

NIPOMO COMMUNITY SERVICES DISTRICT

AGENDA

JUNE 19, 2002

REGULAR MEETING 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

RICHARD MOBRAATEN, PRESIDENT
MICHAEL WINN, VICE PRESIDENT
ROBERT BLAIR, DIRECTOR
JUDITH WIRSING, DIRECTOR
CLIFFORD TROTTER, DIRECTOR

STAFF

DOUGLAS JONES, GENERAL MANAGER
DONNA JOHNSON, SEC. TO THE BOARD
JON SEITZ, GENERAL COUNSEL

4323
223
12

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

- A. CALL TO ORDER AND FLAG SALUTE** **NEXT RESOLUTION 2002-823**
B. ROLL CALL **NEXT ORDINANCE 2002-94**
C. PUBLIC COMMENTS PERIOD
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.
D. ADMINISTRATIVE ITEMS (The following may be discussed and action may be taken by the Board.)
D-1) SUMMIT STATION PROPOSED ASSESSMENT DISTRICT
Review Straw vote on establishing an assessment District to finance a hydropneumatic pressure zone
The vote was 2 for and 42 against forming the assessment district
D-2) ANNEXATION FEES – ANNEX NO. 21 – TRACT 2412 (MARTIN)
Request for a District policy change of annexation fees - \$500/acre to \$500/lot
D-3) NIPOMO GROUNDWATER BASIN WATER QUALITY
Review potential water quality changes in the basin
E. OTHER BUSINESS
E-1) FALL CLEAN UP WEEK – SOLID WASTE
Approval of a special Fall Garbage Clean-Up Week – September 16-20, 2002
F. 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.*
F-1) WARRANTS [RECOMMEND APPROVAL]
F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Minutes of June 5, 2002, Regular Board meeting
Minutes of June 12, 2002, Special Board meeting
G. MANAGER'S REPORT
G-1) GOVERNING - ARTICLE ON STATE VS. LOCAL REVENUE
H. COMMITTEE REPORTS
I. DIRECTORS COMMENTS
CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC§54956.9
A. SMVWCD VS NCSA SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
B. SAVE THE MESA VS. NCSA CV 020181
C. ANTICIPATED LITIGATION, ONE CASE
CONFERENCE WITH NEGOTIATOR GC§54956.8
D. WATER LINE EASEMENT ACROSS COUNTY PARK - DISTRICT NEGOTIATOR - DOUG JONES,
COUNTY NEGOTIATOR - PETE JENNY, REGARDING TERMS & PRICE. POSSIBLE LITIGATION INITIATION GC§549569

ADJOURN

The next regular Board Meeting will be held on July 3, 2002, at 9:00 a.m.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: JUNE 19, 2002

**AGENDA ITEM
D-1
JUNE 19, 2002**

SUMMIT STATION PROPOSED ASSESSMENT DISTRICT

ITEM

Review Straw Vote on establishing an assessment District to finance a hydropneumatic pressure zone

BACKGROUND

In July 1999, the State Department of Health Services (DHS) issued a citation to the Nipomo Community Services District for violation of the Title 22 of the California Code of Regulations. The District initiated litigation against DHS. A settlement agreement of this lawsuit has been reached. The terms of the agreement have two alternatives, as follows:

1. A proposed assessment district to fund a new hydropneumatic pressure zone in Summit Station
2. Implement a rebate program for the installation of individual booster pumps

A Straw Vote was taken to see how many people were interested in forming a hydropneumatic pressure zone assessment district. The following are the tabulation results:

NO VOTES	YES VOTES	CERTIFIED LETTERS RETURNED	NO RESPONSE	TOTAL
43*	2	6	18	69

*One no vote received after closing date of June 7, 2002.

Those voting represented 64% of the residents notified, with the great majority voting against the proposed assessment District.

The next portion of the settlement agreement is that the District would contact those property owners with existing homes above elevation 425 feet to see if they wish to participate in the rebate program for the installation of individual booster pumps. Homeowners would be notified and given a period of six months if they wish to participate in the rebate program. After the six-month period, the program will no longer be available. The District would assist with installation of pump and monitoring for a period of six months and rebate the homeowner up to \$2,000 per installation. Information previously provided on the booster pump and the Minutes from the February 7, 2001 Board meeting are enclosed.

RECOMMENDATION

Staff recommends that your Honorable Board direct staff to notify each qualified property owner in the Summit Station area of the results of the straw poll vote and ask if they wish to participate in the booster pump rebate program.

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

FEBRUARY 7, 2001

AGENDA ITEM

FEB 21 2001

(F 2)

REGULAR MEETING 10:30 A.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, SEC. TO THE BOARD
JON SEITZ, GENERAL COUNSEL

CLOSED SESSION
9:30 A.M.

CONFERENCE WITH LEGAL COUNSEL GC§54956.9
SMWVCD vs NCSA Santa Clara County Case No. CV 770214 and all consolidated cases.

No reportable action

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

A. CALL TO ORDER AND FLAG SALUTE

President Blair called the meeting to order at 10:32 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call, all Board members were present.

C. PUBLIC COMMENTS PERIOD

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 was none.

D. ADMINISTRATIVE ITEMS (The following may be discussed and action may be taken by the Board.)

D-1) SUMMIT STATION - REBATE PROGRAM

Review rebate program and resolution for installation of booster pumps at Summit Station area higher elevation residences

President Blair stepped down from the Board during this item because of a conflict of interest in the matter. He owns property in the Summit Station area.

The revisions to the application for the Summit Station Pressure Pump Rebate Program were reviewed.

There were no public comments. Upon motion of Director Winn and seconded by Director Mobraaten, the Board unanimously approved the Summit Station Pressure Pump Rebate Program for homes on a house pad elevation of 425 feet or higher. The program is to be made available after the resolution of the citation from the California Department of Health Services. Vote 4-0 with President Blair not voting.

D-2) REQUEST FOR SERVICE - TRACT 2393 (NEWDOLL)

Request for water and sewer service for a 7-lot development at Grande & Cyclone Sts.

President Blair returned to the Board.

Developer, Robert Newdoll, is requesting water and sewer service to a 7-lot development on Cyclone and Grande Ave.

Jim McGillis, surveyor for project, Nipomo - changed configuration of tentative map.

There were no public comments.

Upon motion of Director Simon and seconded by Director Mobraaten, the Board unanimously approved an Intent-to-Serve letter for Tract 2393 with the conditions as outlined in the Board letter. Vote - 5-0 with Director Wirsing abstaining.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES P
DATE: FEBRUARY 7, 2001

AGENDA ITEM
FEB 07 2001



SUMMIT STATION REBATE PROGRAM

ITEM

Approving application format for the Summit Station Pressure Pump Rebate Program

BACKGROUND

At the regular Board meeting held January 17, 2001, your Honorable Board reviewed the Boyle Engineering report with regards to Summit Station and the installation of on-site pressure booster pumps for individual property owners. Boyle Engineering indicated that there are approx. 21 homes with a house pad elevation above 442 feet. These homes would benefit most from this program. Boyle also recommended that house pad elevations above 425 feet should also be considered. Including the homes with a house pad elevation of 425 feet would add another 17 properties. (See Table 2) The attached draft application for the rebate program incorporates timetables.

First: The application must be submitted within 60 days of mailing.

Second: The installation must be completed within six (6) months from date of the District receiving the application.

Also, included in the application is a hardship provision. Your Honorable Board may make a determination to extend the time limit.

RECOMMENDATION

Staff recommends that your Honorable Board take public comment on the draft application for the Pressure Pump Rebate Program for homes and make a determination on the a house pad elevation of 442 or 425 feet. It is also recommended that this program not be implemented until comments are received from the California Department of Health Services.

TABLE 2
NIPOMO CSD - SUMMIT STATION SERVICE SUMMARY

Meter Unit	Owner Name	Address	Meter Size (in)	Meter Elevation (ft) ¹	House Pad Elevation (ft) ¹	Diameter of Connection to House (ft) ²	Water Service ³	Backflow Preventer ³	Code ³	
10	Bantz, John	1530 Dale Ave.	1	455	490	1 1/2	Yes	No	V H X	
134	Mauss, Edward and Marianne	1345 Ewing Rd.	1	378	472	1 1/2	Yes	Yes	X	Staff reported high use - 8/7/99
126	Gonzales, Modesto and Rosalia	Summit Station Rd.	1	455	471		Yes	No	X	
125	Holder, Fred	234 Summit Station Rd.	1	455	471		Yes	Yes	X	Low pressure complaint - 7/28/99
135	Hudson, John	1252 Futura Lane	1	458	469		Yes	Yes	X	
123	Hodges, Mary	288 Summit Station Rd.	1	457	466		Yes	Yes	X	
122	Crosby, Lavern, P.	1254 Futura Lane	1	458	483		Yes	Yes	X	
118	Swanson, Wilbur	1250 Futura Lane	1	458	463		Yes	Yes	X	Low pressure complaint - 7/30/99
7	Heller, Lee and Melissa	185 Poppy Lane	1	459	462	1	Yes	No	V H X	
37	Franko, Shirley	1467 Dale Ave.	1	449	462	1	Yes	Yes	X	Low pressure complaint - 7/22/99
6	Gray, James and Tern	145 Poppy Lane	1	459	460	1	Yes	No	V H X	Air in line complaint - 9/7/99
141	Hampton, Richard	1335 Hetrick			459		No			
107	Gillespie, Scott and Carol	259 Summit Station Rd.	1	457	457		Yes	No	V H	Low pressure complaint - 11/15/99
105	Barnd, Timothy and Laurie	271 Summit Station Rd.	1	457	454		Yes	Yes		Low pressure complaint - 8/11/99
109	Offermann, Gene and Susan	243 Summit Station Rd. (2nd service)	1	453	454		Yes	No	V H	Low pressure complaint - 10/4/99
109	Stevens, Tim	231 Summit Station Rd.	1	453	454		Yes	No	V H	Low pressure complaint - 8/11/99
136	Kaplanek, Robert and Katherine	273 Val Verde Lane	1	440	453		Yes	Yes		No water - 3/9/00, 5/17/00 (customer)
121	Gray, Miranda and Raynor, Dianne	1225 Futura Lane			453		No			
102	Horn-McCoy, Cynthia	287 Summit Station Rd.	1	459	452		Yes	Yes		
104	Kaye, Eugene	275 Summit Station Rd.	1	456	452		Yes	Yes		No water - 3/9/00, 3/14/00, Air vac
5	Wrzenski, Daniel	1620 Dale Ave.	1	419	450	1	Yes	No	V H X	
5	Wrzenski, Daniel	150 Poppy Lane (2nd service)	1	450	450	1	Yes	No	V H X	
119	Tallman, Christopher	1230 Futura Lane	1	458	449		Yes	Yes		No water - 3/14/00, Low pressure
137	Black, Andrew and Susan	251 Val Verde Lane	1	440	448		Yes	Yes		
74	Beck, Clay & Kathy	1386 Hetrick	1	447	448		Yes	Yes		
75	Esmay, Tim	1387 Hetrick	1	442	446		Yes	Yes		
128	Zielke, Larry and Mollie	226 Summit Station Rd.	1	444	445		Yes	Yes		
110	Hurdle, Marc	225 Summit Station Rd.	1	458	445		Yes	Yes		
142	Hirtz, Gary and Lorne	1376 Ewing	1	428	445		Yes	Yes		
139	Herrera, Joseph (2nd service)	1248 Futura Ln.	1	458	445		Yes	Yes	X	Low pressure complaint - 8/7/99
38	Blair, Robert	1449 Dale Ave.			445		No			
139	Willars, Eleanore	270 Val Verde Lane	1	440	444		Yes	Yes	X	
42	Armstrong, Richard and Esther	1446 Ewing	1	440	443		Yes	Yes	EV H	
115	Johnson, Samuel	1295 Hetrick	1	427	443		Yes	Yes		
138	Bell, Derek and Cynthia	260 Val Verde Lane	1	440	442		Yes	Yes		
108	Pryor, Dorothy	265 Summit Station Rd.	1	457	439		Yes	Yes	EV H	
22	Weber, Ramon	1565 Dale Ave.	1	431	437		Yes	No	EV H	No water - 3/14/00
106	Carson, John and Karen	267 Summit Station Rd.	1	457	434		Yes	Yes		
112	Neumann, Helmut	1229 Hetrick Ave.	1	430	432		Yes	Yes		Meter on Summit Sta. Rd
95	Leon, Sal	335 Summit Station Rd.	1	440	430		Yes	Yes		
32	Rilling, Robert and Jane	1511 Dale Ave.	1	438	430	1 1/2	Yes	Yes		
77	Ricker, John and Alice	1330 Hetrick	1	432	430		Yes	No	V H	Low pressure complaint - 12/1/99
100	Cal Fine Wire Pension Dba	325 Summit Station Rd.	1	437	429		Yes	Yes	EV H	
165	Ainsworth, Jim	1441 Ewing Ave.	1		429		Yes			
70	Lynch, Dale E. & Kai	344 Apache Trail	1		428		Yes	No		
12	Freeman, M.A.	181 Sunkist Lane	1	427	428		Yes	Yes		
97	McGregor, J.F.	1129 Hetrick	1	412	428		Yes	Yes		
93	Simmons, Dan and Mona	1133 Hetrick	1	412	427		Yes	Yes		
91	Ross, Gary and Marilyn	375 Summit Station Rd.	1	429	426		Yes	Yes		
8	Pebst, Larry	190 Poppy Lane	1	422	425		Yes	No	V H X	No water - 3/14/00
41	Parkhurst, Joe	1448 Hetrick	1	420	425		Yes	Yes		
39	Twist, John	1437 Dale Ave.	1	407	425		Yes	Yes		
110	Ybarras, Angela	221 Summit Station Rd. (2nd service)	1	445	423		Yes	Yes		
71	Weaver, Robert	358 Apache Trail			423		No			
18	Waugh, Donald	1577 Dale Ave.	1		422		Yes			
88	Ames, Paul & Dorothy	1192 Hetrick	1		420		Yes			
98	Busch, Michael & Janet	1127 Hetrick	1		420		Yes			
66	Sweeney, Evelyn L.	352 Apache Trail	1		415		Yes			
129	Martin, W.P.	220 Summit Station Rd.	1		415		Yes			
60	Werner, Leiland & Betty	1455 Ewing Ave.	1		415		Yes			
92	Laroch, Roger A.	1155 Hetrick	1		415		Yes			
46	McDonald, Margaret	312 Applegate Way	1		414		Yes			
111	Kreps, Roy & Joetta	213 Summit Station Rd.	1		412		Yes			
94	Beightol, W.S.	1111 Hetrick	1		411		Yes			
89	Aero Camino Ranch	Hetrick Rd.	1		408		Yes			
40	Oliver, Michael	1417 Dale Ave.	1		407		Yes			
87	Gimbel, Denise	1228 Hetrick	1		405		Yes			
57	McConaghy, Mark	1475 Ewing Ave.	1		404		Yes			
36	Selle, Steve	235 Wagon Wheel Way	1		400		Yes			
58	Lopez, David G.	1466 Pomeroy Rd.	1		398		Yes			
33	Jones, Jeffrey & Rosalie	230 Wagon Wheel Way	1		397		Yes			
85	Rucker, Gary L.	1279 Pomeroy Rd.	1		396		Yes			
29	Teixera, Edwen & Joann	1512 Ewing	1		395		Yes			
19	Johnson, Arnold W.	235 Applegate Way	1		394		Yes			
83	Lopez, Juan	1381 Pomeroy Rd.	1		393		Yes			
56	Mathews, Parker J.	435 Aurelia Lane	1		391		Yes			
132	Romero, Rosendo	1337 N. Frontage Rd.	1		391		Yes			
55	Torres, Apolonio & Jeanne	449 Aurelia Lane	1		388		Yes			
133	Stahl, Peter & Patricia	1305 Ewing Rd.	1		386		Yes			
3	Strate, Myron L.	272 Applegate Way	1		385		Yes			
61	Laughlin, Laurie L.	1426 Pomeroy Rd.	1		385		Yes			

