

NIPOMO COMMUNITY SERVICES DISTRICT

AGENDA

MARCH 5, 2003

REGULAR MEETING 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

MICHAEL WINN, PRESIDENT
JUDITH WIRSING, VICE PRESIDENT
ROBERT BLAIR, DIRECTOR
CLIFFORD TROTTER, DIRECTOR
LARRY VIERHEILIG, 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. Consistent with the Americans with Disabilities Act, NCSB Board agendas and other writings will be made available to disabled persons in an appropriate alternate format. (If assistance is needed, please contact the District office at least one day before the meeting.)

- A. CALL TO ORDER AND FLAG SALUTE NEXT RESOLUTION 2003-852
B. ROLL CALL NEXT ORDINANCE 2003-97

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) PROPOSED ANNEXATION NO. 24 - LYN ROAD PROPERTIES
Review request for Annexation No. 24 – 11 properties along Lyn Road
- D-2) DISTRICT ANNEXATION POLICY [RECOMMEND CONTINUANCE]
Review revised draft of an annexation policy
- D-3) REQUEST FOR ANNEXATION – TRACT 2784 – PUDWILL [RECOMMEND CONTINUANCE]
Review request for Annexation No. 22 an 8-lot dev. near Blacklake
- D-4) REQUEST FOR ANNEXATION – TRACT 2499 – LEM [RECOMMEND CONTINUANCE]
Review request for Annexation No. 23, an 18-lot dev. on Pomeroy Rd
- D-5) REQUEST FOR ANNEXATION – OAKRIDGE (NEWMAN) [RECOMMEND CONTINUANCE]
Request to annex approx. 285 acres north of Sandydale Rd. & west of Hwy 101
- D-6) REQUESTS FOR ANNEXATIONS – TRACT 2336 (McGILLIS)/co 03-0031 (WITT)
Requests for annexations for sewer service – properties are located within Cal Cities Water service area
- D-7) MONTECITO VERDE II SEWER PROJECT
Review the amount and procedures for collecting District sewer capacity fee

E. OTHER BUSINESS

- E-1) JOBS HOUSING BALANCE INCENTIVE GRANT PROGRAM
Review proposed grant funding to install water and sewer services in Olde Towne Tefft St.
- E-2) COASTAL COMMISSION
Meeting in SLO on March 4, 2003
- E-3) LAFCO proposed Sphere of Influence for the District
Review SOI proposed boundaries

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 February 19, 2003, Regular Board meeting

G. MANAGER'S REPORT

- G-1) SPECIAL BOARD MEETINGS MARCH 14 & 28, 2003
Bond Counsel discussion on sale of bonds

H. COMMITTEE REPORTS

I. DIRECTORS COMMENTS

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC\$54956.9

- A. SMVWCD VS NCSB SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
B. SAVE THE MESA vs. NCSB CASE NO. CV 020181.
C. ARNETT vs. EEOC/CALPERS
D. WATER LINE EASEMENT ACROSS COUNTY PARK - DISTRICT NEGOTIATOR - DOUG JONES, CONFERENCE WITH NEGOTIATOR GC\$54956.8 COUNTY NEGOTIATOR - PETE JENNY, REGARDING TERMS & PRICE.
E. ANTICIPATED/INITIATE LITIGATION, ONE CASE

ADJOURN

There will be a Special Board meeting March 14, 2003 at 9:00 a.m.

The next regular Board Meeting will be held on March 19, 2003, at 9:00 a.m.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: MARCH 5, 2003

AGENDA ITEM
D1
MARCH 5, 2003

REQUEST FOR ANNEXATION
LYN ROAD PROPERTIES

ITEM

Review request for annexation – Lyn Road properties – proposed Annexation No.24

BACKGROUND

The District has received a request from the property owners on Lyn Road to annex to the District's water system because of a poor well production area. The property owners agreed to do an engineering study, which has been completed. Mr. Garing of Garing, Taylor and Associates has indicated that the Summit Station system is adequate to provide water service to the eleven properties in the Lyn Road area.

Staff has prepared a resolution, a statement of findings and an Annexation Agreement to be executed by the property owners requesting annexation. (Attached for review and approval.)

Proposed Annexation No. 24 – Lyn Road properties - which would be connecting onto the Summit Station Assessment District improvements, will have the following:

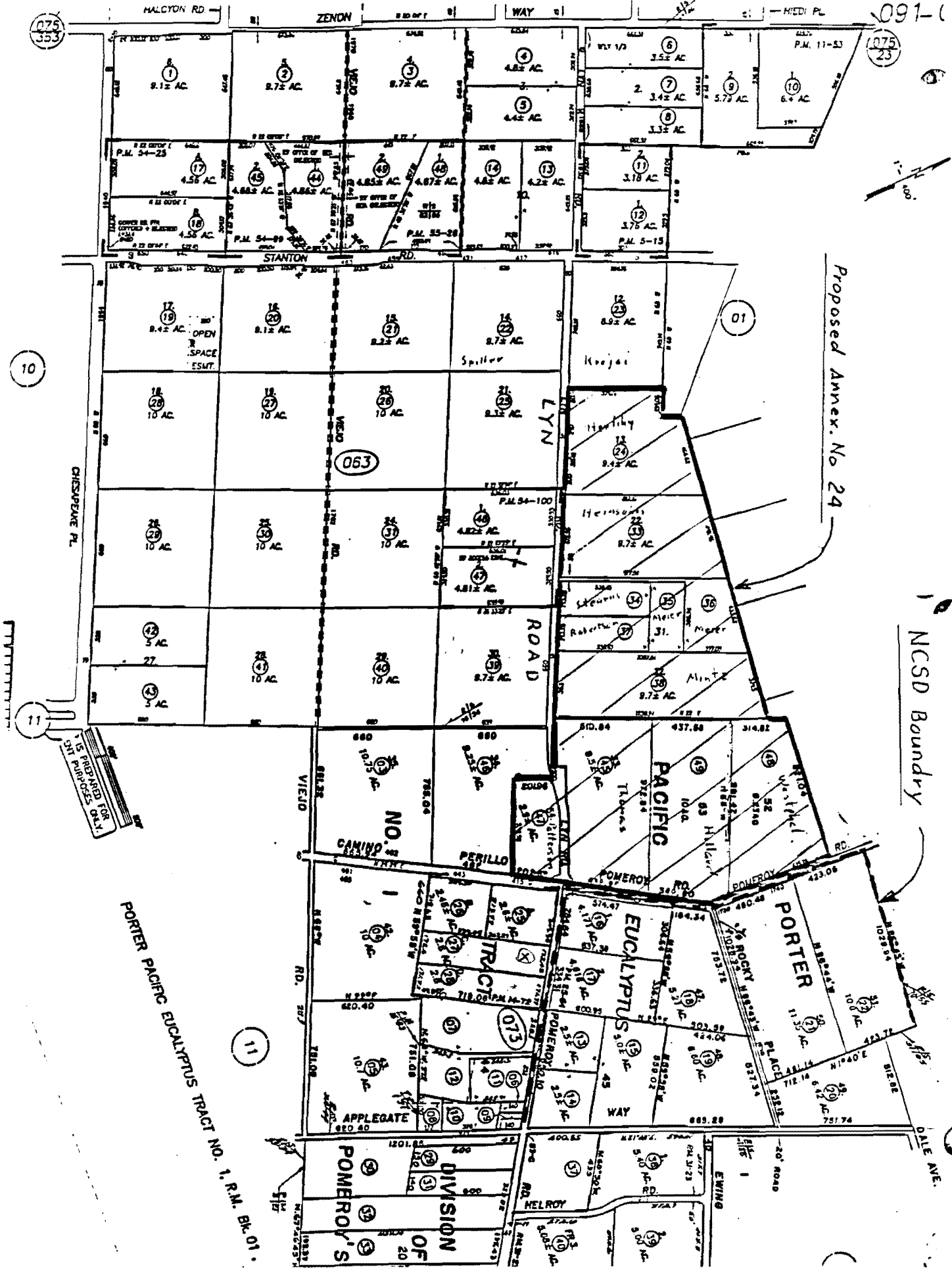
| | |
|------------------------------|--------------------------------|
| IN-LIEU-OF-ASSESSMENT CHARGE | \$11,508.14 |
| WATER CAPACITY FEE | \$3,690 for a one-inch service |
| ANNEXATION FEE | \$500.00 per acre |

A typical 10-acre parcel, would cost \$20,198.14 in District fees. There will also be the construction and retrofits costs to provide service in the proposed Lyn Road annexation.

Since this annexation request was initiated with an engineering infrastructure study, it is being processed under the existing Annexation Policy.

RECOMMENDATION

Staff recommends that your Honorable Board may adopt the attached resolution approving the statement of findings and the Annexation Agreement to be executed by the property owners in the proposed Annexation No. 24 area.



091-1

Proposed Annex. No 24

NCSO Boundary

PORTER PACIFIC EUCALYPTUS TRACT NO. 1, P.M. Bl. 01

Chapter 1.12

ASSESSMENT DISTRICTS

Sections:

- 1.12.010 Findings.**
- 1.12.020 In-lieu-of-assessment charge.**
- 1.12.030 Time of payment.**
- 1.12.040 Duration of charge.**
- 1.12.050 Use of revenues.**
- 1.12.060 Fee for processing land and assessment division application.**

1.12.010 Findings.

The board of directors of the Nipomo Community Services District (district) finds that an in-lieu-of-assessment charge should be prescribed by the board of directors to be paid;

A. By owners of nil-assessed parcels within assessment districts established by the district; and

B. Owners of property that is subdivided, subsequent to the formation of an assessment district, including a division into condominium interests, or the ownership of a portion of such lot or parcel of land is transferred to another person; and

C. By owners of property lying outside such assessment districts who make application for district services and for permission to receive such services through district facilities constructed within such assessment districts. (Ord. 94-76 § 1, 1994)



1.12.020 In-lieu-of-assessment charge.

A. The board of directors does prescribe and fix an in-lieu-of-assessment charge to be paid by and collected from:

1. By owners of nil-assessed parcels within assessment districts established by the district; and

2. Owners of property that is subdivided, subsequent to the formation of an assessment district, including a division into condominium interests, or the ownership of a portion of such lot or parcel of land is transferred to another person; and

3. By owners of property lying outside such assessment districts who make application for district services and for permission to receive such services and for permission to receive such services through district facilities constructed within such assessment districts.

B. The amount of the in-lieu-of-assessment charge to be paid by and collected from an owner shall be an amount equal to the assessment which would have been levied upon such parcel had it been originally included in the assessment district. The in-lieu-of-assessment will be calculated without assessment finance charges, connection fees and system fees. (Ord. 94-76 § 2, 1994)

1.12.030 Time of payment.

In-lieu-of-assessment charges shall be paid by and collected from the property owner prior to connecting to district facilities. Such charge shall be in addition to the district's normal charges for connection to district facilities. (Ord. 94-76 § 3, 1994)

1.12.040 Duration of charge.

The obligation to pay in-lieu-of-assessment charges shall remain in full force and effect until all bonds have been discharged for the assessment district. (Ord. 94-76 § 4, 1994)

RESOLUTION NO. 2003-_____

**A RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
CONDITIONALLY APPROVING
THE ANNEXATION OF APPROXIMATELY 70 ACRES
LOCATED at POMEROY AND LYN ROAD**

WHEREAS, GARY ROBERTSON and PATRICIA L. ROBERTSON, ROY A. THOMAS and AMALIA M. THOMAS, JEFFREY M. MEIER, FRANK P. HEINSOHN and DIXIE F. HEINSOHN, DON ROSS HILLIARD and NADA CLAUDINE HILLIARD, PHILLIP E. and PAMELA C. STEARNS, JANES D. PATTERSON and JUDITH PATTERSON, JOHN J. HERLIHY and LUANA J. HERLIHY, GENE D. MINTZ and SHARON A. MINTZ, collectively ("Applicants"), have applied to annex their properties (collectively the "Area of Annexation") to the District; and

WHEREAS, Applicant's Application for Annexation was received by the District on July 11, 2002.

