BOARD MEETING MINUTES (APPROVE)**  
Approval of minutes of the May 19, 1999 Regular Board meeting.
- b) **TRACT 1647 (KENGEL) - ACCEPT WATER AND SEWER IMPROVEMENTS (APPROVE)**  
Improvements completed, resolution to accept completion

**RESOLUTION NO. 99-700  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
ACCEPTING THE WATER AND SEWER IMPROVEMENTS  
FOR TRACT 1647 (KENGEL)**

#### **FINANCIAL REPORT**

12. **APPROVAL OF WARRANTS**

Upon motion of Director Simon and seconded by Director Mendoza, the Board approved the Warrants presented at the June 2, 1999.

#### **OTHER BUSINESS**

13. **MANAGER'S REPORT**

Manager, Doug Jones, presented information on the following items:

- 1. Letter and articles on affordable housing and planning
- 2. Cluster development across from Galaxy Park - 40 half-acre lots

14. **DIRECTORS COMMENTS**

Director Simon asked that the District support the proposed Jim Miller Memorial Park and place fencing of the lift station on the agenda for a future meeting.

District Legal Counsel, Jon Seitz, announced the need to go into Closed Session to discuss the following item.

#### **CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL (a) and (b) GC§54956.8  
a. NCSO vs. Shell Oil, et. al. Case No. CV 077387

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

#### **ADJOURN**

President Blair adjourned the meeting at 8:55 p.m.