NOTES:
1-Elevations from topography shown on Summit Station Assessment District maps.
2-From field observations and conversations with District operator. Pipeline sizes for other properties were unavailable.
3-From NCSO records

house built afterwards
is vacant, but house on lower elevation
155 ft

**NIPOMO COMMUNITY SERVICES DISTRICT
APPLICATION FOR PRESSURE PUMP
REBATE PROGRAM**

DRAFT

I, _____ (Applicant) am the owner of certain real property located at _____
Street address APN#

Applicant requests participation in the Nipomo Community Service District's (District's) pressure pump rebate program and agrees to install and operate the booster pump in accordance with District's rebate procedures and guidelines.

DISTRICT REBATE PROCEDURES AND GUIDELINES

A. This program is available to those existing District residents that meet or satisfy all of the following qualifications:

1. Real property is located within the Summit Station Assessment District and has a house pad elevation at or above 442 feet as taken from the Summit Station contour map.
2. The real property is improved with a residence that has received an occupancy permit from the County on or before February 7, 2001. Only property that has (1) been improved and (2) received an occupancy permit will be eligible for the Rebate Program..
3. This Application has been completed, signed, and received by the District on or before 4:00 p.m., May 8, 2001. .
4. The Application has been approved in writing by the District prior to the Applicant incurring cost.
5. The invoices and verifying statements identified in Sections B1 and B2 have been received by the District on or before 4:00 p.m., October 9, 2001.
6. The District will consider an extension of the time limits established in Subparagraph 5 above based on a written request signed by the Applicant that evidences a compliance hardship. Said request must be received by the District on or before 4:00 p.m., October 9, 2001.

B. Pursuant to the following terms and conditions the District will rebate up to two thousand dollars (\$2,000) of Applicant's invoiced costs upon being presented with both

the invoices identified in Section 1 below and the verifying statement identified in Section 2 below.

1. Invoices*:
 - a. Purchase of booster pump
 - b. Invoices from licensed plumbing contractors verifying that the booster pump was installed in accordance with manufacturer's guidelines and industry standards.
 - c. Invoices from licensed electricians for installing electrical service to the booster pump and verifying that such installation was completed in accordance with manufacturer's guidelines and industry standards.
- * The work of individual homeowners/Applicants in purchasing and installing the booster and/or electrical services is not subject to the District's rebate program.
2. Verifying Statements
 - a. Written statement of Applicant verifying that the booster pump was installed in accordance with manufacturer's guidelines and industry standards and that electrical services to the booster pump were installed in accordance with manufacturer's guidelines and industry standards: or
 - b. Written statement of licensed plumbing contractor, on the contractor's letterhead and identifying the contractor's license number, verifying that the booster pump was installed in accordance with manufacturer's guidelines and industry standards; and
 - c. Written statement from licensed electrical contractor, on the contractor's letterhead and identifying the contractor's license number, verifying that electrical services to the booster pump was installed in accordance with manufacturer's guidelines and industry standards.
3. The District recommends but does not require that Applicant have their individual service lines (from the meter to their residence) checked by a plumbing contractor to verify quality and size of service lines in compliance with the Uniform Plumbing Code.
4. The Applicant is responsible for the installation, operation and maintenance of individual booster pumps including the supply of electrical service to the booster pump. Applicant, by signing this Agreement, agrees

to hold the District harmless for any payments/costs over and above the rebate amount for installation, operation, or maintenance of individual booster pumps, including the supply of electrical services to the booster pump.

5. The District does not warrant and/or guarantee the quality or mechanical function of individual booster pumps installed by Applicants and/or their contractors.
 6. The District does not warrant and/or guarantee the work of contractors hired by individual Applicants.
 7. For those Applicants that have appropriate quality and sized service lines (from the meter to their residence) the District has been presented with evidence that the installation of an individual booster pump will improve water service to the Applicant's residence. However, the District does not warrant and/or guarantee that the installation of individual booster pumps will improve water pressure delivery to individual residences.
- C. Applicant, by submitting this Application to the District, verifies that the real property that is the subject of this Application is improved with a residence that has received an occupancy permit on or before February 7, 20001, from the County of San Luis Obispo, California.

Date _____, 2001

Applicant

APPROVED: NIPOMO COMMUNITY SERVICE DISTRICT

Date: _____, 2001

TO: BOARD OF DIRECTORS
FROM: DOUG JONES *DJ*
DATE: JUNE 19, 2002

**AGENDA ITEM
D-2
JUNE 19, 2002**

ANNEXATION FEES
ANNEXATION NO. 21
TRACT 2412 (MARTIN)

ITEM

Request for a District policy change of annexation fees - \$500 per acre to \$500 per lot

BACKGROUND

In October 2001, LAFCO approved Annexation No. 21, which consists of a 55-lot subdivision on 160 acres adjacent to Blacklake Golf Course. The developer is requesting that the annexation fees be based on number of lots rather than the number of acres. The District policy is \$500 per acre, which was established in 1978, Ordinance 78-27.

The project consists of 55 lots, each greater than one acre and a fair amount of open space. The development area of the 160 acres is approx. 85 acres, which includes a round-about in the center of the project.

The developer is comparing the payment of \$500 per acre with that of the Summit Station annexation. The District Board made a finding allowing property owners in the Summit Station area to pay \$500 per lot because of the restrictions (no secondary homes or subdivisions) established by the County.

The Fairview Tract (Annexation No. 10), bounded by Chestnut and Thompson Road, was annexed to the District in 1992. The developer paid annexation fees of \$500 per acre. This project was required to have a 300-foot buffer around the edge of the development because it borders agricultural lands. In addition to the ag buffer, there is an open space (a flood plain) through the middle of the tract. The Fairview Tract has approx. 57% of its area in open space. The Knollwood (Tr 2412) has approx. 53 percent in open space.

TO: Board OF DIRECTORS
FROM: DOUG JONES
DATE: JUNE 19, 2002

AGENDA ITEM
D-2
JUNE 19, 2002
Page Two

ANNEXATION FEES
ANNEXATION NO. 21
TRACT 2412 (MARTIN)

Options the Board may consider for Annex. No. 21 are as follows:

1. Annexation fee based on 55 lots
2. Annexation fee based on approx. developed area of 85 acres
3. Annexation fees based on the total project area of 160 acres.

Items 1 and 2 above would require findings or a policy change regarding annexation fees.

The District is responsible for providing a water supply for fire protection for all developments and open space within the District service area. Existing and future developments within the District, where the County has allowed or will allow cluster development, have open spaces. Existing cluster developments require the District's water system for fire protection; the annexation fees of \$500.00 per acre have been paid.

RECOMMENDATION

The District's jurisdiction is supplying its services to the total area within its boundary. It would be staff's recommendation that the total area be subject to the District's annexation fees.



Martin Farrell
Homes, Inc.

330 E. Canon Perdido St., Suite F
Santa Barbara, CA 93101

Telephone (805) 962-8299
Facsimile (805) 962-2919

May 30, 2002

President Dick Mobraaten
Nipomo Community Services District
148 South Wilson Street
Nipomo, CA 93444

RECEIVED

JUN 03 2002

NIPOMO COMMUNITY
SERVICES DISTRICT
TRACT 2825

RE: Annexation #21

Dear President Mobraaten and Members of the Board of Directors:

At the time your board considered annexation of the subject project last Fall, I had made a request that your Board consider the manner in which annexation fees for the subject project would be charged. At that meeting, your board favorably considered my request but postponed action until the annexation agreement was completed. The annexation agreement and related fees was finalized last January.

Since that time, your Manager and I have been working on an agreement relating to various components of the project infrastructure. The only item that requires your Board approval is the request for clarification of payment of annexation fees. The fee I am requesting your help with is the \$500 per acre annexation fee.

My request is that the \$500 per acre annexation fee be charged on a per lot basis rather than for all acreage within the annexation area, for the reasons described below.

This property has an approved tentative subdivision map for 55 one-acre lots, and we plan to start construction on the project in the near future. The entire property is 160 acres, much of which is being placed into a conservation easement with the County of San Luis Obispo. The conservation easement provides that there can be no development within the conservation area. It will be left as undisturbed open space and will have public trails running through it for the benefit of the community.

This project will be required to make a substantial investment in the NCSD water system. We will be connecting your water mains in Willow Road with your mains near Sun Dale and Camino Caballo to NCSD specifications, at our expense. We have also drilled and tested a well on the property that is capable of producing in excess of 400 gpm, far beyond the needs of our project, which will be improved and dedicated to NCSD, also at our expense.

In light of the fact that this project is setting aside a large proportion of its land area as undevelopable open space and is also making a substantial infrastructure contribution to the NCSD system that results in a benefit to the District beyond our own needs, we ask that the \$500 per acre annexation fee be charged on the basis of the developable acreage, not the total

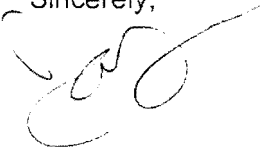
Nipomo Community Services District
May 30, 2002
Page 2 of 2

acreage. The developable acreage consists of the 55 one-acre lots, plus 3.4 acres of irrigated common area, such as a small park and street landscaping along Black Lake Canyon Road.

I believe that some precedent exists for your favorable consideration of this matter. The Summit Station project was a similarly situated project in that a substantial portion of the land area that was annexed into the District to facilitate the project's water service was restricted by the County to remain as undeveloped open space. It is my understanding that the District agreed to charge the \$500 per acre annexation fee as a \$500 per lot annexation fee because even though some lots were as large as 20 acres, a conservation easement precluded most of the lot area from being used. This is precisely the same type of restriction that our open space restriction is subject to.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon Martin', written over a horizontal line.