WHEREAS, Pursuant to an agreement between the District and the Applicants, a study regarding sufficiency of District infrastructure to serve the Area of Annexation was prepared by the District Consulting Engineer.

WHEREAS, The Area of Annexation is contiguous with the District's boundaries and is located outside of the District's Sphere of Influence.

WHEREAS, based upon the facts and analysis presented by the Applicant, the Staff Report, public testimony received, the Board of Directors of the District finds:

- A. That the above recitals are true and correct.
- B. That subject to Applicant satisfying the below specified conditions, the proposed annexation is consistent with the District's Annexation Policy. Said policies and supporting material are attached hereto as Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

That the Board of Directors of the District does approve the annexation of the Area of Annexation, subject to the following conditions:

- 1. The Applicants agree to all the terms and conditions of the Annexation Agreement attached hereto as Exhibit A.
- 2. The Applicants diligently comply with the Annexation Agreement.

RESOLUTION NO. 2003-_____

A RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
CONDITIONALLY APPROVING
THE ANNEXATION OF APPROXIMATELY 70 ACRES
LOCATED at POMEROY AND LYN ROAD
PAGE TWO

3. That Applicant receives all required approvals and clearances from the LAFCO Commission and the County of San Luis Obispo, including but not limited to compliance with the California Environmental Quality Act and the Cortese Knox Hershberg Local Government Reorganization Act.
4. The issue of the property tax exchange is resolved either with the County of San Luis Obispo or by other acceptable proposals of the Applicant.
5. The Applicant complies with all additional conditions that may be imposed by the District or LAFCO through the date of annexation.

NOW THEREFORE, BE IT FURTHER RESOLVED, DETERMINED AND ORDERED:

1. The Annexation Agreement (Exhibit B) is hereby approved; and
2. The District President is authorized to sign the Agreement on behalf of the District.

PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services District this ____ day of ____, 2003, on the following roll call vote:

AYES:
NOES:
ABSENT:
CONFLICTS:

Michael Winn, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
District Legal Counsel

RESOLUTION 2003-Lyn Rd

**EXHIBIT "A"
STATEMENT OF FINDINGS AND SUPPORTING DOCUMENTATION**

1. CONSISTENCY WITH DISTRICT'S GENERAL POLICIES

SECTION A.

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

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

SECTION 1A FINDING:

All Applicants of the Area of Annexation are required to sign the Annexation and Cost Recovery Agreement ("The Agreement"). The Agreement identifies all of the conditions the Applicants must comply with in order to receive service from the District. (See generally Section 3 of The Agreement).

The minimum lot size exceeds one acre and therefore qualifies for onsite waste water disposal systems.

SECTION B.

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

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

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RESOLUTION 2003-Lyn Rd

EXHIBIT "A"
STATEMENT OF FINDINGS AND SUPPORTING DOCUMENTATION

SECTION 1 B FINDING:

The Applicants submitted the District's Annexation Request Form which states that the Area of Annexation is currently zoned Rural Residential (RR).

Garing & Taylor (the District's Consulting Engineer) on January 23, 2003, provided a study of the affects of the annexation on the District's water distribution system. Based on the assumption that the Area of Annexation would not be developed beyond 12 residential connections, the study concluded that the new effects on the District's distribution system including the Summit Station distribution system would be negligible. However, the Garing & Taylor study did conclude that it would be desirable for the District to loop the proposed 8-inch main extension so that a long, dead-end main and the attendant maintenance problems would be eliminated. The Garing & Taylor study is attached hereto as Exhibit 1.

Consistent with the Garing & Taylor study, Section 2 was added to the Annexation Agreement which provides:

- a. "The total water service to the Area of Annexation is limited to a total of eleven (11) residential parcels.*
- b. Applicants shall not construct addition(s) or additional living quarters on the eleven (11) residential parcels without first obtaining the prior written approval of the District.*
- c. District retains the authority to deny, limit or condition future water service to the area of annexation and individual parcels based on water availability."*

Additionally, the Applicants will be required to retrofit 88 residential units within the District prior to District installing the first water meter within The Area of Annexation. (See Section 3(e) of The Agreement).

The Area of Annexation will not have an impact on the District's sewer services (See finding to Section 1(A) above).

SECTION C.

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

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

RESOLUTION 2003-Lyn Rd

EXHIBIT "A"
STATEMENT OF FINDINGS AND SUPPORTING DOCUMENTATION

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

SECTION 1 C FINDING:

The District opposes the formation of a Homeowner's Association to provide water service to projects on the Mesa. (See Section E below). Further, Section 12 of the Applicant's Application states that there is "No water on 4 parcels and water table is dropping in the immediate area." Therefore there appears to be a bonafide need for District water service.

The Applicant will pay the District five hundred dollars (\$500) per acre as the District's Annexation fee. The Annexation fee is in addition to the cost reimbursements required by the Annexation Agreement and represents lost property taxes that would have been collected by the District if The Area of Annexation was included within the District when the District was initially formed.

Further, the Applicants are required to retrofit 88 residential units within the District boundaries (See Section 3(E) of the Agreement).

Additionally, because Applicants will connect to the Summit Station water infrastructure, they are required to pay an in-lieu assessment charge pursuant to District Ordinance 94-76. That Assessment District financed the construction of water improvements within the Summit Station area. District staff estimates that the in-lieu assessment charge will equate to \$11,000.00 per parcel. Pursuant to Section 5 of Ordinance 94-76, the District can use the in lieu assessment charge for the following purposes:

Use of revenues:

All revenues from the in-lieu-of-assessment charges collected by the District shall be disbursed or utilized as follows:

- A. SURPLUS FUNDS. Revenues collected, as determined by the legislative body, may be disposed of as surplus funds and generally utilized as follows:*
- 1. As a credit upon any assessment previously levied;*
 - 2. For the maintenance of the improvements;*
 - 3. To call outstanding bond.*

For particulars as to the implementation, reference is made to Streets and Highways Code Sections 10427 and 10427.1.

RESOLUTION 2003-Lyn Rd

EXHIBIT "A"
STATEMENT OF FINDINGS AND SUPPORTING DOCUMENTATION

- B. *IMPROVEMENTS. In lieu assessments, as determined by the legislative body, may be utilized to fund additional improvements that would benefit the properties within the boundaries of the Assessment District.*

Therefore, in addition to the back payment of property taxes (five hundred dollars (\$500) per acre) the District residents would benefit from the retrofit of 88 residential units within the District. Further, the District residents within the Summit Station Assessment District would benefit from the deposit of the in-lieu-assessment charge which the District can use for those purposes stated in Section 5 (See above) of Ordinance 94-76.

SECTION D.

The proposed annexation area boundary should include all properties that may receive the proposed services to be provided. i.e. Use Rear Property lines rather than streets as boundary lines.

SECTION 1 D FINDING:

The proposed Annexation is consistent with this policy.

SECTION E.

The District is opposed to the formation of homeowner associations for the operation of water and/or sewer systems in the Nipomo Mesa area. Typically, associations lose efficiency over time and it becomes necessary for a public entity to take over their operations. A public entity operating from the beginning would eliminate the later acquisition and rejuvenation of the system at a potential additional cost to the property owners.

SECTION 1 E FINDING:

The proposed Annexation is consistent with this policy.

2. CONSISTENCY WITH GENERAL STANDARDS

SECTION A.

The Board of Directors will consider the present capacity of its public facilities and the adequacy of those facilities to provide services to its current residents receiving service, those properties within the District that have paid capacity charges (issued Will-Serve Letters) but not currently being served, and other undeveloped property within the District boundaries.

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RESOLUTION 2003-Lyn Rd

EXHIBIT "A"

STATEMENT OF FINDINGS AND SUPPORTING DOCUMENTATION

SECTION 2 A FINDING:

The Garing & Taylor Associates study (referenced in Section 1 B above) has determined that the impacts on the proposed Annexation on the District water infrastructure would be negligible. Further, the Applicants are required to identify and retrofit 88 residential units within the District boundaries to off-set the additional water demands for 11 residential units.

SECTION B.

The Board of Directors will only consider annexations where it can be demonstrated that:

1. There is excess service capacity to provide services to the area of proposed annexation or:
2. The applicant demonstrates to the satisfaction of the Board of Directors that applicant, at its sole cost, has developed and dedicated to the District appropriate and/or sufficient resource capacity to supply the area of the annexation with District services prior to commencing construction of residential and/or commercial units.

SECTION 2 B FINDING:

The Annexation Agreement requires the Applicants to identify and retrofit 88 residential units prior to the District setting the first water meter within the Area of Annexation to off-set the water demand of 11 residential units to be connected to the District's water distribution system.

SECTION C.

The District will consider a supplemental water in-lieu fee, which may be established from time to time, to acquire a supplemental water supply, provided that the Board of Directors first determines that there is adequate excess capacity to supply the area of annexation during the period of time reasonably determined to acquire said supplemental water.

SECTION 2 C FINDING:

Due to retrofit requirement, Section 2(C) is not applicable to this annexation.

SECTION D.

The Board will only consider "island" annexations when it can be demonstrated that the irregular boundaries represent the most logical and orderly

RESOLUTION 2003-Lyn Rd
EXHIBIT "A"
STATEMENT OF FINDINGS AND SUPPORTING DOCUMENTATION

service area of the District and the applicant is willing to extend adequate facilities at no cost to the Nipomo Community Services District.

SECTION 2 D FINDING:

This is not an "island". The Property is located immediately adjacent to the District boundary and therefore is not an "island" annexation.

SECTION E.

The Board of Directors will consider the policies of the Local Agency Formation Commission that apply to annexations and spheres' of influence.

SECTION 2 E FINDING:

The LAFCO is in the process of establishing the District's sphere of influence boundary. Further the proposed Annexation must comply with all current LAFCO policies and procedures as a condition of final Annexation (See Section 6 of the Annexation Agreement).

End of Exhibit A
Resolution 2003-____



Civil Engineering
Surveying
Project Development

EXHIBIT 1

January 23, 2003

Doug Jones
General Manager
Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444

SUBJECT: NCSD Ability to Serve the Robertson Annexation Consisting of
Approximately 12 Parcels near Pomeroy-Los Berros Road & Lyn Road

Dear Doug,

The proposed Robertson annexation lies Westerly of the intersection of Pomeroy Road and Lyn Road with Perrillo Road. The area consists of approximately 12 Parcels varying in size from 10-acres to as small as 2-1/2 acres. The District currently has 8-inch looped water transmission mains which were constructed as part of the Summit Station Assessment District on Pomeroy Road, turning Northerly on Pomeroy Road where Pomeroy meets Lyn Road and extending northerly some 1200 feet from that intersection to a point where the main terminates. Approximately 500-feet prior to the Northerly termination of this main, it is looped easterly on Rocky Place. Fire Hydrants were constructed as part of the Summit Station Assessment District at the intersection of Pomeroy Road and Lyn Road, Pomeroy Road and Rocky Place, and the termination of the 8-inch main approximately 500-feet Northerly of Rocky Place on Pomeroy.

Fire flow tests of this main in this general area indicates very good fire flow, with a static pressure of approximately 87lbs and a drop of approximately 30lbs to produce 800 gpm (note that the Summit Station fire flow requirement is 500 gpm at 20lbs residual).

Fire flow tests conducted in the most challenging area of Summit Station in the summer of 1996 and again in late 1997 indicate that fire flow and domestic pressures in the area exceed Title 22. Fire flow actually proved to be approximately 300 gpm greater than the minimum required. This indicates that as of 1997 a considerable reserve of excess capacity existed in the Summit Station area to meet fire flow as well as domestic flows.

