NIPOMO COMMUNITY SERVICES DISTRICT



SPECIAL MEETING

MAY 9, 2001 WEDNESDAY 1:30 P.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS ROBERT BLAIR, PRESIDENT AL SIMON, VICE PRESIDENT RICHARD MOBRAATEN, DIRECTOR MICHAEL WINN, DIRECTOR JUDITH WIRSING, DIRECTOR STAFF DOUGLAS JONES, GENERAL MANAGER DONNA JOHNSON, SECRETARY TO THE BOARD JON SEITZ, GENERAL COUNSEL

ROLL CALL

<u>Public Comment on Agenda Items</u> The public has the right to comment on any item on the Special Meeting Agenda. Comments are limited to 3 minutes or otherwise at the discretion of the Board President.

AGENDA

STUDY SESSION:

TO REVIEW THE DISTRICT FISCAL YEAR 2001-2002 BUDGET

Adjourn

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I. <u>PURPOSE</u>

In order to promote efficient processing of all requests for annexation to the Nipomo Community Services District, this policy documents the present basis upon which this Board of Directors will evaluate such requests and provides notice thereof to the owners of the property which is the subject of such requests.

II. <u>INTENT</u>

The Board of Directors intends to review all annexation requests with the aim of supporting the viability of the Nipomo Community Services District in providing essential services. The Nipomo Community Services District must be operated so as to best provide:

Low cost water, sewerage and other authorized services for the residents of the Nipomo Community Services District.

Efficient governmental services for orderly land use development within the District, conservation of natural and environmental resources, including local water resources; its availability and quality, growth consistent with the General Plan of San Luis Obispo County and the established policies of the Local Agency Formation Commission, including specifically the Commission's adopted spheres of service and influence for Nipomo Community Services District.

III. GENERAL POLICIES

A. In order to provide for the orderly development of public service facilities, only those properties will be considered for annexation for which the owners are willing to accept all conditions for service required by the Nipomo Community Services District. More specifically, but without limitation, requests for annexation solely for sewerage services to the exclusion of water service will be considered on an individual basis but. generally will be discouraged by the Board of Directors.

Further, the District generally will not attempt to require the annexation of territory over the objections of the owners of the property to be annexed.

B. In order to evaluate the impacts of a potential annexation upon the Nipomo Community Services District, the Board of Directors will consider more favorably those annexation requests which include the submittal of a comprehensive use or development plan for the subject property in sufficient detail to provide a complete picture of the full impact of the annexation in the foreseeable future upon the District's long term water resources, water distribution facilities, sewerage services, financial program and other services required.

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If any such use or development plan requires future County approvals for zoning or subdivision, etc., the District's approval of the annexation shall be conditioned upon the owners obtaining such County approvals before the annexation becomes effective.

C. After review of the use or development plan, the Board of Directors will consider annexation requests where it can be demonstrated that:

There is a bona fide need for Nipomo Community Services District Services at the site of the proposed annexation in the immediate future or in conformance with a phased plan of development approved by San Luis Obispo County.

The proposed annexation will provide identified benefits to: (1) the future residents and property owners within the annexed area; and (2) the residents and property owners of the remainder of the Nipomo Community Services District.

- D. The proposed annexation area boundary should include all properties that may receive the proposed services to be provided. I.e. use rear property lines rather than streets as boundary lines.
- E. The District is opposed to the formation of homeowner associations for the operation of water and/or sewer systems in the Nipomo Mesa area. Typically, associations lose efficiency over time and it becomes necessary for a public entity to take over their operations. A public entity operating from the beginning would eliminate the later acquisition and rejuvenation of the system at a potential additional cost to the property owners.

IV. <u>GENERAL STANDARDS</u>

V

- A. The Board of Directors will consider the present capacity of its public facilities and the adequacy of those facilities to provide services to its current residents receiving service, those properties within the District that have paid capacity charges (issued Will-Serve Letters) but not currently being served, and other undeveloped property within the District boundaries.
- B. The Board of Directors will consider annexations where it can be demonstrated that:
 - 1. There is excess service capacity to provide services to the area of proposed annexation or:

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- 2. The applicant demonstrates to the satisfaction of the Board of Directors that applicant, at its sole cost, is prepared to develop and dedicate to the District appropriate resource capacity to supply the area of annexation with District services prior to commencing construction of residential and/or commercial units.
- C. The District will consider a supplemental water in-lieu fee, which may be established from time to time, to acquire a supplemental water supply, provided that the Board of Directors first determines that there is adequate excess capacity to supply the area of annexation during the period of time reasonably determined to acquire said supplemental water.
- D. The Board will only consider "island" annexations when it can be demonstrated that the irregular boundaries represent the most logical and orderly service area of the District and the applicant is willing to extend adequate facilities at no cost to the Nipomo Community Services District.
- E. The Board of Directors will consider the policies of the Local Agency Formation Commission that apply to annexations and spheres' of influence.

V. ANNEXATION AGREEMENT

The applicant for annexation shall be required to enter into an Annexation Agreement. Said Annexation Agreement shall provide:

- A. That all infrastructure and service line extensions shall be designed and constructed at no cost to District in accordance with District's standards.
- B. Reimburse District for its costs in processing the annexation, including administrative costs, legal costs and engineering costs.
- C. Payment of applicable District capacity, meter and connection charges.

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VI. SUBMITTAL OF ANNEXATION REPORT

Prior to consideration by this Board of Directors, the proponents of any annexation request must prepare a comprehensive written report for submission to the District to demonstrate that the annexation would conform to this Annexation Policy.

VII. ANNEXATION - ASSESSMENT OF FEE

- A. All property hereafter annexed to the District shall be assessed a fee, as established by Resolution of the Board of Directors to be paid by the developer to the District at the time of application for annexation.
- B. If the Board fails to adopt an annexation resolution within a reasonable time after payment of the fees, the fee shall be returned to the person or persons paying the same, less an amount necessary in preparing the necessary forms of the District, not to exceed fifty dollars.
- C. All other provisions of this chapter shall be in full force and effect from the time of acceptance of the annexation by the Board.