JON MARTIN

dangerous unprotected cross-connections exist or if any defect is found in the check valve installation or other protective devices. Services shall not be restored until such defects are corrected.

As a protection to the customer's plumbing system, a suitable pressure relief valve must be installed and maintained by him at his expense when check valves or other protective devices are used. The relief valve shall be installed between the check valves and the water heater.

The regulations of the California State Department of Public Health also requires that the owner of any premises on or for which check valves or other protective devices are installed shall inspect these devices for water tightness and reliability at least once per year. All defective devices shall be serviced, overhauled, or replaced at the customer's expense. A written report on this annual inspection shall be made available to the District.

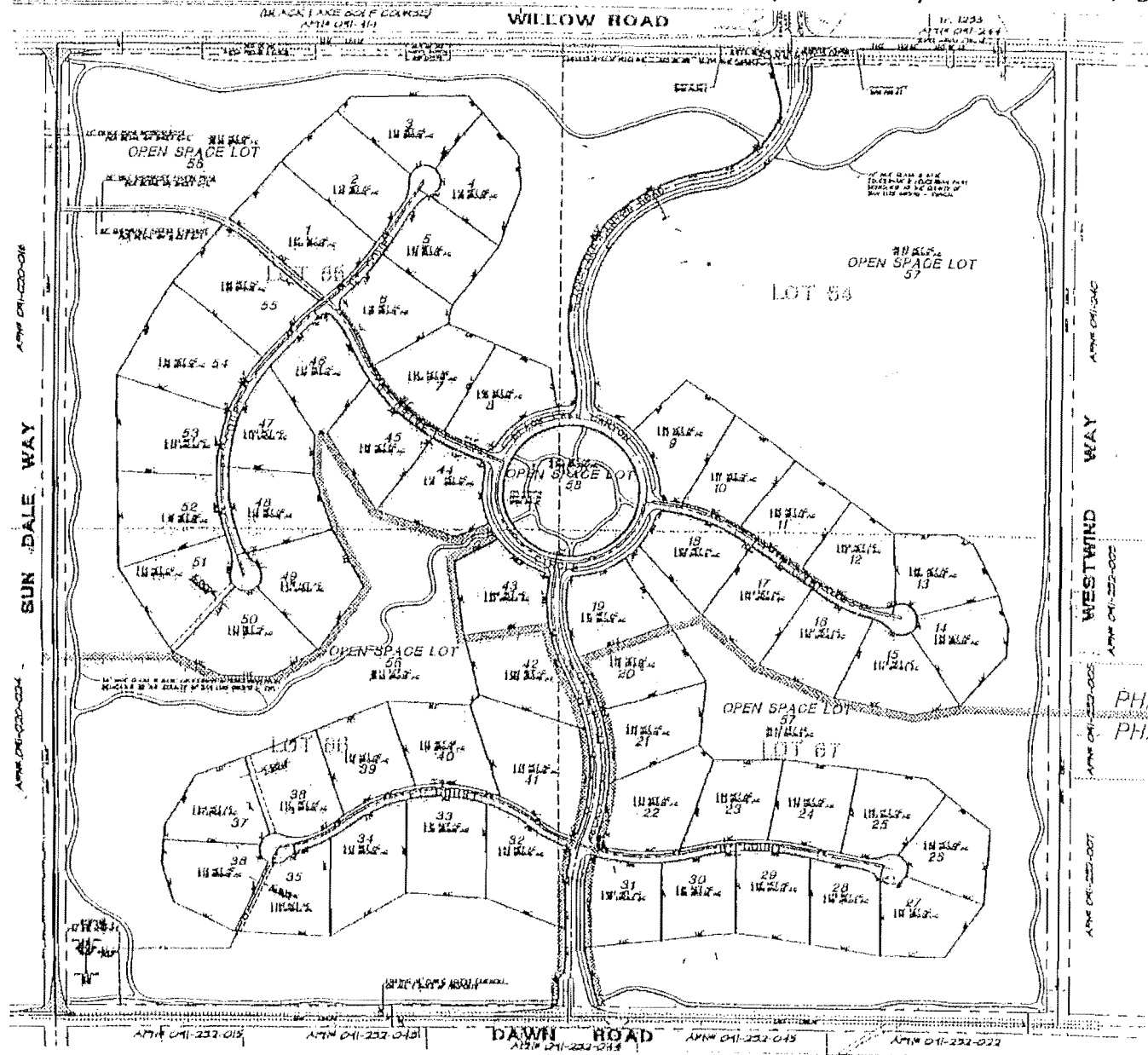
Section 18. Annexation.

- A. All property hereafter annexed to the District shall be assessed a fee to be paid by the developer to the District at the time of application for annexation.
- B. The fee shall be five hundred (\$500.00) dollars per acre, or, per parcel less than one acre.
- C. 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 (\$50.00) dollars.

From
NCSD Ordinance No 15-27

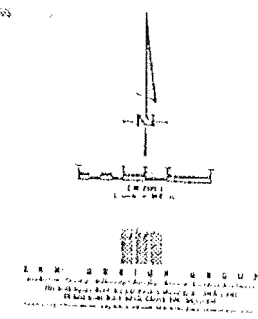
LAFCO – LOCAL AGENCY FORMATION COMMISSION

Serving the Area of San Luis Obispo County – Exhibit A-4 SITE MAP



NOTE:
 1. ALL LOTS ARE TO BE DEVELOPED WITHIN THE PHASE 1 AND PHASE 2 PERMITS.
 2. PHASE 1 INCLUDES LOTS 1 THROUGH 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68.
 3. PHASE 2 INCLUDES LOTS 1 THROUGH 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68.

PHASE 1
 PHASE 2



TRACT 2325
 TENTATIVE TRACT MAP
 C-2 - SHEET 2 of 3
 March 1998

Annexation 11-R-01 – Knollwood – Site Map

Exhibit A-4

A-2-19

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: JUNE 19, 2002

**AGENDA ITEM
D-3
JUNE 19, 2002**

WATER QUALITY
NIPOMO GROUNDWATER BASIN

ITEM

Review potential water quality changes in the Nipomo basin and well drilling standards

BACKGROUND

The State Department of Water Resources is in the process of preparing a report entitled "Water Resources of the Arroyo Grande-Nipomo Mesa Area". A revised final draft was published in January 2000. The report included a portion on water quality of the Nipomo Mesa and is included in the packet for the Board's review.

The DWR report mainly indicated that the highest quality of water in the Santa Maria Groundwater Basin is in the Nipomo Mesa area. The water quality in the Cienega Valley and the Santa Maria Valley are of somewhat lesser quality, primarily due to agricultural uses. The degradation of the water quality in the Nipomo Mesa could come from the following:

- Reversals of groundwater flows where the valley waters would move into the Nipomo Mesa
- Possible sea water intrusion if the basin's water table falls below the seawater levels
- Wastewater treatment facilities percolation of improperly treated wastewater back into the groundwater basin
- Expansion of agricultural, commercial growers, and golf courses on the Mesa

San Luis Obispo County Health Department issues well drilling permits. Their standards for well drilling and destruction incorporate the State of California standards that are set forth in the DWR Bulletin 74-81, "Water Well Standards: State of California". A copy is in the office for your review.

Director Trotter requested that this item be put on the agenda for general discussion.

RECOMMENDATION

Your Honorable Board may direct staff how they wish to proceed with this matter.



State of California
The Resources Agency
Department of Water Resources
Southern District

REVISED FINAL DRAFT/Subject to Revision

WATER RESOURCES OF THE ARROYO GRANDE - NIPOMO MESA AREA

JANUARY 2000

Nipomo Mesa

The Stiff diagrams on Figure 34 and the water quality hydrographs on Figure 38 illustrate the mainly good quality groundwater found in Nipomo Mesa compared with that in other parts of the study area. The quality reflects recharge of this area principally by percolation of rainfall.

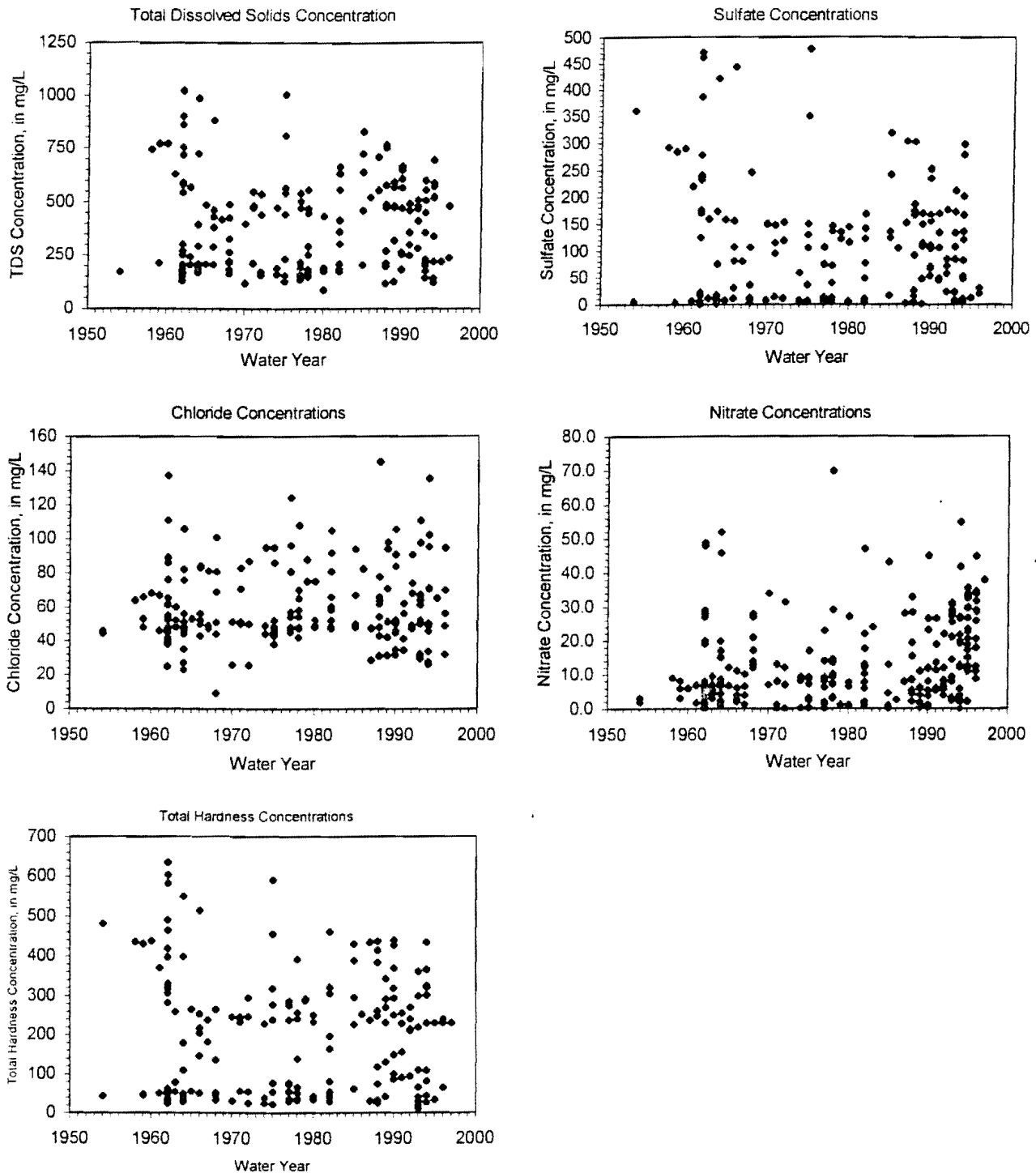
The data set for Nipomo Mesa consists of analyses from 86 wells measured from 1954 through 1997. Of those wells, 37 have been sampled only once. Water agency wells in this area are sampled recurrently. Sampled wells range in depth from 24 to 810 feet, with well depth typically increasing toward the west and south.

About three-fourths of the sampled wells produced groundwater with TDS concentrations that are less than 500 mg/L and about 85 percent of the wells produced groundwater with sulfate concentrations that are less than 250 mg/L. The higher sulfate and TDS concentrations in groundwater are generally found in the deeper wells and in the western and southern parts of the mesa. Chloride concentrations are low, less than 150 mg/L, in extracted groundwaters and meet standards. A few wells have exceeded the nitrate MCL. These wells are mainly in the northwestern part of the mesa. About half the sampled wells extract groundwater classified as soft; otherwise, it ranges from moderate to very hard. The soft groundwater is mainly sodium chloride in character. The predominant cations in other groundwaters are mainly calcium and magnesium or sodium and the predominant anions are sulfate and bicarbonate.