Calculations utilizing District and San Luis Obispo Standards for the impact of domestic flows from the Robertson annexation indicate that the Robertson annexation, from an incremental point of view will have a very small affect on domestic flows within Summit Station. As an example, utilizing these calculations indicate that increasing the number of domestic services from 155 to 167 has an incremental impact of approximately 11 gpm in increased domestic flow.

Page Two

Providing water service to the most distant component of the Robertson annexation would require a main extension of approximately 2,800-feet in length. At 500 gpm fire flow plus 120 gpm peak instantaneous domestic flow for that main branch, the friction slope in an 8-inch main would be approximately 0.65-feet per 100 feet or approximately 8 psi total friction loss. The system will easily provide this domestic and fire flow to the Robertson annexation.

As stated earlier, the incremental domestic flow caused by the proposed Robertson annexation is very small. The affect will be so small that it is essentially below common measurement technique for water system pressures, although a very sensitive instrument might discern the difference if testing were done under very strictly controlled conditions. I believe the incremental impact of the Robertson annexation upon the Summit Station area will be negligible.

Regardless of the negligible impact, it would still be desirable to loop the proposed 8-inch main extension so that a long, dead-end main and the attendant maintenance problem of flushing periodically are not created. At least two possible loop routes appear which could alleviate a long dead-end main. One of these loops would be to loop Northerly at the Westerly end of the Robertson annexation and then Easterly back to Pomeroy along the Northerly boundary of the annexation. This loop would reconnect back to the 8-inch main in Pomeroy providing a local water main loop. There is no apparent right of way available for this loop and this particular route would add approximately 4000 feet to the 2800-feet of otherwise dead-end main proposed. Funding source for this additional loop is unknown.

The other loop route which appears desirable from a water system standpoint would be to loop Southerly across Black Lake Canyon to Willow Road, connecting into the large transmission main in Willow Road. This loop would add approximately 10,000 feet to the otherwise 2800-foot dead-end main. Right of way may be unavailable and a funding source for this very significant cost is unknown.

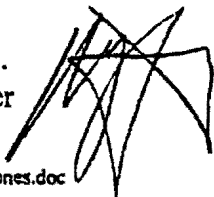
In the event that the Board concludes that the cost of either of the above mentioned loops should not be born by the Robertson annexation, perhaps a third alternative could be enacted, that of establishing a fund for the express purpose of constructing this type of water system improvement for the Summit Station area, funded through some mechanism of the annexation process.

If you have any questions, please contact me.

Very truly,

GARING, TAYLOR & ASSOCIATES INC

Jim Garing, P.E.
District Engineer



T/ND02-063/trDoug Jones.doc

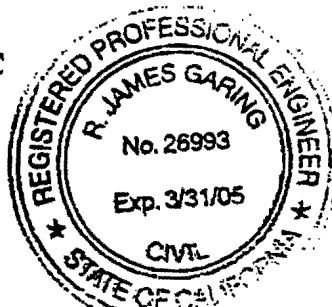


EXHIBIT B

RECORDING REQUEST BY AND
WHEN RECORDED RETURN TO:
NIPOMO COMMUNITY SERVICES DISTRICT
P.O. Box 326
Nipomo, CA 93444

APN#s: 091-063-037
091-063-038
091-073-045
091-063-035
091-063-036
091-063-033
091-073-048
091-073-049
091-063-034
091-063-047
091-063-024

Exhibits to be attached:
Exhibit "A" – Map of Annexation Area
Exhibit "B" – legal description of Individual Parcels and Property Owners
Exhibit "C" – District rates for cost recovery

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

THIS AGREEMENT (Agreement), made this ____ day of _____, 2003 by and between the Nipomo Community Services District, ("District"), and GARY ROBERTSON and PATRICIA L. ROBERTSON, Trustees of the GARY ROBERTSON FAMILY TRUST dated June 13, 2000, owners of parcel 091-063-037, ROY A. THOMAS AND AMALIA M. THOMAS, owners of parcel number 091-073-045, JEFFREY M. MEIER, owner of parcel numbers 091-063-035 and 091-063-036, FRANK P. HEINSOHN and DIXIE F. HEINSOHN, Trustees of the FRANK P. AND DIXIE F. HEINSOHN FAMILY TRUST dated January 27, 2001, owners of parcel 091-063-033, DON ROSS HILLIARD AND NADA CLAUDINE HILLIARD, Trustees of the HILLIARD FAMILY TRUST dated October 17, 1994, owners of parcel numbers 091-073-048 and 091-073-049, PHILLIP E. AND PAMELA C. STEARNS, owners of parcel number 091-063-034, JANES D. PATTERSON AND JUDITH PATTERSON, Trustees of the PATTERSON REVOCABLE TRUST, owners of parcel number 091-063-047, JOHN J. HERLIHY AND LUANA J. HERLIHY, owners of parcel number 091-063-024 and GENE D. MINTZ AND SHARON A. MINTZ, owners of parcel number 091-063-038 (collectively "Applicants"), with reference to the following recitals.

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**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

RECITALS

- A. Applicants individually own certain parcels of real property located on Pomeroy and Lyn Road ("Area of Annexation"). The Area of Annexation consists of eleven (11) parcels (approximately seventy (70) acres). The Area of Annexation is further depicted/described on Exhibit "A" attached hereto and incorporated herein by reference.
- B. The individual properties that are within the Area of Annexation and the individual owners are described on Exhibit "B" attached hereto and incorporated herein by reference.
- C. The Area of Annexation is contiguous with the District's boundaries and is located outside of the District's Sphere of Influence. Applicants desire to annex their individual parcels ("Area of Annexation") into the District for the purposes of receiving District water service and other District services as authorized by the District Board of Directors from time to time.
- D. The purpose of this Agreement is to identify the obligations of the parties in reviewing/processing the Annexation of their individual parcels and identifying the conditions for providing District services to the property.

NOW, THEREFORE, THE PARTIES HERETO MUTUALLY AGREE AS FOLLOWS:

1. Payment of Costs

- A. Applicants shall pay the District all incurred costs, both indirect and indirect, associated with the processing of the annexation. These costs include, but are not limited to, District staff time, preparation of environmental documentation (if required), planning, engineering, legal services, and retaining professional consultants.
- B. Deposit for District Processing

At the time of execution of this Agreement, Applicants shall deposit with the District the sum of five thousand five hundred dollars (\$5,500) for District services more particularly described in subparagraph A, above. The Applicants authorize the District to withdraw from the deposit payment for services pursuant to this Agreement as they are incurred by District.

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

District will notify Applicants whenever the deposit is reduced to one thousand (\$1,000) or less. Within 15 days after such notification is mailed, Applicant shall make an additional deposit in the same amount as the initial deposit.

Upon completion of the annexation or termination as provided herein, any funds so deposited by Applicants in excess of the District's costs shall be refunded to the Applicants. Conversely, any costs incurred by the District over and above the amount deposited by Applicants shall be paid by Applicants upon demand.

2. Limitation on Water Service

- A. The total water service to the Area of Annexation is limited to a total of eleven (11) residential parcels.
- B. Applicants shall not construct addition(s) or additional living quarters to the eleven (11) residential parcels without first obtaining the prior written approval of the District.
- C. District retains the authority to deny, limit or condition future water service to the area of annexation and individual parcels based on water availability.

3. Obligations of Applicants

The Applicants shall have the following additional obligations:

- A. Prior to the first Local Agency Formation Commission (LAFCO) hearing on the proposed annexation, provide District for District's approval, a Title report confirming that individual Applicants are the owners of the parcels that are within the Area of Annexation.
- B. Provide the District with information, studies and proposals as requested by District for analysis, processing and/or approvals including the location of the eleven (11) meters for water service.
- C. Pursuant to District ordinance 94-76 and prior to LAFCO final approval of the annexation, pay to District the IN-LIEU-Assessment District 93-1 Charge (\$11,508.14).

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

- D. At their sole cost, process an application for annexation through the LAFCO and pay all LAFCO processing fees including environmental review.

- E. Prior to the District installing the first water meter to individual parcels within the Area of Annexation, Applicants at their sole cost, shall provide and complete, to District's satisfaction a retrofit plan to retrofit eighty-eight (88) residential units within the District that are not improved with low-flow toilets and fixtures (herein "Retrofit Plan").
 - 1. The Retrofit Plan shall be implemented and completed by a licensed plumbing contractor whose license and general liability insurance policy designating District as an additional insured, shall be lodged with the District prior to commencing the retrofits.
 - 2. Prior to implementing the Retrofit Plan, Applicants shall provide the District the written consent of the individual residents/owners of the eighty-eight (88) residential units to be retrofitted.
 - 3. Provide District with a plumbing contractor's written certification that Applicants have complied and completed the Retrofit Plan by retrofitting eighty-eight (88) residential units within the District that are not improved with low-flow toilets and fixtures.
 - 4. Applicants agree to defend, indemnify, and hold District and its officers, agents and employees harmless against any and all claims, causes of action, judgments, damages, liability, losses, costs or expenses, including reasonable attorneys' fees, brought against the District or suffered or incurred by it, arising out of Applicants' or Applicants' employees or contractors, performance of the Retrofit Plan.

- D. Prior to LAFCO final approval of the annexation Applicants shall pay to District the District's annexation fee of five hundred dollars per acre (\$500.00)(___ acres x \$_____).

- E. Pay all District connection and capacity fees and charges for water service prior to connecting the individual parcels within the Area of Annexation to the District's water system.

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

4. Construction of Improvements

- A. Prior to the District installing the first water meter to individual parcels within the Area of Annexation, Applicants shall construct, at their sole cost, in accordance with District Standard Plans and Specifications and pursuant to the District's Standard Mainline Extension and Inspection Agreement the following improvements:
1. Water mains for providing service to the Area of Annexation;
- B. With regards to the construction of the improvements referenced in subparagraph A above, Applicants and Applicants' sub-contractors shall, to the extent required by the California Labor Code, pay no less than the applicable prevailing wage rates to workers and professionals as determined by the Director of Industrial Relations of the State of California pursuant to California Labor Code, Part 7, Chapter 1, Article 2. Copies of the wage determination are on file at the District's office or are otherwise available on the Web at www.cslb.ca.gov.

5. Obligation of DISTRICT

The District will assist the Applicant in processing the Application through the LAFCO and the District. Applicants understand and agree that processing the Application through the LAFCO process and the District will require additional discretionary approvals. Therefore, there are no promises or guarantees that the Application will be successfully processed/approved by the LAFCO and/or the District.

In the event that the Annexation is withdrawn or not approved, then the District will return the unused deposit to Applicant as provided in Section 1 (B), above.

District staff time and consultant time will be charged at the rates described in Exhibit C, attached hereto.

6. Other Agency Approvals

If the Annexation requires further County or other agency approvals, the District's final approval of the annexation shall be conditioned upon Applicant obtaining such County or other agency approvals prior to the annexation becoming effective.

7. Indemnification and Hold Harmless

To the extent allowable by law, Applicants agree to hold District harmless

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

from costs and expenses, including attorneys' fees, incurred by District or held to be the liability of District in connection with District's defense of its actions in any proceeding brought in any State or Federal court challenging the District's actions with respect to the annexation. Applicants understands and acknowledges that District is under no obligation to defend any legal actions challenging the District's actions with respect to the annexation.

The Applicants recognize and hereby agree that the District and its directors, officers, employees and agents shall not be liable for any injury or death to any person or damage to any property arising from the performance of any work required hereunder by the Applicants, its officers, employees, independent contractors or agents. The Applicants shall protect, indemnify and hold the District harmless from any and all claims, causes of actions, demands or charges and from any loss or liability, including all costs, penalties, expenses, attorney's fees, litigation costs, and other fees arising out of or in any way connected with the performance or with the failure to perform under this Agreement by Applicants, its officers, employees, independent contractors or agents. In addition, if the District, its directors, officers, employees or agents should be sued as a result of such performance, the District may notify the Applicant which then shall have the duty to defend the District, its directors, officers, employees or agents, or, at the District's option, pay for such defense including, but not limited to, payment of all reasonable attorney's fees and expenses incurred by the District, its directors, officers, employees or agents.

8. Term of Agreement and Termination

This Agreement shall become effective on the date the District approves this Agreement by resolution and shall remain in effect until terminated by the mutual consent of the parties or as otherwise provided in this Agreement.

Providing Applicants are not in default of their obligations referenced in Section 1 of this Agreement, Applicants may terminate this Agreement with fifteen (15) days written notice to District. Termination shall not relieve Applicants of their responsibility for payment of District costs as provided in Section 1 of this Agreement.

9. Joint and Several Liability

Applicants shall be jointly and individually liable for Applicants' obligations referenced in this Agreement.

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

10. Waiver of Rights

Any waiver at any time by either party hereto of its rights with respect to a breach or default, or any other matter arising in connection with this Agreement, shall not be deemed to be a waiver with respect to any other breach, default or matter.

11. Entire Agreement

This Agreement is freely and voluntarily entered into by the parties after having the opportunity to consult with their respective attorneys. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. The parties, in entering into this Agreement, do not rely on any inducements, promises, or representations made by each other, their representatives, or any other person, other than those inducements, promises, and representations contained in this Agreement. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by the Applicant and the District.

12. Notices

- A. Applicants designate the person(s) referenced in subparagraph B below to receive and give notices on their behalf.
- B. All notices, statements, reports, approvals, requests, bills or other communications that are required either expressly or by implication to be given by either party to the other under this Agreement shall be in writing and signed for each party by such officers as each may, from time to time, be authorized in writing to so act. All such notices shall be deemed to have been received on the date of delivery if delivered personally or three (3) days after mailing if enclosed in a properly addressed and stamped envelope and deposited in a United States Post Office for delivery. Unless and until formally notified otherwise, all notices shall be addressed to the parties at their addresses as shown below:

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///

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

NIPOMO COMMUNITY SERVICES DISTRICT

Attn: General Manager
Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444

APPLICANTS:

Gary L. Robertson and Patricia L.
Robertson, Trustees of the Gary Robertson
Family Trust dated June 13, 2000
APN 091-063-037

Gene D. and Sharon A. Mintz
1712 Lyn Road
Arroyo Grande, CA 93420
APN 091-063-038

Roy A. and Amalia Thomas
3805 Los Padres Road
Santa Maria, CA 93455-2914
APN 091-073-045

Jeffrey M. Meier
P.O. Box 775
Nipomo, CA 93444-0775
APN 091-063-035 and 091-063-036

Frank P. Heinsohn and Dixie F. Heinsohn,
Trustees of the Frank P. and Dixie F.
Heinsohn Family Trust,
dated January 27, 2001
APN 091-063-033

Don Ross Hilliard and Nada Claudine
Hilliard, Trustees of the Hilliard Family
Trust dated October 17, 1994
1731 Pomeroy Road, CA 93421-0166
APN 091-073-048 and 091-073-049

Phillip E. and Pamela C. Stearns
7162 Via Colina
San Jose, CA 95139
APN 091-063-034

James D. Patterson and Judith
Patterson, Trustees of the Patterson
Revocable Trust
19 Camino Verde
Santa Barbara, CA 93103
APN 091-063-047

John J. and Luana J. Herlihy
1804 Lyn Road
Arroyo Grande, CA 93420-5521
APN 091-063-024

13. Headings

The paragraph headings used in this Agreement are for reference only, and shall not in any way limit or amplify the terms and provisions hereof, nor shall they enter into the interpretation of this Agreement.

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

14. Cooperation

Each party to this Agreement agrees to do all things that may be necessary, including, without limitation, the execution of all documents which may be required hereunder, in order to implement and effectuate this Agreement.

15. Interpretation of this Agreement

The parties acknowledge that each party and its attorney have reviewed, negotiated and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any document executed and delivered by any party in connection with the transactions contemplated by this Agreement.

16. Venue

This Agreement has been executed and delivered in the State of California and the validity, enforceability and interpretation of any of the clauses of this Agreement shall be determined and governed by the laws of the State of California. The duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.

17. Recitals

The recitals A through D of this Agreement are incorporated herein by this reference and made a part hereof.

18. Authority to Execute Agreement

The undersigned represent and warrant that:

- A. This Agreement will constitute legal, valid and binding obligations of the individual parcel owners within the Area of Annexation enforceable in accordance with its terms and;
- B. The execution and delivery of this Agreement is within the undersigned's power and authority without the joinder or consent of any other party.
- C. Indemnity. The undersigned jointly and severally agree to defend, indemnify and hold the District harmless against any loss, claim,

**ANNEXATION AND COST RECOVERY AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT
AND**

damage, liability or expense (including, without limitation, reasonable attorneys' fees) arising out of the representations and warranties of Subsection A above.

In Witness Whereof, District and Applicant have executed this Agreement the day and year first above written.

DISTRICT:

By:

Michael Winn, President

Attest:

Approved as to Form:

Donna Johnson
Secretary to the Board

Jon S. Seitz
District Legal Counsel

TO: BOARD OF DIRECTORS
FROM: DOUG JONES *DJ*
DATE: MARCH 5, 2003

AGENDA ITEM
D2
MARCH 5, 2003

ANNEXATION POLICY

ITEM

Revising the District's Annexation Policy

BACKGROUND

The District's Annexation Committee (Directors Winn and Wirsing) met on February 25, 2003, and reviewed the Annexation Policy with staff. The proposed revisions to the Annexation Policy have not been completed. It is anticipated that the revisions will be complete for the Board's review by March 19 but no later than April 2, 2003.

RECOMMENDATION

This is an information item only. No action is necessary.

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2003-Annex Policy**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING AND READOPTING ITS ANNEXATION POLICY**

WHEREAS, the District is a Community Services District formed pursuant to Government Code 61000 et seq. and its powers are limited to those powers set forth in Government Code §61600 and those powers do not include the authority to address issues such as land use, density and population growth associated with the South County Inland Planning Area; and

WHEREAS, the Local Agency Formation Commission is charged with the authority to review and approve all requests for sphere of influence and annexation changes to the District; and

WHEREAS, the Local Agency Formation Commission considers CEQA for all annexations and sphere of influence changes that are approved or disapproved by the Commission; and

WHEREAS, the Nipomo Community Services District is informed that it receives most of its water from the portion of the Santa Maria groundwater basin underlying the Nipomo Mesa, known as the Nipomo Mesa Hydrologic Study Area (HSA), and

WHEREAS, District acknowledges a number of reliable engineering reports indicating that the Nipomo Mesa HSA is in a state of overdraft; and

WHEREAS, the District wishes to maintain a water supply for its existing users and potential use within its boundaries; and

WHEREAS, the District wishes to modify its annexation policy recognizing the potential limited water supply from the Nipomo Mesa HSA,

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT THAT:

1. The District's Annexation Policy is hereby amended and readopted as depicted on Exhibit "A".
2. The Board of Directors of the District finds that the adoption of this Resolution does not constitute a "project" under the California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 et. seq.) or its implementing Guidelines (14 California Code of Regulations Section 15000 et seq.) ("CEQA Guidelines"). The Board further finds that the adoption of this Resolution falls within the activities described in Section 15378(b)(2 & 5) of the CEQA Guidelines that are deemed not to be "projects". Even if the adoption of this Resolution were a "project" for purposes of CEQA, the District Board finds that it is exempt from review pursuant to Section 15061(b)(3) which provides that an activity is not subject to CEQA review where it can be seen with certainty that there is no possibility that it may have a "significant effect on the environment." The District Board finds that it can be seen with certainty that there is no possibility that the adoption of this Resolution and the approval of the provisions contained herein may have a significant effect on the environment. The District General Manager is authorized to prepare, execute and file a notice of exemption pursuant to the above provisions.
3. The above Recitals are true and correct and incorporated herein by reference.

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2003-Annex Policy**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING AND RE-ADOPTING ITS ANNEXATION POLICY**

Upon the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

the foregoing resolution is hereby adopted this _____ day of _____, 2003.

Michael Winn
President, Board of Directors
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
District Legal Counsel

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2003-Annex Policy

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING AND RE-ADOPTING ITS ANNEXATION POLICY

EXHIBIT A

**THE ANNEXATION POLICY OF THE
NIPOMO COMMUNITY SERVICES DISTRICT**

MARCH 2003

I. PURPOSE

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

II. INTENT

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

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

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

III. GENERAL POLICIES

- A. In order to provide for the orderly development of public service facilities, only those properties will be considered for annexation for which the owners are willing to accept all conditions for service required by the Nipomo Community Services District. Further, requests for annexation solely for sewerage services to the exclusion of water service will be considered but generally will be discouraged by the Board of Directors.
- B. In order to evaluate the impacts of a potential annexation upon the Nipomo Community Services District, the Board of Directors will consider only annexation requests which include the submittal of a layout plan for the subject property in sufficient detail for the District to assess the impact of

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2003-Annex Policy

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING AND RE-ADOPTING ITS ANNEXATION POLICY

the annexation in the foreseeable future upon the District's long-term water resources, water distribution facilities, sewerage services, and other services required.

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

- C. After review of such a layout plan, the Board of Directors will consider annexation request where it can be demonstrated that:

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

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

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

IV. GENERAL STANDARDS

- A. The Board of Directors will consider the present water resources and the sewer and infrastructure capacity of its public facilities and the adequacy of those facilities to provide services to its current residents receiving service, those properties within the District that have paid capacity charges (issued will-serve letters) but not currently being served, and other undeveloped property within the District boundaries.

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2003-Annex Policy**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING AND RE-ADOPTING ITS ANNEXATION POLICY**

- B. The Board of Directors will only consider annexations where it can be demonstrated that:
1. There is excess service capacity to provide services to the area of proposed annexation; and
 2. the lands must be located within those portions of the sphere of influence approved by the Local Agency Formation Commission; and
 3. the lands must be immediately adjacent to Nipomo Community Services District boundaries or the land owners must be willing to extend adequate facilities at no cost to Nipomo Community Services District; and
 4. the proponents of such annexations must pay all applicable fees.
- C. The Board will only consider "island" annexations when it can be demonstrated that the irregular boundaries represent the most logical and orderly service area of the District and the applicant is willing to extend adequate facilities at no cost to the Nipomo Community Services District.
- D. All applicants for annexation into the District must agree to pay the supplemental water surcharge and rates at such time as it is established. The District will consider the following in approving an annexation if:
1. The proposed annexation overlies what the District believes is such a sufficient source of water that the District benefits from its ability to impose metering, a tiered rate structure and conservation measures; and the applicant assigns to the District such water rights as it may have; or
 2. in the opinion of the District, the proposed annexation does not overlie a sufficient source of water and the applicant agrees to provide an identified supplemental water supply from outside the Nipomo Mesa HSA; or
 3. the applicant does not overlie a sufficient source of water and applies for annexation into the District for all other services but water, such an application not to be finally approved until the proposed water supply is identified to the District and is certified to meet all applicable legal standards.
 4. Applicants believed by the District to be in the second category but believing themselves to be in the first may challenge this assessment by digging a well if none exists and funding a 72-hour pump test by the District. The data produced shall be evaluated by the District Engineer, at the applicant's expense, as basis for an appeal.
- E. The District may consider a supplemental water in-lieu fee, which may be established from time to time, to acquire a supplemental water supply, provided that the Board of Directors first determines that there is adequate water resources to supply the area of annexation during the period of time

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2003-Annex Policy**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING AND RE-ADOPTING ITS ANNEXATION POLICY**

reasonably determined to acquire said supplemental water. The fees shall be based on the water use required by the foreseeable maximum density.

- F. Exceptions to the general annexation policy may be made in cases of demonstrated hardship if the applicants agree to mitigation measures proposed by the District, but not to the extent of reducing fees.
- G. The Board of Directors will consider the policies of the Local Agency Formation Commission that apply to annexations and spheres of influence.