Groundwater is classified as suitable to marginal under water quality guidelines for agricultural irrigation.

If the pumping depression on the mesa pulls in water from the Santa Maria Valley, the possibility exists for the poorer quality groundwater of the valley, containing high concentrations of dissolved solids, to locally reduce the quality of the mesa's groundwater. Existing data were not sufficient to show evidence of this possible situation.

FIGURE 38 - GROUNDWATER QUALITY HYDROGRAPHS, NIPOMO MESA WELLS



APPENDIX (continued)
ARROYO GRANDE POMO MESA AREA
SELECTED WATER QUALITY DATA

State Well No.	Date yr/mo/da	pH lab	EC lab µmhos/cm	TDS @180° mg/L	Ca mg/L	Mg mg/L	Na mg/L	K mg/L	Total Alk (CaCO3) mg/L	SO4 mg/L	Cl mg/L	NO3 mg/L	B mg/L	FI mg/L	Total Hardness mg/L
12N/35W-30M01 S	640619	7.8	1775	1334	89	178	70	3.0	462	487	109	0.0	0.17	0.2	955
12N/35W-30L02 S	630707	7.7	1280	1398	128	162	67	1.0	471	519	89	18.0	0.12	0.2	986
12N/35W-30K03 S	711022	8.0	2347	1836	272	137	78	2.6	378	737	134	90.0	0.09	0.5	1242
12N/35W-29R03 S	691008	7.7	252	117	7	3	37	0.0	41	8	26	34.0	0.04	0.2	30
12N/35W-29R03 S	711026	7.0	244	155	4	4	37	1.0	38	10	26	31.5	0.04	0.1	25
12N/35W-29R01 S	620821	7.0	236	155	7	3	35	1.0	26	4	25	49.0	0.02	0.1	30
12N/35W-29R01 S	640414	6.2	205	174	8	2	36	1.0	30	4	23	46.0	0.07	0.2	28
12N/35W-29R01 S	640618	7.4	240	177	8	2	34	1.0	23	3	27	52.0	0.13	0.1	28
12N/35W-29N03 S	620712	7.5	705	428	49	27	62	4.0	164	84	75	4.0	0.10	0.2	234
12N/35W-29N02 S	610302	7.5	1460		158	89	69	2.0	334	389	120	0.0	0.10	0.3	761
12N/35W-29N02 S	630708	8.0	1860	1554	204	135	67	3.0	338	611	158	0.0	0.01	0.6	1065
12N/35W-29N01 S	640618	7.2	1727	1474	206	91	66	2.0	347	480	112	0.0	0.00	0.7	889
12N/35W-29N01 S	811015	7.9	2190	1680	264	129	77	3.0	400	645	137	110.0	0.00	0.6	1190
12N/35W-29N01 S	871105	8.5	1830	1630	201	132	68	2.4	319	639	127	36.6	0.10	0.6	1040
12N/35W-29M01 S	501112	7.4	1430	988	156	72	79	6.0	407	320	74	0.2	0.06		686
12N/35W-29L01 S	711022	8.0	1789	1317	184	101	80	2.1	333	463	112	94.5	0.06	0.5	874
12N/35W-28L01 S	671030	7.0	319	234	12	9	33	2.0	13	4	26	102.5	0.00	0.1	67
12N/35W-28J06 S	771014	7.0	516	309	30	13	39	1.7	40	23	41	113.0	0.00	0.2	129
12N/35W-28J02 S	771014	6.6	1015	649	72	29	58	2.3	16	60	101	243.0	0.01	0.1	299
12N/35W-28J02 S	871105	7.3	662	570	54	21	50	2.6	30	94	62	153.0	0.10	0.2	221
12N/35W-27N03 S	771006	8.1	1231	741	107	61	58	3.0	305	167	93	37.8	0.04	0.5	518
12N/34W-31M01 S	620711	8.0	1550	1190	182	83	55	2.0	356	405	109	0.0	0.07	0.2	796
12N/34W-31F01 S	751007	8.2	1382	924	144	67	58	4.3	281	338	102	0.0	0.51	0.6	638
11N/36W-13R01 S	520425	8.2	1220		114	57	82	4.0	133	502	43				519
11N/36W-13R01 S	570829	7.8	1332	957	131	56	78	4.0	204	463	45	2.1	0.50	0.1	558
11N/36W-13R01 S	580505	8.0	1299	819	140	57	80	4.0	210	465	58	0.9	0.30	0.4	584
11N/36W-13R01 S	580917	8.0	1195	927	113	60	70	8.0	133	467	43	13.0	0.09		529
11N/36W-13R01 S	590421	7.5	1307	983	161	44	77	4.0	204	468	47	2.0	0.34	0.1	583
11N/36W-13R01 S	600406	8.1	1208	856	114	58	73	3.0	158	440	48	0.0	0.10	0.2	523
11N/36W-13R01 S	610309	8.0	1280		140	52	69	4.0	201	449	45	1.4	0.23	0.1	564
11N/36W-13R01 S	620614	7.7	1260	992	142	55	68	4.0	210	451	45	0.0	0.24	0.1	581
11N/36W-13R01 S	620822	7.6	1266	993	137	56	72	4.0	204	452	40	0.5	0.21	0.5	573
11N/36W-13R01 S	630718	7.5	1279	985	138	55	84	4.0	210	456	42	2.2	0.20	0.4	571
11N/36W-13R01 S	631014	7.6	1160	1016	101	73	79	9.0	201	461	42	0.0	0.25	0.1	552
11N/36W-13R01 S	640506	7.9	1180	840	62	102	81	3.0	209	487	43	0.8	0.20	0.2	574
11N/36W-13R01 S	641006	8.3	1200	1005	141	54	78	4.0	219	452	41	2.0	0.16	0.5	574
11N/36W-13R01 S	650709	7.5	1313	1018	136	59	80	4.0	205	449	47	0.5	0.16	0.5	582
11N/36W-13R01 S	651108	8.0	1282	970	132	60	78	4.0	208	461	41	1.0	0.16	0.5	576
11N/36W-13R01 S	660412	8.1	1215	861	112	54	78	4.0	137	446	47	2.5	0.17	0.5	502

F17

nd = nondetect

San Luis Obispo County

8.40-020

Chapter 8.40

CONSTRUCTION, REPAIR, MODIFICATION
AND DESTRUCTION OF WELLS

Sections:

- 8.40.010 Purpose.
- 8.40.020 Definitions.
- 8.40.030 Acts prohibited, permit required.
- 8.40.040 Permits.
- 8.40.050 Inspection.
- 8.40.060 Standards.
- 8.40.062 Location of well installation.
- 8.40.065 Water wells within the coastal zone.
- 8.40.070 Public nuisance.
- 8.40.080 Immediate abatement.

Post-it* Fax Note	7671	Date	6-7-02	# of pages	9
To	Dray Jones	From	Rich. S. Johnston		
Co./Dept.	NCSD	Co.	Co. Health		
Phone #		Phone #			
Fax #	929-1932	Fax #			

8.40.010 Purpose. It is the purpose of this chapter to provide for the construction, repair, modification and destruction of wells in such a manner that the ground water of this county will not be contaminated or polluted and that water obtained from wells will be suitable for beneficial use and will not jeopardize the health, safety or welfare of the people of this county. (Ord. 1271 §1(part), 1973).

8.40.20 Definitions. The following words and phrases shall, for the purpose of this chapter, have the meanings ascribed to them in this section:

(1) "Abandoned" or "abandonment" shall apply to a well which has not been used for a period of one year, unless the owner declares in writing to the health officer, his intention to use the well again for supplying water or other associated purpose (such as an observation well or injection well) and received approval of such declaration. All such declarations shall be renewed annually. Test holes and exploratory holes shall be considered abandoned twenty-four hours after construction work has been completed, unless otherwise approved by the health officer;

(2) "Agricultural wells" mean water wells used to supply water for irrigation or other agricultural purposes, including stock wells;

8.40.020

(3) "Cathodic protection well" means any artificial excavation in an aquifer or in excess of fifty feet, constructed by any method for the purpose of installing equipment or facilities for the protection electrically of metallic equipment in contact with the ground commonly referred to as cathodic protection;

(4) "Community water supply well" means a water well for domestic purposes in systems subject to Chapter 7 of Part I of Division 5 of the California Health and Safety Code (commencing with Section 4010);

(5) "Completion or completion operation" means any work conducted after artificial excavation to include:

- (A) Placement of well casing,
- (B) Gravel packing,
- (C) Sealing,
- (D) Casing perforation, or
- (E) Other operations deemed necessary by the health officer;

(6) "Contamination" means an impairment of the quality of water to a degree which creates a hazard to the public health through poisoning or through spread of disease;

(7) "Destruction or destroy" means the complete filling of a well in such a manner that it will not produce water or act as a conduit for the interchange of water, when such interchange will result in deterioration of the quality of water in any water-bearing formations penetrated;

(8) "Electrical grounding well" means any artificial excavation in an aquifer or in excess of fifty feet, constructed by any method for the purpose of establishing an electrical ground;

(9) "Health officer" means the health officer of San Luis Obispo County, his medical deputies, his environmental health officers, or his duly authorized representatives;

(10) "Individual domestic well" means a water well used to supply water for domestic needs of an individual residence or commercial establishment;

(11) "Industrial wells" mean water wells used to supply industry on an individual basis;

(12) "Modification or repair" means the deepening of a well, reperforation, sealing or replacement of well casing;

8.40.020

(13) "Observation well" means a well used for monitoring or sampling the condition of a water-bearing aquifer, such as water pressure, depth, movement or quality;

(14) "Person" includes any person, firm, association, corporation, organization, partnership, business trust, company, or special district formed under the laws of the state of California;

(15) "Pollution" means an alteration of the quality of water to a degree which unreasonably affects:

(A) Such waters for beneficial uses, or

(B) Facilities which serve such beneficial uses. Pollution may include contamination;

(16) "Public nuisance," when applied to a well, means any well which threatens to impair the quality of ground water or otherwise jeopardize the health and safety of the public;

(17) "Salt water (hydraulic) barrier wells" mean wells constructed to extract or introduce water into the ground as a means of preventing intrusion of salt water into a fresh water-bearing aquifer;

(18) "Test or exploratory hole" means an excavation used for determining the nature of underground geological or hydrological conditions, whether by seismic investigation, direct observation, or any other means;

(19) "Well" means any artificial excavation constructed by any method for the purpose of extracting water from or injecting water into, the underground, or for providing cathodic protection or electrical grounding of equipment, or for making tests or observations of underground conditions, or for any other similar purpose. Wells include, but shall not be limited to, community water supply wells, individual domestic wells, industrial wells, agricultural wells, cathodic protection wells, electrical grounding wells, test and exploratory holes, observation wells and salt water (hydraulic) barrier wells, as defined herein, and other wells whose regulation is necessary to fulfill the purpose of this chapter. This definition shall not include:

(A) Oil and gas wells, or geothermal wells constructed under the jurisdiction of the State Department of Conservation, except those wells converted to use as water wells, or

8.40.20-8.40.40

- (B) Wells used for the purpose of:
 - (i) Dewatering excavation during construction, or
 - (ii) Stabilizing hillsides or earth embankments,

- (C) And the following artificial excavations:
 - (i) Drill holes for soil testing purposes where such holes are less than twenty-five feet in depth,
 - (ii) Holes or excavation; for soil percolation tests;
 - (iii) Drill holes for seismic exploration where such drill holes are less than twenty-five feet in depth,
 - (iv) Excavations for drainage percolation ponds or spreading basins;

(20) "Well drilling contractor" means a contractor licensed in accordance with the Provisions of the Contractors License Law, Chapter 9 of Division 3 of the Business and Professions Code (commencing with Section 7000) and who shall possess a valid C-57 water well contractors license. (Ord. 2400 §1 (part), 1989; Ord. 1271 §1 (part) 1973).

8.40.030 Acts prohibited. permit required. (a) No person shall, within the unincorporated area of San Luis Obispo County, construct, repair, modify or destroy any well unless such person possesses a valid permit issued by the health officer as provided in this chapter.

(b) No person shall construct, repair, modify or destroy any well unless such construction, repair, modification or destruction is in conformance with the terms, conditions, and standards specified in this chapter and in the written permit issued by the health officer.

(c) No person shall conduct any site grading or fill activities in conjunction with the construction, repair, modification or destruction of any well without first satisfying all applicable provisions of Sections 22.05.020 et seq. or Sections 23.05.020 et seq. of this code (grading), which may include the necessity of obtaining a grading permit from the county department of Planning and Building in addition to the permit required by this chapter. (Ord. 2343 §1, 1988; Ord. 2274 53, 1986; Ord. 1271 S1(part), 1973).

8.40.040 Permits. (a) Applications. Applications for permits shall be made to the health officer and shall include the following:

- (1) A plot plan indicating the exact location of the well with respect to the following items within a radius of two hundred feet of the well:

8.40.040

- (A) Property lines,
 - (B) Sewage disposal systems or works carrying or containing sewage or industrial wastes,
 - (C) All intermittent or perennial, natural or artificial water bodies or water courses,
 - (D) Drainage pattern of the property,
 - (E) Existing wells,
 - (F) Access roads;
- (2) Location of the property (include township, range, section, and assessor's parcel number);
- (3) Name of the person who will construct the well;
- (4) Estimated or proposed depth of well;
- (5) Use of well;
- (6) Other information as maybe necessary to determine if underground waters will be protected;

(b) Fees.

- (1) Permit Application Fees. All applications for permits shall be on a form supplied by the county health department and, except for those made by a public agency, shall be accompanied by payment of the fee as established by resolution of the board of supervisors, none of which shall be refundable;
- (2) Expiration of Permit. Each permit issued pursuant to this chapter shall expire within six months following the issuance of the permit. Upon expiration of any permit issued pursuant hereto, no further work may be done in connection with construction, repair, modification, or destruction of a well unless and until a new permit for such purpose is secured in accordance with the provisions of this chapter,

(c) Prohibition. No permit shall be issued to any person who is not a well drilling contractor in possession of a valid C-57 (Water Code Section 13750.5);

(d) Bonds. As a condition precedent to the issuance of a permit, every applicant for a permit shall file or have on file with the health officer, a corporate surety bond in the sum of twenty-five thousand dollars issued by a surety company licensed to do business in this state, or in lieu thereof, a cash deposit in the sum of twenty-five thousand dollars.

8.40.040

As used in this subsection, the term "cash deposit" includes, without limitation, certificates of deposit payable to the county issued by banks doing business in this state, investment certificates or share accounts assigned to the county and issued by savings and loan associations doing business in this state, or bearer bonds issued by the United States government or by this state.

The surety bond shall be conditioned to secure the compliance and faithful performance by the permittee of the terms, conditions and standards imposed by this chapter, or by any issued hereunder.

If cash is deposited in lieu of such a bond, the cash deposit shall secure the compliance and faithful performance by the permittee of the terms, conditions and standards imposed by this chapter, or by any permit issued hereunder;

(c) Conditions. Permits shall be issued subject to compliance with the standards provided in Sections 8.40.060 and 8.40.065;

(d) Term, Completion of Work. The permittee shall complete the work authorized by the permit prior to the expiration date set forth in the permit. The permittee shall conspicuously post the property where the well construction will occur with a sign noting property owner name, assessor's parcel number, and well construction permit number. The permittee shall notify the health officer in writing upon completion of the work and such work shall not be deemed to have been completed until such written notification has been received;

(g) Reports. A copy of the well driller report required under Section 13751 of the California Water Code shall be submitted to the health officer upon completion of construction of each well;

(h) Appeal Procedure. Any person aggrieved by the refusal of the health officer to issue a permit or by the terms of a permit may appeal from the action of the health officer of the board of supervisors by filing a written notice of appeal with the clerk of the board. The clerk shall set the matter for hearing before the board and shall give reasonable notice of the time and place thereof to the applicant and to the health officer. The board of supervisors shall hear the evidence offered by the applicant or permittee and the health officer, and shall forthwith decide the issue. Unless the board of supervisors rescinds the health officer's action by a majority vote, his decision shall be deemed affirmed. (Ord. 2414 §1, 1989; Ord. 2400 §1(part), 1989; Ord. 2343 52,

8.40.040-8.40.065

1988; Ord. 1912 SI, 1978; Ord. 1514 SI, 1975; Ord. 1271 § 1 (part) , 1973).

8.40.050 Inspection. The health officer and his inspectors may at any and all reasonable times enter any and all places, property, enclosures and structures for the purpose of making examinations and investigations to determine whether any provision of this chapter is being violated. The health officer may require that each completion, modification, repair or destruction operation be inspected prior to any further work. (Ord. 1271 S1(part), 1973).

8.40.060 Standards. (a) State Standards. Standards for the construction, repair, modification or destruction of wells shall be as set forth in Chapter II of the California Department of Water Resources Bulletin No. 74-81 entitled "Water Well Standards: State of California" and its Appendices B, C, and D; and those pertaining to Zones II and III as delineated in Figure 1 of -he Department of Water Resources Bulletin No. 74-7 entitled "Water well Standards, Arroyo Grande Basin, San Luis Obispo County," and as set forth in Chapter II of the same, in Department of Water Resources Bulletin No. 74-1, entitled "Cathodic Protection Well Standards, State of California."

(b) County Standards. The ' depth of water well seals (annular seals) shall be as follows:

<u>Types of Wells</u>	<u>Minimum Depth of Seal</u>
i. Community Water wells	50 feet
ii. Individual Domestic Wells	50 feet
iii. Industrial Wells	50 feet
iv. Agricultural Wells	50 feet
vi. Monitoring Wells	20 feet

The above minimum depths shall not apply to shallow wells where the water to be developed is at a depth less than fifty feet. However, in no case shall the seal be less than ten feet in depth. The well driller shall notify the health department the day prior to sealing with a notice of intent to seal. All well seals shall be subject to inspection by health department personnel, or registered geologists and registered engineers approved by the health department for monitoring well inspections, however, if an inspector is not available or present, at the appointed time, the driller shall be allowed to proceed. (Ord. 2400 §1-(part), 1989; Ord. 1271 SI (part), 1973).

8.40.62 Location of well installation. A new water well shall be located no closer than ten feet from any property line. (Ord. 2274 S4, 1986)

8.040.065-8.40.080

8.40.065 Water wells within the coastal zone. In some areas of the coastal zone established by the California Coastal Act of 1976, groundwater is limited and extraction must be monitored to satisfy the requirements of the Coastal Act. All water well permit applications within the coastal zone shall be reviewed by the county engineer to determine if participation in a water monitoring program is necessary to assure records are available for use in the resource management system. The manner in which a permit applicant shall participate in the monitoring program, including the frequency and type of reporting shall be determined by the county engineer. (Ord. 2343 §3, 1988).

8.40.070 Public nuisance. In the event the health officer determines that a well constitutes a public nuisance, the health officer shall abate the nuisance in accordance with the Provisions of Chapter 22.10 of the San Luis Obispo County Code. (Ord. 2400 §1(part), 1989; Ord. 2274 §5, 1986; Ord. 1271 SI (part), 1973).

8.40.080 Immediate abatement. If the health officer finds that immediate action is necessary to prevent impairment of the ground water or a threat to the health or safety of the public, the health officer may immediately abate the nuisance without complying with the provisions of Sections 22-10-100 et seq. of the San Luis Obispo County Code. (Ord. 2400 §1(part), 1989; Ord. 1271 §1(part), 1973).

Chapter 8.54

ENFORCEMENT-CITATION AUTHORITY

Sections:

8.54.010 Citation authority.

8.54-020 Civil action designated.

8.54.010 Citation authority. The director of environmental health and his authorized deputies shall have the authority to issue citations for violations Of this code and state law pursuant to the procedures set forth in Chapter 1.08. (Ord. 1803 S1, 1977).

8.54.020 Civil action designated. If any person, firm, association or corporation commences, conducts or carries on any business, exhibition, occupation or activity mentioned in this title without first paying the appropriate fee and/or penalty, and obtaining the permit as required by this title for conducting or carrying on the business, exhibition, occupation or activity, an action may be commenced and prosecuted by the county against such person, firm, association or corporation for the collection of the fee and any penalty amount due and owing. The court may, in addition to the amount due the county for such fee, penalty and court costs, award a penalty not to exceed five hundred dollars to the county. . . . In the case of a recovery by the county in the action provided for in this section, the sum of the judgment shall be paid to the county tax collector, who shall deposit such amount into the general fund. (Ord. 1987 §1, 1979).

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: JUNE 19, 2002

**AGENDA ITEM
E-1
JUNE 19, 2002**

FALL CLEAN UP WEEK
SOLID WASTE

ITEM

Approval of a Special Fall Garbage Clean Up Week – September 16-20, 2002

BACKGROUND

The District has acquired the solid waste franchise from the County. In the Spring of the year, the Garbage Company promotes a Clean Up Week. It is proposed that the District sponsor a Fall Clean Up Week, which would be a second clean-up week for the community. The proposed week would be September 16-20, 2002. The Garbage Company would be requested to advertise in the local newspaper and put a flier in the Adobe Press to notify all the District residents of this event.

The District has budgeted funds in the 2002-2003 Fiscal Year to provide this service.

RECOMMENDATION

Staff recommends that your Honorable Board approve a Fall Clean-Up Week for the week of September 16-20, 2002.

Board 2002/Solid-Waste Fall Clean Up.DOC

NIPOMO COMMUNITY SERVICES DISTRICT
FALL
CLEAN UP WEEK

SEPTEMBER 16-20, 2002

SPRING CLEAN UP WEEK

A community service provided free to single family residential customers of Nipomo Garbage and the Nipomo Community Services District

ON THE CURB

Place your Clean Up Week garbage on the curb no later than 6:00 A.M. on your regular garbage collection day.

CONTAINER NOTES

Clean Up Week garbage may be placed in standard trash cans, various containers, or tied in bundles.

MORE CONTAINER NOTES

Standard trash containers will be emptied and left on the curb. Boxes and plastic bags will be taken away with your garbage. If you want your non-standard containers left behind, please **MARK OR PLACE A NOTE ON THEM.**

CONTAINER SIZE

Containers or bundles of garbage must weigh 75 pounds or less and must measure four feet or less in overall length. No hazardous materials will be taken.

CLEAN UP WEEK GARBAGE LIMITS

Each single family residence is limited to two (2) cubic yards of Clean Up Week garbage placed on the curb. **PLUS YOUR TRASH WASTE WHEELER.** Excess garbage will be left on the curb.

Only One of the following Clean Up Week combinations is allowed:

Twelve standard trash cans (33 gallons each) or the equivalent in various containers. (Note: 6 standard 33 gallon trash cans equals 1 cubic yard.)

Twelve bundles, each four feet or less in length and 75 pounds or less in weight.

BULKY ITEMS (PLEASE CALL FIRST)

The following special prices are valid only during Clean Up Week 2002. Items must be on the curb to qualify for these special prices.

\$5.00 EACH

Chairs, water heaters, washers, dryers, small appliances, box springs, mattresses, couches, passenger tires, refrigerators and overstuffed chairs.

To arrange for pickup of bulky items (not free) **you must first call 489-3534 no later than 4 P.M.** on Friday, September 13, 2002. Bulky items will not be picked up unless you call 489-3534.

For InformationCall

NIPOMO GARBAGE

489-3534

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: JUNE 19, 2002

**AGENDA ITEM
F
JUNE 19, 2002**

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.

- F-1) WARRANTS [RECOMMEND APPROVAL]
- F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
 - Minutes of June 5, 2002, Regular Board meeting
 - Minutes of June 12, 2002, Special Board meeting