V. ANNEXATION AGREEMENT

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


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

VI. SUBMITTAL OF ANNEXATION REPORT

Prior to consideration by this Board of Directors, the proponents of any annexation request must submit an application to the District, demonstrating that the annexation would conform to this Annexation Policy.

VII. ANNEXATION - ASSESSMENT OF FEE

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

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: MARCH 5, 2003

AGENDA ITEM
D3
MARCH 5, 2003

REQUEST FOR ANNEXATION
TRACT 2784
PUDWILL

ITEM

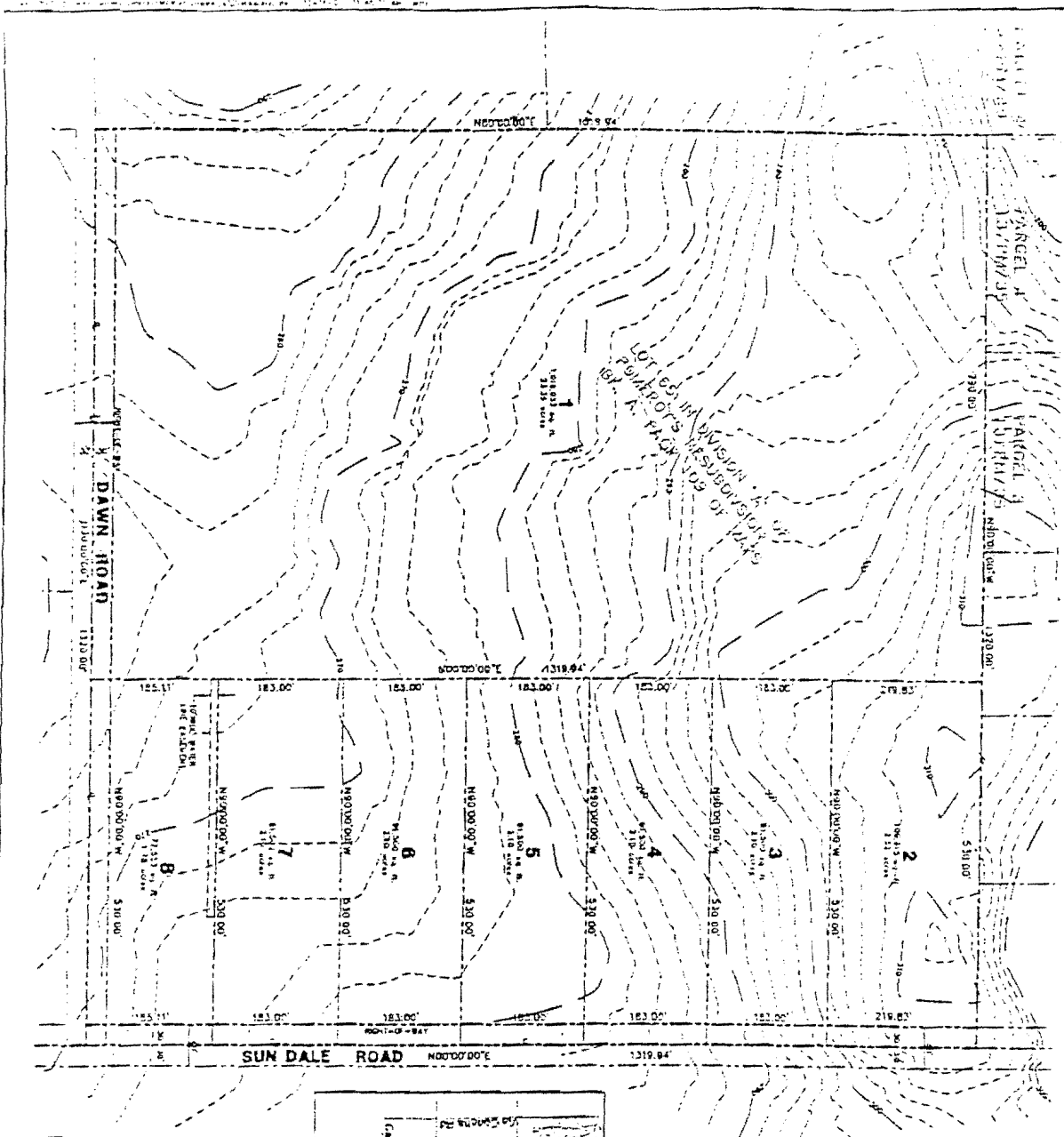
Review request for annexation - Tract 2784 - eight-lot development on 40 acres adjacent to the District boundary near Blacklake – Annexation No.22

BACKGROUND

The District has received a request from Mr. Pudwill to annex a 40 acre parcel, known as Tract 2784, an eight lot development at the intersection of Sundale and Dawn Road. This matter was previously brought to the Board for consideration but has been continued pending the update of the District's Annexation Policy. Until the Annexation Policy has been revised and approved by your Honorable Board, it is suggested that annexation request be put on hold until the Annexation Policy is approved.

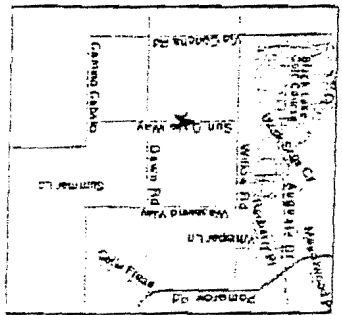
RECOMMENDATION

Staff recommends that this item be continued until the Annexation Policy is approved by your Honorable Board.

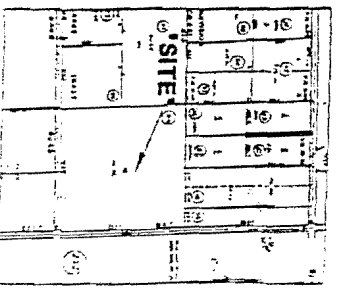


TENTATIVE TRACT MAP 2394
 BEING A PROPOSED SUBDIVISION OF LOT 65 IN DIVISION A, PARCEL 29, MAP OF 1967, AS RECORDED IN BOOK A, PAGE 303 OF THE PUBLIC RECORDS IN SAUL LEWIS COUNTY, MISSOURI, AS RECORDED IN BOOK A, PAGE 103 OF MAP 5, IN THE OFFICE OF THE CLERK OF THE SAUL COUNTY.

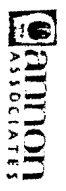
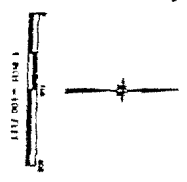
OWNER: JAMES FIDMILL
 ADDRESS: 800 SUN DALE WAY
 MISSOURI, MO 64155
 APRIL 201-024
 AREA: 40 ACRES



VICINITY MAP
 KITS




A.P.H. MAP
 KITS



Cannon ASSOCIATES
 240 PINE STREET
 LAWRENCE, MISSOURI 64503
 PHONE: 783-2400
 FAX: 783-2401

DEC 16 2007

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: MARCH 5, 2003

AGENDA ITEM
D 4
MARCH 5, 2003

REQUEST FOR ANNEXATION
TRACT 2499
LEM

ITEM

Review request for annexation - Tract 2499 - eighteen-lot development on 18 acres adjacent to the District boundary on Pomeroy Rd near Waypoint – Annexation No.23

BACKGROUND

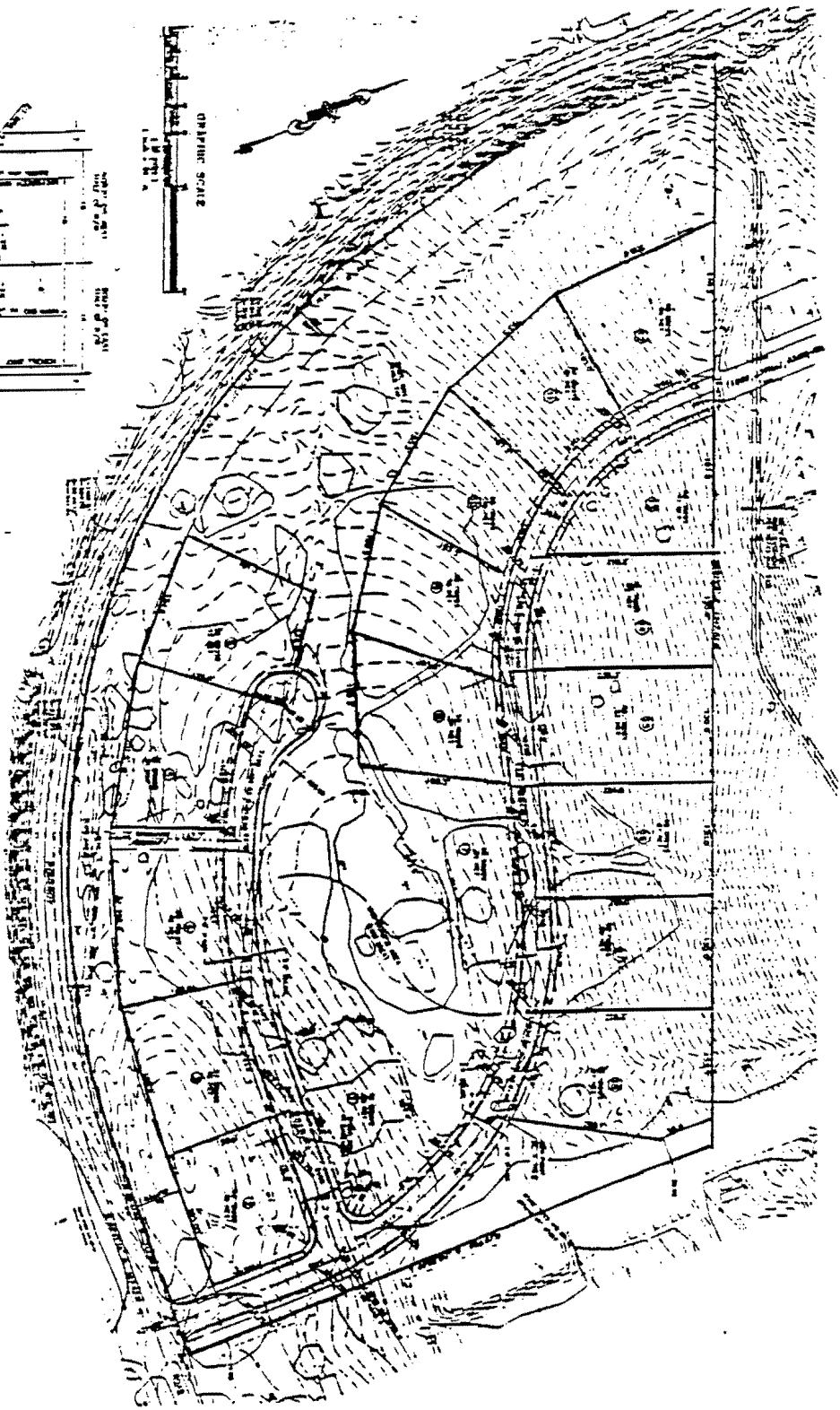
The District has received a request from Mr. Lem to annex an 18-acre parcel, known as Tract 2499, an eighteen lot development on Pomeroy Road near Waypoint. This matter was previously brought to the Board for consideration but has been continued pending the update of the District's Annexation Policy. Until the Annexation Policy has been revised and approved by your Honorable Board, it is suggested that annexation request be put on hold until the Annexation Policy is approved.

RECOMMENDATION

Staff recommends that this item be continued until the Annexation Policy is approved by your Honorable Board.

Board 2003/Annex 23 Lem.DOC

Vista Robla - Phase II



MA. SECO & JUAN A. LERICAL SECTION
 WORKING DRAWING AND TITLE
 DRAWING NO. 2499

TENTATIVE TRACT MAP 2499

OWNER'S CERTIFICATE
 I HEREBY CERTIFY THAT THE INFORMATION CONTAINED IN THIS TRACT MAP IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT I AM THE OWNER OF THE UNDIVIDED INTEREST IN THE TRACTS DESCRIBED HEREIN.