WARRANTS JUNE 19, 2002

**AGENDA ITEM
F-1
JUNE 19, 2002**

HAND WRITTEN CHECKS

18533	06/06/02	POSTMASTER	95.52
18534	06/11/02	POSTMASTER	453.47

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
007005	06/12/02	BCS01	BASIC CHEMICAL SOLUTIONS	1001.13	.00	1001.13	49970	SODIUM HYPOCHLORITE BL W.
				252.36	.00	252.36	49974	SODIUM HYPOCHLORITE WATER
			Check Total.....:	1253.49	.00	1253.49		
007006	06/12/02	BLA01	BLAIR, ROBERT L	50.00	.00	50.00	060302	HIGH SCHOOL COMM MEETING
				100.00	.00	100.00	061202	SPECIAL BD MEETING 6/12/0
			Check Total.....:	150.00	.00	150.00		
007007	06/12/02	COM01	COMPUTER NETWORK SERVICES	34.00	.00	34.00	050802	COMP SUPPORT
007008	06/12/02	COU01	COURIER SYSTEMS	100.00	.00	100.00	94483	LAB DELIVERY
007009	06/12/02	CRE01	CREEK ENVIRONMENTAL LABS	30.00	.00	30.00	J1952	BL WWTP LAB
				30.00	.00	30.00	J1973	BL WWTP LAB
				75.00	.00	75.00	J2021	WATER SYSTEM SAMPLES
			Check Total.....:	135.00	.00	135.00		
007010	06/12/02	FGL01	FGL ENVIRONMENTAL	44.80	.00	44.80	204659	BL WWTP LAB
				44.80	.00	44.80	204660	NIPOMO WWTP LAB
			Check Total.....:	89.60	.00	89.60		
007011	06/12/02	GIL01	GLM	268.00	.00	268.00	053002	LANDSCAPE MAINTENANCE
007012	06/12/02	MIL01	MILLS-KOEHLER	50.00	.00	50.00	1241-7048	BACKFLOW TEST BL WATER
007013	06/12/02	MIS01	MISSION UNIFORM SERVICE	281.29	.00	281.29	82967-05	UNIFORMS
007014	06/12/02	MOB01	MOBRAATEN, RICHARD	50.00	.00	50.00	060302	HIGH SCHOOL COMM MEETING
				100.00	.00	100.00	061202	SPECIAL BD MEETING 6/12/0
			Check Total.....:	150.00	.00	150.00		
007015	06/12/02	NIP02	NIPOMO GARBAGE	14.55	.00	14.55	18021-06	TRASH COLLECTION
007016	06/12/02	NIP03	NIPOMO SHELL	462.90	.00	462.90	174653	GASOLINE
007017	06/12/02	PAC01	PACBELL/WORLDCOM	44.01	.00	44.01	T0407315	PHONE 9290161
				83.33	.00	83.33	T0407317	PHONE 9291133
				60.02	.00	60.02	T0407318	PHONE 9291341
			Check Total.....:	187.36	.00	187.36		
007018	06/12/02	PER04	PERRY'S ELECTRIC MOTORS	319.19	.00	319.19	1105	BL WATER PUMP REPAIR
007019	06/12/02	POS02	FRANCOTYP-POSTALIA, INC.	528.45	.00	528.45	A79906	POSTAGE METER RENTAL
007020	06/12/02	THE01	THE GAS COMPANY	1113.68	.00	1113.68	502817505	08619205712 SUNDALE GAS
007021	06/12/02	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	61202	SPECIAL BD MEETING 6/12/0
007022	06/12/02	WAS02	WASTE CONNECTIONS, INC.	285.50	.00	285.50	A20610	DEPOSIT BALANCE REFUND

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
007023	06/12/02	WIN01	WINN, MICHAEL	100.00	.00	100.00	061202	SPECIAL BD MEETING 6/12/0
007024	06/12/02	WIR02	WIRSING, JUDY	100.00	.00	100.00	061202	SPECIAL BD MEETING 6/12/0
007025	06/12/02	\A001	A J DIANI CONSTRUCTION,	463.71	.00	463.71	000A20701	MQ CUSTOMER REFUND
007026	06/12/02	\A002	ATKINSON AND ASSOCIATES,	416.06	.00	416.06	000A20701	MQ CUSTOMER REFUND
007027	06/12/02	\F001	FAIRWAY DEVELOPMENT,	367.93	.00	367.93	000A20701	MQ CUSTOMER REFUND
007028	06/12/02	\L001	LUND, KATHLEEN S	68.30	.00	68.30	000A20701	MQ CUSTOMER REFUND
007029	06/12/02	\M001	MOONEY, LUKE	14.04	.00	14.04	000A20701	MQ CUSTOMER REFUND
007030	06/19/02	BLA01	BLAIR, ROBERT L	100.00	.00	100.00	61902	REGULAR BD MEETING 6/19/0
007031	06/19/02	CRE01	CREEK ENVIRONMENTAL LABS	30.00	.00	30.00	J2022	BL WWTP LAB
				30.00	.00	30.00	J2047	BL WWTP LAB
			Check Total.....:	60.00	.00	60.00		
007032	06/19/02	FED01	FED EX	15.48	.00	15.48	423338366	SAVE THE MESA DELIVERY- K
007033	06/19/02	FGL01	FGL ENVIRONMENTAL	44.80	.00	44.80	204907A	BL WWTP LAB TEST
				44.80	.00	44.80	204908A	NIPOMO WWTP LAB TEST
			Check Total.....:	89.60	.00	89.60		
007034	06/19/02	GAR01	GARING TAYLOR & ASSOC	269.50	.00	269.50	2699	GENERAL ENGINEERING
				965.50	.00	965.50	2700	PARK EASEMENT
				4270.68	.00	4270.68	2701	TEFFT ST LINE
				2699.75	.00	2699.75	2702	TEFFT ST WATER LINE UPGRA
			Check Total.....:	8205.43	.00	8205.43		
007035	06/19/02	MOB01	MOBRAATEN, RICHARD	100.00	.00	100.00	61902	REGULAR BD MEETING 6/19/0
007036	06/19/02	NIP01	NIPOMO ACE HARDWARE INC	174.39	.00	174.39	310936	MISC SUPPLIES
007037	06/19/02	POS01	POSTMASTER	32.00	.00	32.00	326	POST OFFICE BOX RENTAL
007038	06/19/02	SAN05	SANTA MARIA DIESEL INC	206.52	.00	206.52	59848	SUNDALE ENGINE MAINT.
007039	06/19/02	SHI01	SHIPSEY & SEITZ, INC	5576.74	.00	5576.74	A20613	LEGAL SERVICES THRU 5/15/
007040	06/19/02	SLO02	DIV OF ENVIRON HEALTH	361.00	.00	361.00	19649	LAB TESTS
007041	06/19/02	SPE01	SPECIAL DISTRICT RISK	125.00	.00	125.00	061002	INSURANCE
007042	06/19/02	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	61902	REGULAR BD MEETING 6/19/0
007043	06/19/02	WIN01	WINN, MICHAEL	100.00	.00	100.00	61902	REGULAR BD MEETING 6/19/0
007044	06/19/02	WIR02	WIRSING, JUDY	100.00	.00	100.00	61902	REGULAR BD MEETING 6/19/0
6999	06/10/02	EMP01	EMPLOYMENT DEVELOP DEPT	336.43	.00	336.43	A20604	STATE INCOME TAX
7000	06/10/02	MID01	MIDSTATE BANK-PR TAX DEP	1443.05	.00	1443.05	A20604	FEDERAL INCOME TAX
				385.62	.00	385.62	1A20604	MEDICARE (FICA)
			Check Total.....:	1828.67	.00	1828.67		
7001	06/10/02	MID02	MIDSTATE BANK - DIRECT DP	11645.46	.00	11645.46	A20604	NET PAY DEDUCTION
7002	06/10/02	PER01	PERS RETIREMENT	950.89	.00	950.89	A20604	PERS PAYROLL REMITTANCE
7003	06/10/02	SIM01	SIMMONS, DEBRA	150.00	.00	150.00	A20604	WAGE ASSIGNMENT
7004	06/10/02	STA01	STATE STREET GLOBAL	935.00	.00	935.00	A20604	DEFERRED COMP

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

JUNE 5, 2002

REGULAR MEETING 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

RICHARD MOBRAATEN, PRESIDENT
MICHAEL WINN, VICE PRESIDENT
ROBERT BLAIR, DIRECTOR
JUDITH WIRSING, DIRECTOR
CLIFFORD TROTTER, DIRECTOR

STAFF

DOUGLAS JONES, GENERAL MANAGER
DONNA JOHNSON, SEC. TO THE BOARD
JON SEITZ, GENERAL COUNSEL

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

A. CALL TO ORDER AND FLAG SALUTE

President Mobraaten called the meeting to order at 9:02 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call, the following Board members were present.

C. PUBLIC COMMENTS PERIOD

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.

Director Blair stepped down from the Board and approached the podium.

Bob Blair, 1449 Dale Ave. AG –Concerned about a fire hydrant hit last week because it is in the middle of Fresca Road rather than in the right-of-way.

Director Blair returned to his seat on the Board.

D. ADMINISTRATIVE ITEMS (The following may be discussed and action may be taken by the Board.)

- D-1) NIPOMO DRAINAGE & FLOOD CONTROL STUDY – Dean Benedix (Co. Pub. Works Dept)
Review scope and Schedule of the Flood Control Study

Dean Benedix, Program Manager for the SLO County Flood Control Studies, made a presentation of the studies planned before the maintenance of the flood areas begins. He also presented the proposed time schedule for the work.

Director Blair stated that this study was a waste of the taxpayer money & that the money could be put to better use cleaning out streams & creeks of material & vegetation.

The following members of the public spoke:

Vince McCarthy, in District – Mentioned that public should be educated as to how to keep the creeks clean and no expensive study needed.

No action taken.

- D-2) REVIEW COMPLIANCE TO REGIONAL WATER QUALITY CONTROL BOARD SEWER HOOKUPS
Review existing inventory of residential on-site systems not connected to the sewer system

An overview of the inventory of on-site septic systems not connected to the area-wide sewer system within the Prohibition Zone was presented.

Scott Phillips, representative from the Regional Water Quality Control Board answered questions from the Board.

The following members of the public spoke:

Vince McCarthy, in District – asked about a two-dump rule.

The Board directed staff to meet with the County Health Department and the RWQCB about ways to persuade property owners to connect the unconnected properties to the sewer system and report back to the Board. A draft guideline for implementation of a program to have properties connected to the sewer system will be on a future agenda.

MINUTES SUBJECT TO BOARD APPROVAL

- D-3) PUBLIC HEARING APPROVING THE DISTRICT BUDGET FOR FISCAL YEAR 2002-2003
Resolution adopting the District's FY 2002-03 Budget
Resolution adopting appropriation limitation

A Public Hearing was held to discuss the FY 2002-03 budget for the District. There was some discussion about budgeting for supplemental water in the future. There was no public comment.

Upon motion of Director Winn and seconded by Director Trotter, the Board unanimously approved Resolution 2002-817 adopting the budget. Vote 5-0

RESOLUTION 2002-817
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ADOPTING THE 2002-03 FISCAL YEAR BUDGET

Upon motion of Director Blair and seconded by Director Wirsing, the Board unanimously approved Resolution 2002-818 determining the appropriation limitation. Vote 5-0

RESOLUTION 2002-818
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT DETERMINING THE APPROPRIATION LIMITATION FOR THE 2002-03 FISCAL YEAR

- D-4) PUBLIC HEARING - ESTABLISHING BLACKLAKE STREET LIGHTING CHARGES
Set Blacklake Street Lighting charges for FY 2002-03

A Public Hearing was held to discuss the Blacklake Street Lighting charges for FY 2002-03. Upon motion of Director Blair and seconded by Director Winn, the Board unanimously approved Resolution 2002-819. Vote 5-0. There was no public comment.

RESOLUTION 2002-819
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 BLACKLAKE VILLAGE

E. OTHER BUSINESS

- E-1) CALIFORNIA PUBLIC RETIREMENT SYSTEM CONTRACT AMENDMENT
Approval of a contract amendment with PERS to provide a 3% @ 60 formula

Board and staff discussed the PERS contract. Upon motion of Director Winn and seconded by Director Blair, the Board unanimously approved Resolution No. 2002-820. authorizing an amendment to the PERS Contract.

There was no public comment. Vote 5-0

RESOLUTION 2002-820
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING AN AMENDMENT TO THE CONTRACT [PERS]

- E-2) TEFFT STREET WATER LINE PROJECT
Award bid to construct the Tefft St. Water Line – Pomeroy to Thompson Streets

The contractor extended his bid time to July 5, 2002. This item was tabled pending Cal Trans encroachment permit. There was no public comment.

F. 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.*

- F-1) WARRANTS [RECOMMEND APPROVAL]
- F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Minutes of May 15, 2002, Regular Board meeting
- F-3) VARIANCE APPLICATION FEE [RECOMMEND APPROVAL]
Resolution establishing a variance application fee
- F-4) ELECTIVE OFFICES TO BE FILLED - NOTICE TO COUNTY CLERK
Three seats on NCSD Board of Directors to be filled by election

Upon motion of Director Winn and seconded by Director Blair, the Board unanimously approved the items on the Consent Agenda. There was no public comment. Vote 5-0

RESOLUTION NO. 2002-821
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ADOPTING FILING FEES FOR VARIANCE APPLICATIONS

RESOLUTION NO. 2002-822
A 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, 2002, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTION CODE

G. MANAGER'S REPORT

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

- G-1 Legislative Updates

H. COMMITTEE REPORTS

There were no committee reports.

I. DIRECTORS COMMENTS

Director Winn – WRAC meeting today 1:30 p.m. concerning water data
Water Planning Forum meeting to be 3rd Monday at 6:30 p.m. District Board Room
Director Trotter would like an agenda item to discuss groundwater quality.

Jon Seitz, Dist. Legal Counsel, announced the need to go into Closed Session to discuss Items B, C & D.
CLOSED SESSION

- CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC§54956.9
 - A. SMVWCD VS NCSD SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
 - B. SAVE THE MESA VS. NCSD CV 020181
- CONFERENCE WITH NEGOTIATOR GC§54956.8
 - C. WATER LINE EASEMENT ACROSS COUNTY PARK - DISTRICT NEGOTIATOR- DOUG JONES, COUNTY NEGOTIATOR - PETE JENNY, REGARDING TERMS & PRICE
 - D. PUBLIC EMPLOYEE ANNUAL EVALUATION – GEN. MGR. GC§54957

The Board came back into open session and announced that the legal counsel presented an update of Item B & C above. A Special Meeting is scheduled for June 12 at 1:00 p.m. for Item D above.

ADJOURN

The next regular Board Meeting will be held on June 19, 2002, at 9:00 a.m.

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES SPECIAL MEETING

JUNE 12, 2002 WEDNESDAY 1:00 P. M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

RICHARD MOBRAATEN, **PRESIDENT**
MICHAEL WINN, **VICE PRESIDENT**
ROBERT BLAIR, **DIRECTOR**
JUDITH WIRSING, **DIRECTOR**
CLIFFORD TROTTER, **DIRECTOR**

STAFF

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

President Mobraaten called the meeting to order at 1:15 p.m.

ROLL CALL

At Roll Call, all Board members were present.

Public Comment on Agenda Items

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 Chair.

There was no public in the audience to comment.

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL GC §54956.9
ANTICIPATED LITIGATION, one case
2. PUBLIC EMPLOYEE ANNUAL EVALUATION GC§54957
 - GENERAL MANAGER
 - LEGAL COUNSEL

The Board came out of Closed Session and announced favorable review for Mr. Jones and Mr. Seitz.

President Mobraaten adjourned the meeting at 4:00 p.m.

The next regular Board meeting will be held June 19, 2002 at 9:00 a.m..

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: JUNE 19, 2002

AGENDA ITEM
G
JUNE 19, 2002

MANAGER'S REPORT

- GOVERNING magazine
Article on State vs. Local revenue

Board 2002\mgr 061902.DOC

State-versus-local tension is getting worse. Locals fear state budgets will be balanced at their expense. They may be right.

BY ALAN GREENBLATT

Imagine yourself watching a sexy television ad about municipal finance. If you're having a hard time with that, imagine trying to write one. That's Mike Madrid's job. A longtime Republican political consultant, Madrid is working on a campaign to persuade voters in California to protect the finances of cities, counties and special districts from poaching by the state. His polls suggest voters are sympathetic—most of them believe local taxes should stay in the hands of local governments. But the complexity of the financial machinations involved makes it very hard to get their attention, let alone persuade them to support an initiative on the subject. "When we would break the money out into different, specific revenue streams," Madrid says, "the voters' eyes would glaze over in focus groups."

The League of California Cities, the major force behind the initiative campaign Madrid is running, wanted at first to place its initiative on this year's state ballot. Now it has backed off and is trying for March 2004. The whole process has been frustrating for the league—even many local officials are dubious about the ultimate prospects for passage. But then, feelings of frustration are something that California's cities and counties have grown used to.

A quarter-century of prior initiatives and policies have left localities here at the financial mercy of the state. Cities control less than half of their discretionary spending—the state tells them what they can do with the rest. The situation is even more des-

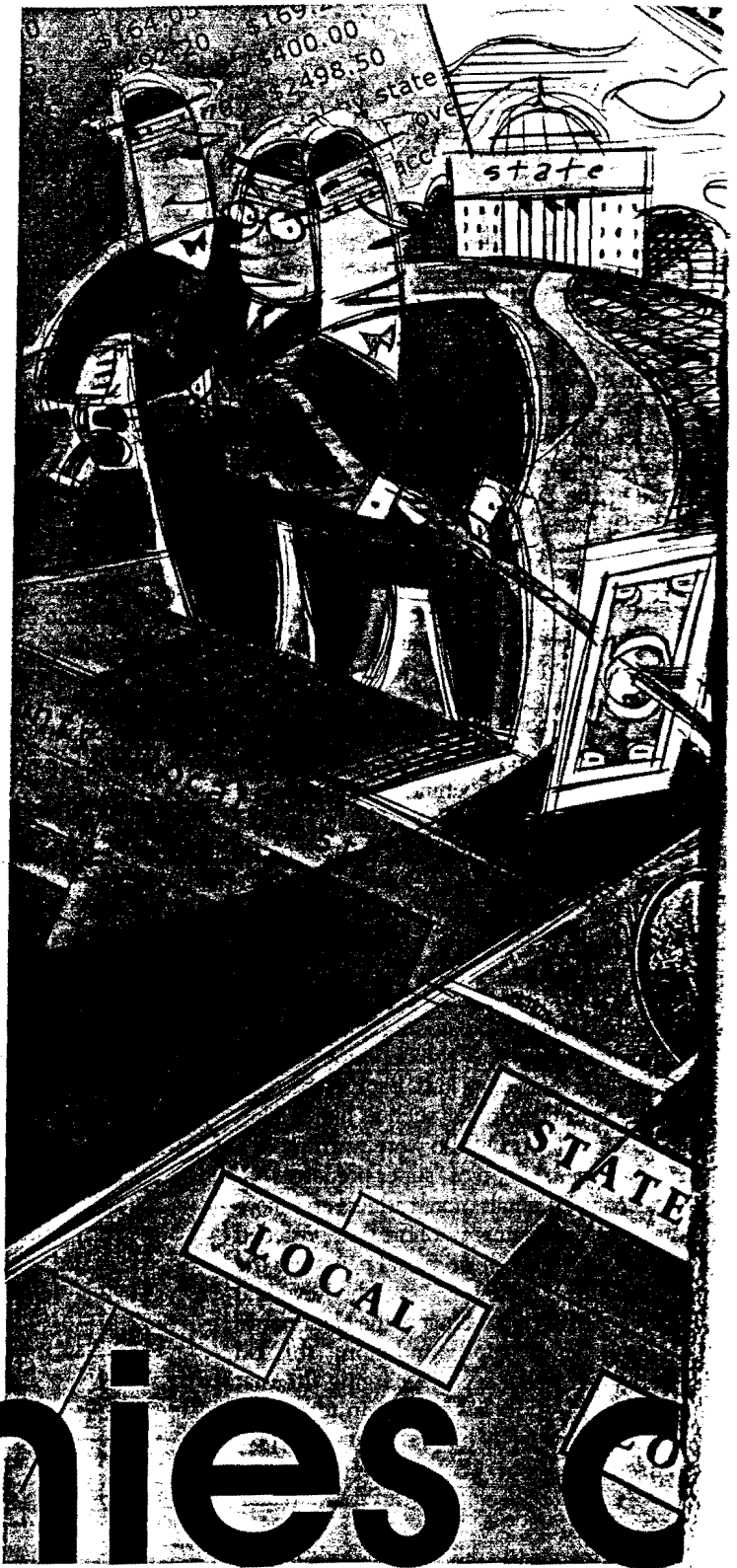
Enemies

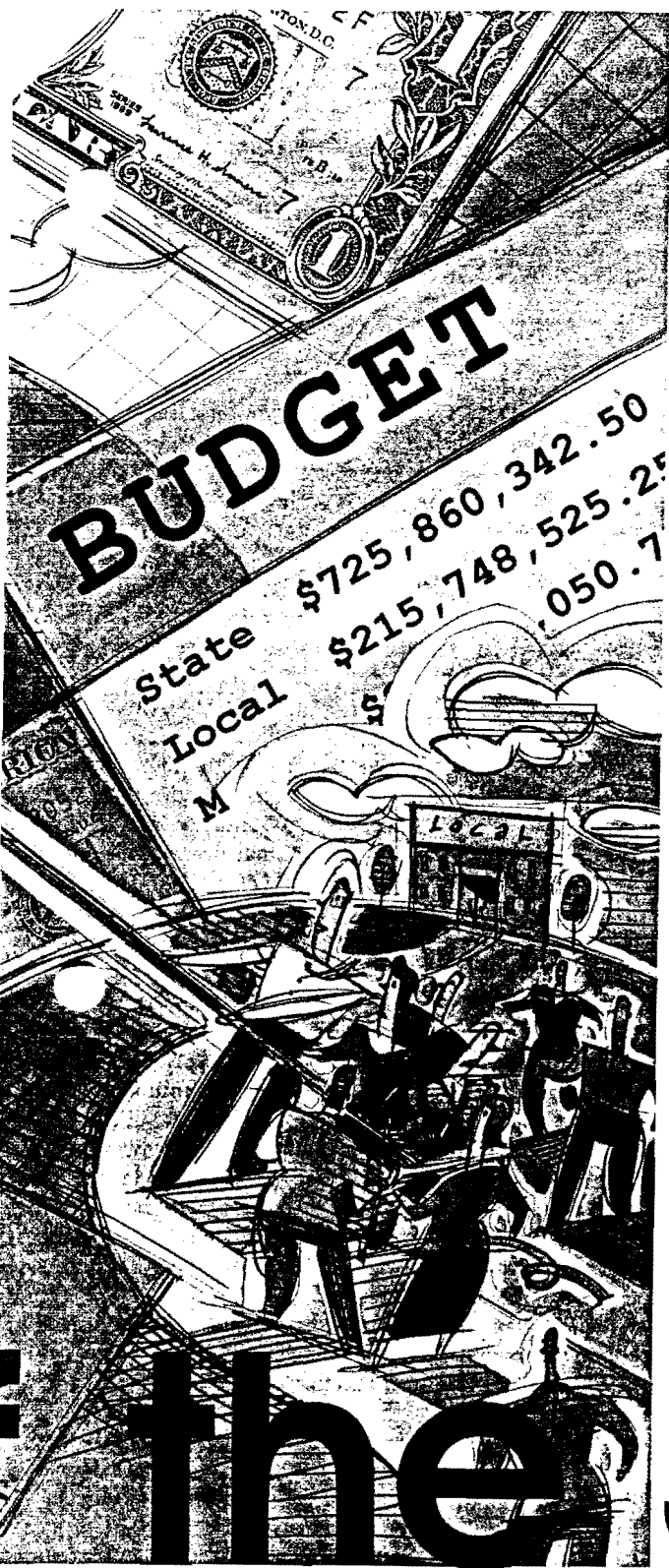
perate for counties, which have final say over less than one-third of the money they spend. The League of Cities initiative wouldn't change any of that. It would simply lock into place those revenues that localities still do control, using the year 2000 as a baseline.

Whatever happens with the initiative, localities in California don't expect things to break their way significantly anytime soon. All the many billions of dollars that the state has taken from them over the years, they figure, are gone for good. The state government, for instance, has shown little inclination to return

to localities the property-tax dollars it has shifted to the K-12 education budget over the past decade. So the locals, at this point, simply hope that no more is taken away.

But the threat of further losses is all too real. The state of California is facing a deficit in the neighborhood of \$20 billion. Localities know they are going to get hit again. The only question is, how hard. "The governor and legislature have said that they are not going to balance the budget on the backs of local government this time," says Steve Szalay, executive director of the California State





the state. "They have their budget to balance," says Jake Mackenzie, a city councilman in Rohnert Park, a small Northern California town. "It's sort of tough luck in terms of local government."

If localities in California are starting to flinch, they are not alone. Forty-three states are grappling with revenue shortfalls this year, which leaves governors and legislatures with three choices: cut state spending, raise taxes or shift the burden onto somebody else. Given the political unpopularity inherent in the first two options, it's no wonder many states are looking to squeeze as much money out of local government as they can.

Last year, as a candidate for governor, New Jersey's Jim McGreevey criticized his predecessor for stinginess in offering state aid to towns and school districts. But he froze that aid in his own budget this year. Wisconsin Governor Scott McCallum went much further—he proposed to end the state's 90-year tradition of sharing revenue with localities, a move that would eventually have cost the localities \$1 billion a year. North Carolina Governor Mike Easley is withholding \$209 million in payments owed to local governments in shared tax income and reimbursements.

"It was painful," says Fred Terry, an alderman in Winston-Salem, which lost \$7.2 million out of its \$200 million budget. "It may not sound like that much, but when you're counting on that money and it doesn't arrive, it puts you in a pinch."

There have been some victories for localities in state capitals this year. Most notably, the Virginia legislature voted to allow the Washington-area suburbs to hold a referendum that would raise local sales taxes to pay for more roads, ending the state's decades-old stranglehold on transportation policy. For the most part, though, the state legislatures have been looking at localities as if they were ATMs.

It's not that local officials quarrel with the need to freeze aid payments or make one-time cuts to grapple with a gaping deficit. Their worst fear is that such short-term fixes won't do much to solve chronic budget problems next year, or the year after that. If the red ink continues to flow another two or three years, locals worry, the cutbacks inflicted on them won't be quick or simple ones. They are likely to be deeper structural cuts with the potential to cripple the capacity of local governments for a long time to come.

No doubt some of the fears are exaggerated, but what they reveal is that many years of heavy-handed treatment, in California and other places, have left localities wary of the legislatures

the State

Association of Counties. "Of course, none of us are buying that."