OWNER: _____
 ADDRESS: _____

ENGINEER'S CERTIFICATE
 I HEREBY CERTIFY THAT I AM A LICENSED PROFESSIONAL ENGINEER AND THAT I HAVE EXAMINED THE TRACT MAP AND THE INFORMATION CONTAINED THEREIN AND THAT I AM Satisfied THAT THE INFORMATION CONTAINED THEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT THE TRACTS DESCRIBED HEREIN ARE CAPABLE OF BEING SEPARATELY OWNED AND CONVEYED AS INDICATED THEREON.

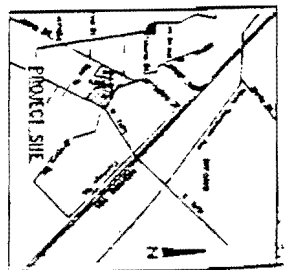
ENGINEER: _____
 ADDRESS: _____

PROJECT DATA

1. NAME OF PROJECT: _____
 2. LOCATION OF PROJECT: _____
 3. DATE OF PREPARATION: _____
 4. SCALE: _____
 5. SHEET NO. _____ OF _____

LEGAL DESCRIPTION

BEING A PORTION OF A PORTION OF LOT 10 TO 20, IN TRACT MAP NO. 2499, AS SHOWN ON THE TRACT MAP HEREBY FILED FOR RECORD IN THE OFFICE OF THE COUNTY CLERK OF SAN JOAQUIN COUNTY, CALIFORNIA, ON _____, 19____.



LEGEND
 --- VARIOUS PROPERTY LINES
 --- EASEMENTS
 --- UNDIVIDED INTERESTS
 --- OTHER INFORMATION

| NO. | REVISION | DATE | BY | CHKD. |
|-----|-------------|------|----|-------|
| 1 | PRELIMINARY | | | |
| 2 | FINAL | | | |

PREPARED BY: _____
 CHECKED BY: _____
 DATE: _____

TO: BOARD OF DIRECTORS
FROM: DOUG JONES *D*
DATE: MARCH 5, 2003

AGENDA ITEM
D5
MARCH 5, 2003

REQUEST FOR ANNEXATION
NEWMAN

ITEM

Request to annex approx. 285 acres north of Sandydale Rd. & west of Hwy 101

BACKGROUND

At the Board meeting held on February 19, 2003, Mr. George Newman, developer, requested a decision for services or a denial from your Honorable Board so that he may proceed elsewhere with his project. This project consists of 285 acres north of Sandydale Rd. & west of Hwy 101. This would be a multi-use commercial/retail and light industry, office and residential development. Your Honorable Board previously tabled this matter. Mr. Newman is asking for a decision if the District is interested in annexing this development or not so he may explore other avenues for service if his request is denied. Mr. Newman has submitted a District application for annexation with a conceptual plan.

RECOMMENDATION

Staff is requesting direction from your Honorable Board.

Board 2003/Annex Newman2.DOC

TO: Nipomo Community Services District
FROM: George Newman
RE: Annexation
DATE: February 4, 2003

Dear Board Members,

As you are aware, on November 4, 2002, I submitted an application for annexation and water/sewage services for the Canada Ranch property, APN 091-301-041. Presentations were made to the Board on November 20, 2002 and again on December 18, 2002. The results for each of these requests and/or presentation was in effect a "Continuance" or "Deferring" of this decision.

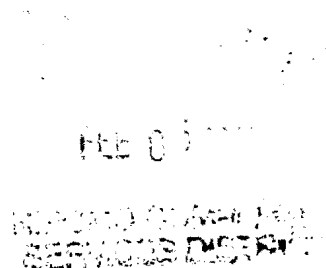
I respectfully request that the Board decide "Yes" or "No" as to NCSD's intent to provide water and sewer services for this project. As I've always stated, I prefer to obtain these services from NCSD as the revenues generated from this project would strengthen our own district. However, if the Board can not support this project with services I would appreciate a letter of denial to enable the pursuit of other options.

Thank you for your immediate attention to this request.

Sincerely,



George Newman



OAKRIDGE :: NIPOMO, CA



site plan

SD-1

PROJECT DATA

PROJECT NAME: OAKRIDGE :: NIPOMO, CA
 PROJECT NUMBER: SD-1
 PROJECT LOCATION: NIPOMO, CA
 PROJECT OWNER: [REDACTED]
 PROJECT ARCHITECT: COURTNEY ARCHITECTS
 PROJECT DATE: [REDACTED]

LEGEND

EXISTING BUILDINGS
 EXISTING STREETS
 EXISTING UTILITIES
 EXISTING EASEMENTS
 EXISTING FENCES
 EXISTING TREES
 EXISTING LANDSCAPE
 EXISTING SIGNAGE
 EXISTING LIGHTING
 EXISTING PAVING
 EXISTING CURBS
 EXISTING DRIVEWAYS
 EXISTING SIDEWALKS
 EXISTING BIKEWAYS
 EXISTING BENCHES
 EXISTING LIGHT FIXTURES
 EXISTING STREET LIGHTS
 EXISTING STREET FURNITURE
 EXISTING STREET ART
 EXISTING STREET SCENICITY
 EXISTING STREET CHARACTER
 EXISTING STREET HISTORY
 EXISTING STREET CULTURE
 EXISTING STREET ECONOMY
 EXISTING STREET SOCIETY
 EXISTING STREET ENVIRONMENT
 EXISTING STREET QUALITY
 EXISTING STREET SAFETY
 EXISTING STREET ACCESSIBILITY
 EXISTING STREET CONNECTIVITY
 EXISTING STREET NETWORK
 EXISTING STREET SYSTEM
 EXISTING STREET INFRASTRUCTURE
 EXISTING STREET RESOURCES
 EXISTING STREET ASSETS
 EXISTING STREET LIABILITIES
 EXISTING STREET RISKS
 EXISTING STREET OPPORTUNITIES
 EXISTING STREET CHALLENGES
 EXISTING STREET SOLUTIONS
 EXISTING STREET BEST PRACTICES
 EXISTING STREET LESSONS LEARNED
 EXISTING STREET RECOMMENDATIONS
 EXISTING STREET CONCLUSIONS

COURTNEY ARCHITECTS

1000 NIPOMO BLVD
 NIPOMO, CA 93448
 TEL: 805.938.4138
 FAX: 805.938.4139
 WWW.COURTNEYARCHITECTS.COM

CONTRIBUTOR

[REDACTED]

DATE

[REDACTED]

SCALE

[REDACTED]

PROJECT NUMBER

[REDACTED]

PROJECT LOCATION

[REDACTED]

PROJECT OWNER

[REDACTED]

PROJECT ARCHITECT

[REDACTED]

PROJECT DATE

[REDACTED]

PROJECT STATUS

[REDACTED]

PROJECT PHASE

[REDACTED]

PROJECT BUDGET

[REDACTED]

PROJECT COST

[REDACTED]

PROJECT REVENUE

[REDACTED]

PROJECT PROFIT

[REDACTED]

PROJECT RISK

[REDACTED]

PROJECT OPPORTUNITY

[REDACTED]

PROJECT CHALLENGE

[REDACTED]

PROJECT SOLUTION

[REDACTED]

PROJECT BEST PRACTICE

[REDACTED]

PROJECT LESSON LEARNED

[REDACTED]

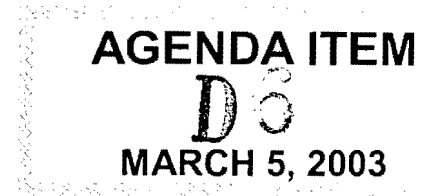
PROJECT RECOMMENDATION

[REDACTED]

PROJECT CONCLUSION

[REDACTED]

TO: BOARD OF DIRECTORS
FROM: DOUG JONES *DJ*
DATE: MARCH 5, 2003



REQUEST FOR ANNEXATION
TRACT 2336/CO 03-0031
MCGILLIS/WITT

ITEM

Request for annexation for sewer service within Cal Cities service area

BACKGROUND

The District has received requests from Mr. Jim McGillis and Mr. Ron Witt for sewer service to properties in the California Cities Water service area. Presently, these properties are outside the District boundary and also CSA-1 boundary. Presently, the District has an agreement with CSA-1 to receive its wastewater from a designated number of homes within its service area. The additional services, such as these lots, would require a contract amendment between the District and CSA-1 for the District to provide additional services. Also, the proposed lots would need to annex into CSA-1.

Presently, negotiations are on-going with SLO County CSA-1 whereas the District would take over the operation of CSA-1 and annex them into the District boundary. These requests for annexation are premature because the most logical way to provide sewer service to these properties would be through CSA-1 sewage collector system.

Paul Hood, executive officer of LAFCO, has requested the County to proceed with the dissolution of CSA-1 to be annexed into the Nipomo Community Services District. Once this is completed, it is anticipated that requests for sewer service in California Cities service area will be made to the District.

If and when the District annexes CSA-1, a policy would have to be established with respect to providing sewer service within the California Cities water service area.

RECOMMENDATION

Staff will write a letter to Mr. McGillis and Mr. Witt denying such requests and referring them to CSA-1.



JAMES MICHAEL McGILLIS
PROFESSIONAL LAND SURVEYOR
PO BOX 1446 NIPOMO CA. 93444
PHONE (805) 929-2941 FAX (805) 929-2941
e-mail James_McGillis@Yahoo.com

13 February 2003

**NIPOMO COMMUNITY
SERVICES DISTRICT**
148 S. Wilson
P.O. Box 326
Nipomo Ca. 93444

SUBJECT: Lot 1 Tract 2336, Annexation.

I have enclosed an 8 ½ x 11 copy of Lot 1 and an informational copy of the entire tract along with a vicinity map. This Lot fronts on Division St. and is across the street from Galaxy Mobil Home Park. It is served by Cal Cities' water.

As the owner of the lot, I would be interested in finding out if the NCSD Board of Directors would like to see this lot annexed for sewer services only.

If you would put it on the next available agenda, for the purpose of discussing this idea, I would be there to present the case.

Sincerely,

J. M. McGillis, PLS 4442
Lic. Exp. 30 Sep. 2005



FEB 1 2003

RECEIVED NIPOMO COMMUNITY SERVICES DISTRICT

EMENT

CERTIFICATE SHEET FOR TRACT 2330

WHAT WE ARE ALL THE SECURITY INTEREST IN, TITLE IN THE SUBDIVISION AND THAT EACH OF US DOES RECORDATION OF THIS MAP.

FOR PUBLIC USE, EAF STREET, RED WINGS E AND CASCADE LANE SHOWN ON THIS MAP.

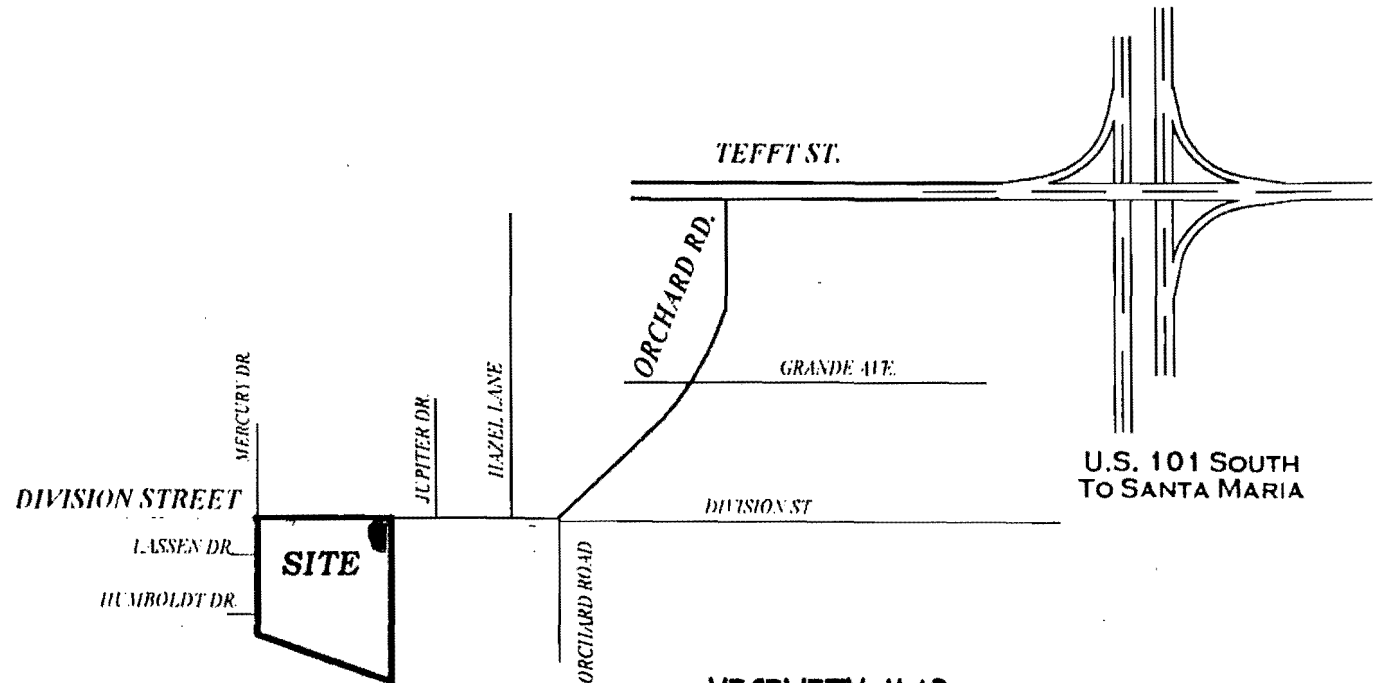
TO GET THE PRIVILEGE AND RIGHT STRUCTURES AND OF THOSE CERTAIN LOT AREAS OR DRAINAGE STRUCTURES LOCATED RIGHTS OF WAY NEVER REQUIRED FOR THE ROAD BEDS OCCUPYING SO THE PRIVILEGE AND PLANTS, AND/OR TREES PROTECTION OF SAME.

US, OUR HEIRS AND ASSIGNS RAL PUBLIC UTILITY SERVE IN SAID UTILITY PURPOSES, UTILITY EASEMENT

HEIRS AND ASSIGNS HEREON, FOR THE USE NTS

THIS MAP, WE HEREBY INGRESS TO OR EGRESS FROM WESTERLY LINE

U.S. 101 NORTH
TO SAN LUIS OBISPO



VICINITY MAP
No Scale

STATE OF CALIFORNIA
COUNTY OF _____

ON _____ BEFORE ME,
A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED

PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF OF SATISFACTORY EVIDENCE) TO BE THE PERSON (S) WHOSE NAME(S) IS(ARE) SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE /SHE /THEY EXECUTED THE SAME IN HIS /HER / THEIR AUTHORIZED CAPACITY(IES) AND THAT BY HIS /HER /THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED EXECUTED THE INSTRUMENT.
WITNESS MY HAND AND OFFICIAL SEAL.

NAME: _____ COMMISSION No. _____
COUNTY _____ COMMISSION EXP _____

COUNTY SURVEY

I HEREBY STATE THAT I HAVE THAT THE SUBDIVISION SHOW

2-21-03

PARCEL # 092-123-027 LOT # 77

I HAVE A TENTATIVE PARCEL MAP

CD-03-0031 FOR LOT SPLIT

THE PROPERTY IS ALREADY SERVICED
BY GAS-WATER. I WANT TO HOOK
UP TO WIPOMO SEWER AND WATER
OR JUST THE SEWER

Goodwill

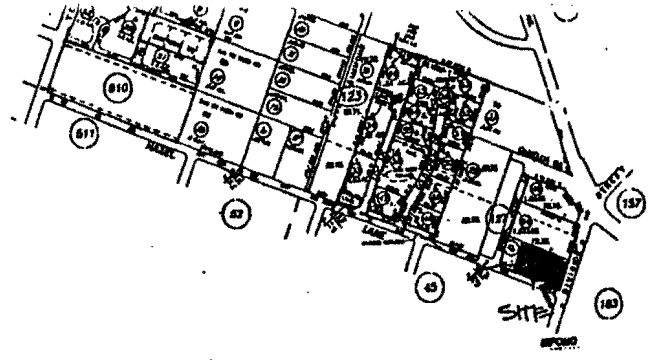
FAX 909-681-1007

CELL-714-299-3502

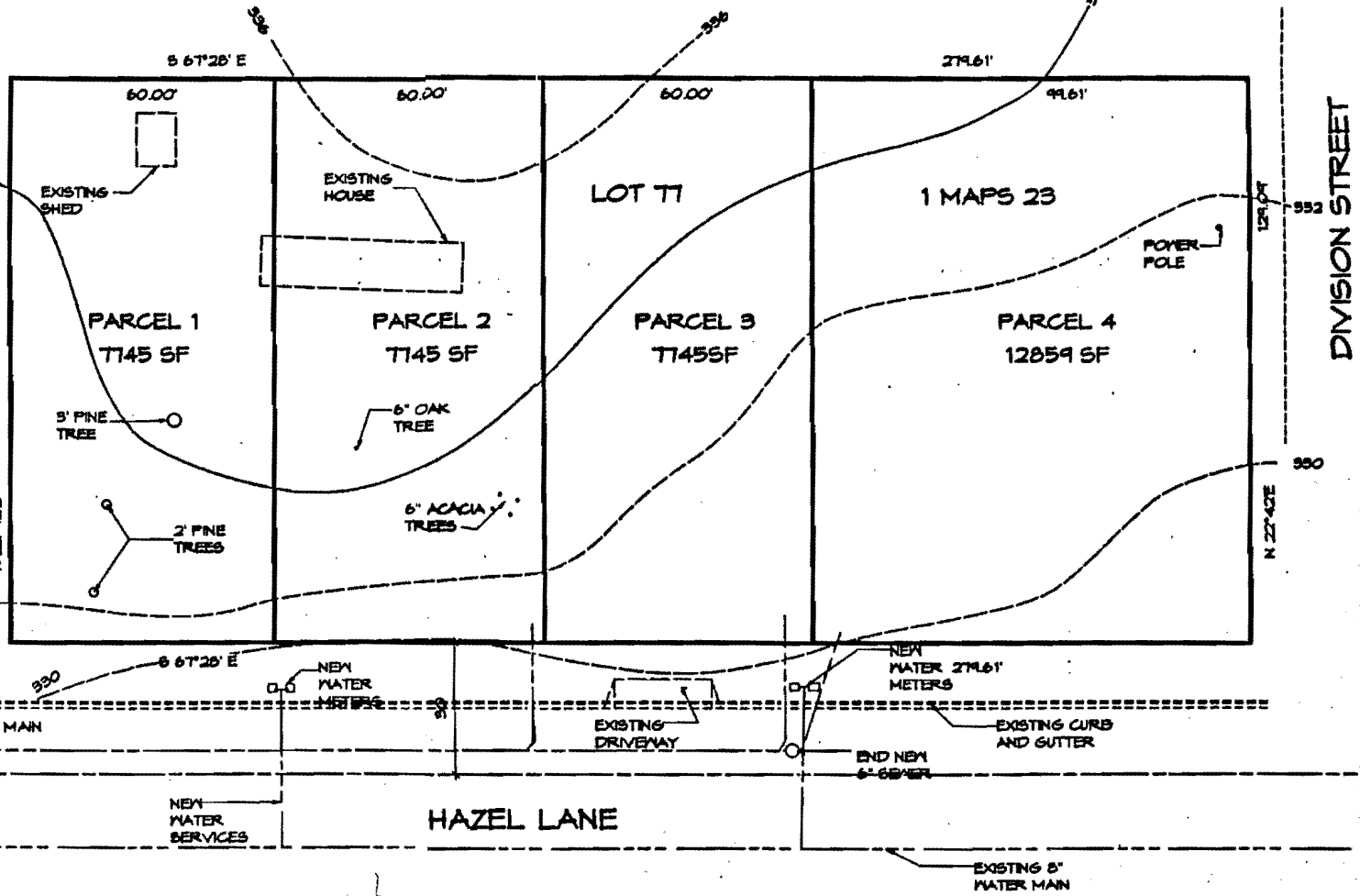
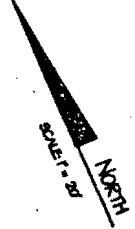
SEAL OF THE DIVISION OF THE SEA AND CERTIFY THAT WE ARE THE LEGAL INFORMATION SHOWN HEREON IS THE BEST OF OUR KNOWLEDGE AND BELIEF.

MAP WAS PREPARED UNDER MY SUPERVISION AND COMPLIES WITH THE LOS DIVISION OF THE STATE OF CALIFORNIA.

24.056
DATE



VICINITY MAP




DIVISION STREET

TENTATIVE PARCEL MAP CO-03-0031

Copy of document found at www.tulsa.com
 This portion of lot 7 of Division 8 of the Calmar Plantation Company's Nipomo Tract, in the County of San Luis Obispo, State of California, according to map recorded April 8, 1911 in Book 1, Page 23 of Maps, in the office of the County Recorder of said County

ALAN K. CHESNUT - CIVIL ENGINEER
 717 E Grand Ave. • Suite C • Arroyo Grande, CA 93420
 805-489-6048
PREPARED FOR
 401 W. HITT
 403 HAZEL LANE
 HUNTERSVILLE, CA 94020
TENTATIVE MAP

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: MARCH 5, 2003

AGENDA ITEM
D7
MARCH 5, 2003

MONTECITO VERDE II
SEWER PROJECT

ITEM

Review amount and procedure for collecting sewer capacity fees/Montecito Verde II subdivision

BACKGROUND

The Montecito Verde II subdivision, a People's Self Help Housing project, was constructed in the mid 1980's, just prior to the construction of the Nipomo area-wide sewer system. This development was constructed with community on-site waste disposal systems (septic tanks). Over the years of operation, sewer gases have attacked and deteriorated the concrete structures. In January 2000, the Regional Water Quality Control Board directed Nipomo Community Services District to connect the on-site disposal systems to the District's sewer system.

The District proceeded to comply with the requirements of the RWQCB by acquiring funding (Community Block Grant) to construct the sewer line. Tierra Construction Co. constructed the sewer line in Story Road, across to the Montecito Verde II subdivision and connected the on-site systems. Now that the construction is complete, the property owners within the subdivision are required to pay the District's Sewer Capacity Fees.

At future meetings, the MVII property owners will be presented with three options for payment of the capacity fees. The options are similar to those presented to the property owners of Montecito Verde I.

1. *Pay the sewer capacity fee in cash*
2. *Agree to participate in a benefit zone (allows the homeowners to pay the District fee over a ten-year period at 6% interest.*
3. *Put a lien on the property (due and payable on the property taxes the following year)*

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: MARCH 5, 2003

AGENDA ITEM
D-5
MARCH 5, 2003

MONTECITO VERDE II
SEWER PROJECT
PAGE TWO

The newly adopted sewer capacity fee (\$3,048) will become effective March 10, 2003. This project was completed during the month of February, 2003, and the individual properties have been connected. The procedure for setting up a payment program for MVII property owners will take some time (scheduling and public hearing, etc.), staff recommends that the capacity fee in existence at the time of connection (\$2,500) be charged to individual property owners.

Staff has prepared a resolution setting the capacity fee for the Montecito Verde II sewer project at \$2,500 for lot 1 through 14, 18-25 and 27-37. Lots 15, 16, 17, and 26 were used as the on-site sewage disposal areas and have a reversionary clause when no longer used for sewage disposal, would revert back to People's Self Help Housing Corporation. Lot 38 is the SLO County's storm water retention basin. If these lots were developed in the future, they would be subject to the fees current at the time of development.