What the localities fear most is that when the moment to balance the budget actually comes, the legislature will stiff them on car-tax revenue. Back during the flush days of 1998, the state decided to slash vehicle license fees, promising to make good the lost dollars this tax cut would mean for local governments. But the state failed to appropriate that payback each year. This year, that gesture would cost \$4 billion. The suspicion that the legislature ultimately will refuse to pay up haunts city and county officials all over

and governors they must report to. It's a wariness that spreads beyond the fiscal arena, into such areas as transportation and land use, in which any state needs the full cooperation of localities to put its policies into place. The requisite goodwill is no longer there. "The state has, from our point of view, been such an unreliable partner that it's hard for us to trust them," says Chris McKenzie, executive director of the League of California Cities.

California's local strategists, as they search for ways to win sympathy and support for their cause, might want to examine the suc-

cessful public relations campaign waged by localities in Wisconsin against McCallum's budget proposal. That state has a shared-revenue system that is a remnant of the Progressive Era, designed to equalize payments across the state on a per capita basis, so that even residents of property-poor areas can count on a minimum level of services. It's separate from money the state grants to localities for roads, computers or other specific programs.

McCallum threatened earlier this year to do away with the entire system, and not just because Wisconsin was looking at a \$1.1 billion deficit. The governor said his ultimate purpose was to get rid of wasteful layers of local government. He complained that there were 54 units of government within a 10-mile radius of where he stood in downtown Madison. McCallum figured if he cut off one of their major funding sources, some of those units would be forced to consolidate, thus reducing duplication. "People here agree there ought to be consolidation," he says. "It's just that they want to have control after they consolidate—not the other guy."

Wisconsin cities used a number of tactics to challenge McCallum, attacking the honesty of his numbers and describing services they would be forced to cut if the governor's plan went through. For weeks, those budgetary horror stories seemed to turn up in the lead of just about every newspaper story about the controversy. Then the stories were featured in a series of television ads the League of Wisconsin Municipalities ran knocking McCallum's ideas—the first such direct-to-voter ads that the league had ever run.

The strategy worked spectacularly, aided by the governor's own failure to recommend specific steps that would help towns to merge. The plan reached the legislature "dead on arrival," in the words of one legislative aide.

But while Wisconsin's shared-revenue system may have survived McCallum's assault this year, its long-term prognosis is still shaky. One portion of the program has not been granted an increase in seven



Wisconsin Governor Scott McCallum: Cut them off, make them consolidate.

years (it's due for one this year), while the other major portion has been frozen since 1981. The fact that it shuttles money from one unit of government to others with few strings attached puts it at risk politically. "People don't like to run for office to be a tax collector for somebody else," says Dan Thompson, executive director of the Wisconsin municipal league. "That's always a hard sell."

The shared-revenue system is certain to face renewed attacks in coming years, and local officials will spend a considerable amount of time trying to repel them. "When the livelihood and survival of your community depends on the funding of state shared revenue," says Jane Wood, city manager of Beloit, "that becomes your consuming priority."

Beloit, just north of the Illinois border, receives the most shared revenue in the state on a per capita basis. Its local government has produced a brochure suggesting that if that state money were taken away, it would be able to meet its bond obligations and retiree health insurance payments, but then would have only \$4.6 million left to fund nearly \$30 million worth of current services. Beloit, in other

words, would go broke.

Perhaps the most important lesson of this year's state-versus-local war in Wisconsin was the ability of the local forces to turn the public argument around, suggesting that instead of accusing cities and counties of waste, McCallum should get the state's own house in order first—getting rid of the swimming pools and planes that it owns before cutting off funding to localities for the parks, libraries, police and fire service that everybody loves.

It is a tactic that local officials in other states are likely to turn to as they become more desperate. In California, local governments are already starting to train their ammunition on the state's management problems, from the electricity deregulation debacle to the fact it managed to dig itself a \$20 billion hole.

There is a historical irony in all this, because California used to be one of the strongest home-rule states in the country. Communities can enact charters and ordinances, change their names and annex their neighbors without the permission of the legislature. They used to have control over their own budgets and property taxes as well. All that changed in 1978, when the statewide Proposition 13 ballot measure not only cut property tax revenues roughly in half but also gave the state authority over their distribution.

This became a crucial power in the 1990s, following passage of another ballot initiative requiring the state to devote 40 percent of its general fund to elementary and secondary education. The property tax that had once funded basic county services became, in essence, a state tax used to finance K-12 education. "Since 1993," says Alameda County Supervisor Keith Carson, "when the state started shifting more dollars into the Department of Education, just our county alone has lost \$1.48 billion in revenue."

Several legislators have proposed giving back to the localities a portion of the money the state has transferred to educa-

PHOTO BY AP/WIDEWORLD

Home Rule in California

Percentage of total revenues that are self-controlled

	1978	1981	1988	1992	1995
Counties	50%	18%	19%	19%	20%
Cities	66%	36%	43%	45%	43%
Special Districts	59%	37%	49%	39%	38%
School Districts	54%	7%	5%	5%	6%
Higher Education	30%	15%	18%	21%	24%

Source: Public Policy Institute of California

tion, but even those proposals would put strings on almost all the dollars involved. Tom Torlakson, chairman of the Senate Local Government Committee, concedes that his bill, which would give localities transportation money if they build more affordable housing, has no chance to succeed in a deficit year.

As a candidate for governor in 1998, Gray Davis sounded pretty friendly to the local cause. "We will give the money back," he said, "because it wasn't ours to start with." Two years later, however, when the state was enjoying a surplus of more than \$12 billion, Davis vetoed a measure, passed unanimously in both legislative chambers, which would have allowed localities to keep the increased property tax revenue they received because of rising home values.

The state did compensate for much of the money it had shifted to schools, but provided most of that money in the form of grants tied to a specific purpose and unavailable for other needs. Sacramento has been making decisions about funding priorities in

California Governor Gray Davis: 'We will give the money back.' Or will they?

communities located hundreds of miles away.

Meanwhile, the more mundane and sometimes less visible costs of local government receive scarcely any state help at all. "We can't stop putting out fires and filling potholes just because the state decides it wants to spend money on something else," says Margaret Clark, a member of the Rosemead City Council in Southern California.

It is California's counties that fare worst under this system of earmarked grants:

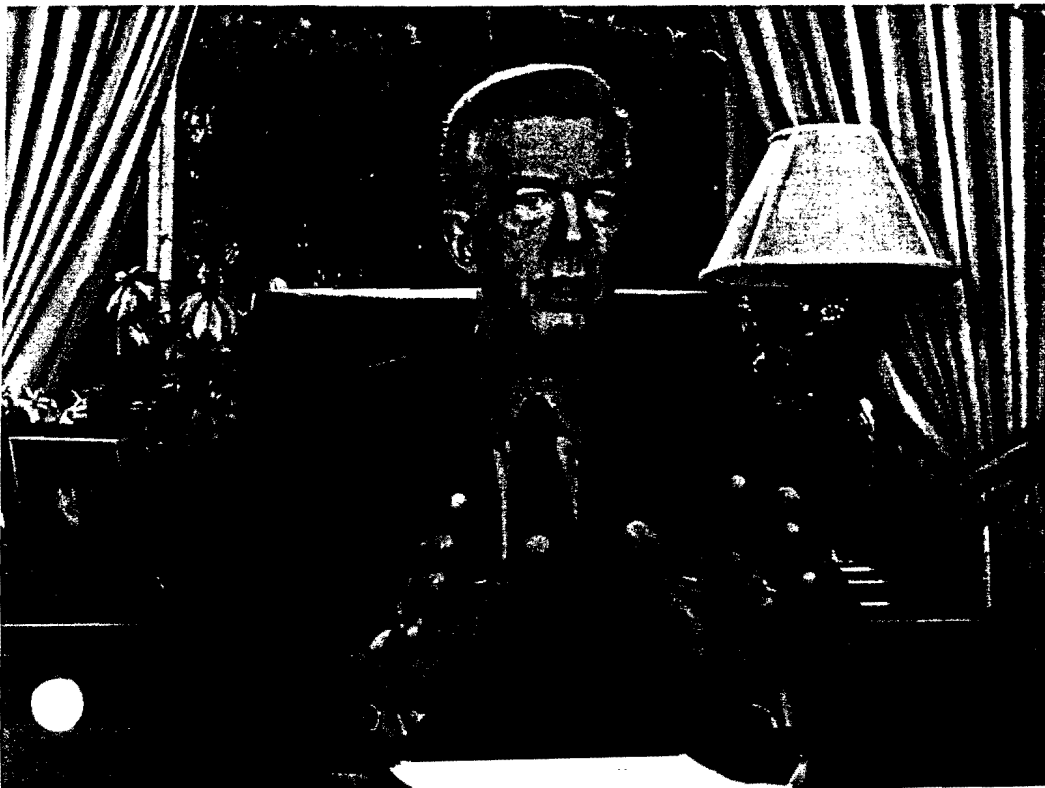
Counties provide more than \$13 billion worth of state services annually, but the money the state sends them does nothing to help fund many less glamorous programs and services they are expected to handle purely as a local matter. "What

we have in California," says Marianne O'Malley, of the state Legislative Analyst's Office, "is local administration. We don't have real local governance."

Cities have things a little easier, in large part because they still have a dedicated funding stream they can count on, namely, the sales tax. Of the 8 cents or so that the state collects on every dollar of sales, one penny of purely discretionary money makes its way back to the city of purchase. Naturally, this has led to a mad rush on the part of cities to land major retailers within their borders, notably big-box stores and car dealers. More than in any other state in the country, local planners court retail business in preference to residential development, and even to new industry.

The textbook example is Monrovia, a Southern California town that passed up a Kodak plant a few years ago, even though it would have brought several hundred manufacturing jobs to the city. All those employees, Monrovia's government reasoned, would cause wear and tear on the local roads, while the tax benefits from the plant would go largely to the state. The city wanted the site used instead for a Price Club discount store, even though it would generate far fewer jobs at much lower salaries, because a reliable portion of the sales-tax dollars generated would stay in Monrovia.

Other communities have been making the same seemingly perverse decision. "It may not be best from the perspective of smart growth and creating high-paying jobs," admits Jake Mackenzie, the city councilman in Rohnert Park, which recently sold some city land to attract a Costco warehouse store. "But we tend to act rationally under these circumstances." What's rational for a city in the short term, though, obviously can be irrational for the state as a whole.



An obvious solution to this problem would be some sort of revenue-sharing agreement between the locals and the state. But local governments in California are increasingly wary of such an agreement: They fear that their financial dependence leaves them in a weak negotiating position. They also worry that the legislature and the governor will change the terms of any deal after the fact. "There's not in this state the sense that we're all in this together," says Diane Cummins, fiscal adviser to state Senate President John Burton. "It's 'I don't trust what you're going to do to me.'"

This year, however, a bill to force some limited tax sharing within six counties in the Sacramento area did pass the Assembly. The bill, sponsored by Assemblyman Darrell Steinberg, would force localities inside the area to divvy up a portion of their future sales tax revenue growth. The city of sale would be guaranteed one-third of the money, and would be eligible for another third if it met stated housing and planning goals. The remaining third would be redistributed throughout the Sacramento area on a per capita basis.

Steinberg argues that since a limited number of Wal-Marts and Costcos are going to locate within the region anyway, it doesn't make sense for the local communities to fight over them, wooing developers with subsidies that they don't need and the communities can't afford. His critics counter that it is merely a backhanded way of transferring funds from Sacramento suburbs to the central city, where Steinberg himself once served on the city council.

But the real significance of the bill could be as a possible precedent for future statewide action. Steinberg's proposal has attracted support from diverse elements within the state but also has been derided by dozens of cities, many of which are lobbying hard against it even though they are located far from the affected area. "Any formula contained in state law to change the allocation of local revenues could easily be changed by a new state law," says Matthew Newman, director of the California Institute for County Government, "and that makes the locals nervous."

So the most important obstacle in the path of Steinberg's bill may simply be the mutual suspicion that hovers over the entire state-local relationship at this point. "Local government has good reason not to trust the state," says Patricia Vannoy, who chairs the Assembly's Local

Government Committee. "The pressure on these communities to build housing without being able to use the property taxes from the housing is almost like an unfunded mandate."

The heated reaction to Steinberg's fairly modest bill suggests that any wholesale change to the state-local fiscal relationship may be a long time coming. In a climate of distrust, sweeping changes usually don't occur until the crisis is imminent.

There's one other factor, of course, that

prevents a more rational distribution of funds between state and local government in California. That is the fact that the state benefits from the present arrangement. When times are good, the legislature can afford to be generous to localities, as it was in the immediate aftermath of Proposition 13. When times are tough, it can turn off the spigot, forcing the locals to take the blame for any resulting cuts in services. There is little incentive for state policy makers to abandon a system that grants them power through control of the dollars. **G**