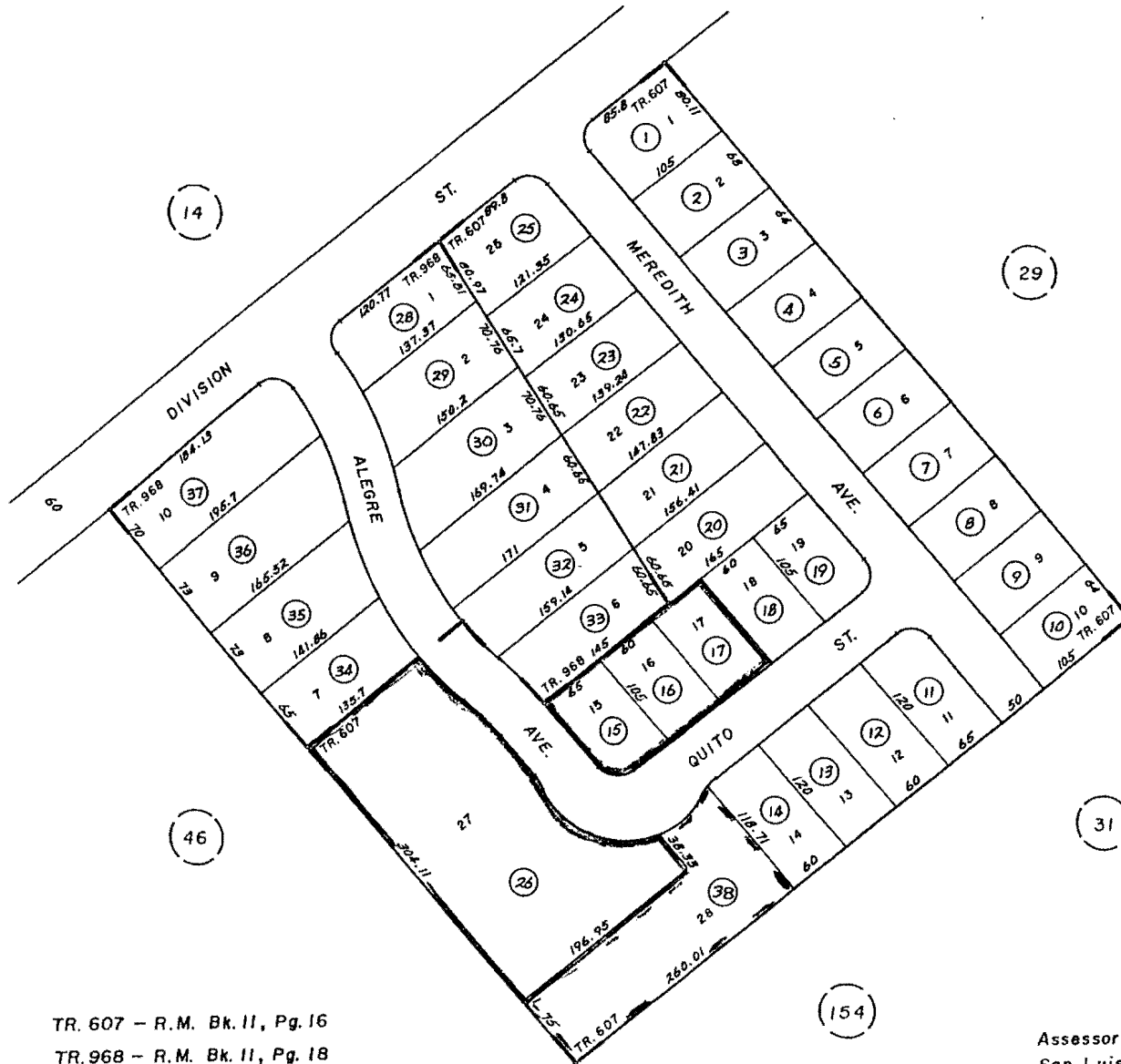
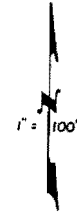
RECOMMENDATION

Staff recommends that your Honorable Board adopt the attached resolution setting the sewer capacity fees for the Montecito Verde II subdivision at the current rate of \$2,500 per lot.

Board 2003/ MVII capacity fee

Montecito Verde II Development

92 - 55



TR. 607 - R.M. Bk. II, Pg. 16
TR. 968 - R.M. Bk. II, Pg. 18

Assessor's Map, County of
San Luis Obispo, Calif.

Rev. 12 / 30 / 82
11 - 2 - 84

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2003-_____**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ESTABLISHING CAPACITY CHARGES FOR CONNECTING MONTECITO
VERDE II TO THE DISTRICT'S SEWER PROJECT**

WHEREAS, Montecito Verde II ("People Self-Help Housing Project") consisting of 33 residential units was originally constructed with an onsite septic waste water collection system; and

WHEREAS, the Regional Water Quality Control Board requested District to connect Montecito Verde II to the District's Waste Water Treatment Project; and

WHEREAS, with the assistance of a Community Block Grant, the District has connected the Montecito Verde II waste water system, and the parcels therein, to the District's area wide sewer system project for the collection and treatment of waste water; and

WHEREAS, said connections were completed prior to February 21, 2003.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICE DISTRICT as follows:

1. The capacity charges for the following parcels within Montecito Verde II are those fees and charges that were in effect on February 21, 2003. Parcels: 1-14, 18-25 and 27-37.
2. The owners of the parcels identified in Section 1 above shall pay the District \$2,500.00 per parcel for each connection.
3. The above recitals are true and correct and incorporate herein by reference.
4. The General Manager is authorized to form a benefit zone to provide financial assistance for payment of the above-reference capacity charges.

Upon motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

CONFLICT OF INTEREST:

the foregoing Resolution is hereby adopted this ____ day of _____, 2003.

MICHAEL WINN, President

ATTEST:

APPROVED AS TO FORM:

DONNA JOHNSON
Secretary to the Board

JON S. SEITZ,
District Legal Counsel

TO: BOARD OF SUPERVISORS
FROM: DOUG JONES
DATE: MARCH 5, 2003

AGENDA ITEM

MARCH 5, 2003

JOBS HOUSING BALANCE INCENTIVE GRANT PROGRAM

ITEM

Review proposed grant funding to install water and sewer services in Tefft Street

BACKGROUND

The District has met with Dana Lilley and other SLO County staff members about possibly receiving a grant to install water and sewer lines to properties along Tefft Street between Nipomo Creek and Thompson Avenue prior to the County's street enhancement program.

The attached Board of Supervisors staff letter outlines the program for your Honorable Board. The concept is that the County would process the grant of \$186,380, which would be allocated to the District to install water and sewer services to the properties along Tefft Street. A lien will be placed on the property to recover the cost of the water and sewer laterals. As each request for service to a property is received at the District, the lien becomes due and payable. The District's water and sewer capacity fees and charges are in addition to the lien. The money received from the lien would be placed in a separate account to fund future projects for the community. An agreement with respect to this grant has not yet been received by the District.

RECOMMENDATION

This is an item for conceptual approval by your Honorable Board, which would be processed via the County.

Other Items:

- B-5 Request by Board Members to allocate \$2,700 from Community Project Funds (District One - \$2,400, District Four - \$100, District Five - \$200) to the Paso Robles Visitors and Conference Bureau, a division of the Paso Robles Chamber of Commerce, to offset the cost of printing 3,000 Country Adventures advertising brochures. (RECOMMEND APPROVAL AND INSTRUCT CHAIRPERSON TO SIGN.)
- B-6 Request by the Clerk-Recorder to approve the minutes of the January 6, 7, 14 and 28, 2003 Board of Supervisors' meetings. (RECOMMEND APPROVAL.)
- B-7 Request by the Public Health Department to approve an agreement (Clerk's File) with the California Department of Health for the Women, Infant and Children (WIC) to provide a supplemental nutrition program. (RECOMMEND APPROVAL AND INSTRUCT CHAIRPERSON TO SIGN.)
- B-8 Submittal by General Services of a bid opening report for the final phase of the cell door operator replacements at the Sheriff's Main Jail. (RECOMMEND APPROVAL AND INSTRUCT CHAIRPERSON TO SIGN CONTRACT DOCUMENTS WITH LEE WILSON ELECTRIC COMPANY, IN THE AMOUNT OF \$236,000.)

II. PUBLIC HEARINGS

HEARINGS

- C-1 Hearing to consider an appeal by Julie Tacher/Concerned Citizens of Los Osos, of the Planning Commission's approval of a Development Plan/Coastal Development Permit proposal by Alex Benson, to allow a two phase project consisting of 18 new guest rooms with a new hotel building and 2 new hotel buildings consisting of a total of 22 guest rooms, located at 1370 2nd Street in the community of Baywood in Los Osos; 2nd District. (RECOMMEND DENIAL OF THE APPEAL.)

III. BOARD BUSINESS MEETING

Persons wishing to speak on the following issues should fill out a "Board Appearance Request Form" and hand it to the Clerk of the Board prior to consideration of the item.

COUNTY ADMINISTRATOR

- D-1 Submittal of the second quarter financial report and a request to accept donations and discharge of bad debts.

PLANNING AND BUILDING

- E-1 Request to authorize an application to the State Jobs Housing Balance Incentive Grant Program and select the Tefft Street/Olde Towne Nipomo construction project for funding through this grant.

TO: BOARD OF SUPERVISORS

FROM: DANA LILLEY, SUPERVISING PLANNER

VIA: PAT BECK, PRINCIPAL PLANNER

DATE: MARCH 4, 2003

**SUBJECT: REQUEST TO AUTHORIZE APPLICATION TO STATE JOBS HOUSING
BALANCE INCENTIVE GRANT PROGRAM AND TO SELECT PROJECT TO
BE FUNDED**

Recommendation

It is recommended that your Board: 1) authorize an application to the State of California's Jobs Housing Balance Incentive Grant Program; and 2) select the Street Enhancements as part of the Tefft Street/Olde Towne Nipomo construction project between Thompson Road and Nipomo Creek Project for funding through this grant.

Discussion

The County will be eligible to receive a grant estimated at \$186,300 from the State's Jobs Housing Balance Incentive Grant Program this summer. This is because the County has a State-approved Housing Element and because the County issued permits for 1,075 dwellings during the 2001 calendar year. The County will receive \$900 for each dwelling permitted above a baseline of 868 dwellings as established by the State.

While this grant program is not as restricted as most state or federal grants, the funds must be used for "the construction or acquisition of capital assets as set forth in Section 16727 of the Government Code that serve to benefit the community". Examples include street infrastructure enhancements, traffic improvements, neighborhood parks, bike paths, community centers, police and fire stations. This grant program is intended to promote housing construction in cities and counties where housing has not kept pace with job growth. It represents a policy of rewarding those jurisdictions that accommodate needed housing rather than punishing those that do not.

The application deadline is March 24, 2003. As part of the application, the County must indicate how the funds will be used. Accordingly, staff is recommending a project for

use of the funds that is consistent with the State's approach on the overall grant program - to benefit a community which has accommodated needed housing.

Consistent with the criteria used by the State for this grant program, staff reviewed permit records for 2001 and identified which communities were the location for the highest level residential permit activity. As a result, Nipomo and the nearby surrounding area was identified as the area with the highest level of residential permit activity in 2001. This area is now subject to traffic congestion and other growth-related impacts. Of all dwellings for which County permits were issued in 2001, 41 percent were located in the greater Nipomo area.

Accordingly, staff is recommending that this \$186,300 grant be provided to the Nipomo Community Services District to fill a funding gap identified as part of street enhancements to Tefft Street between Thompson and Nipomo Creek. This project implements the Olde Towne Nipomo Design and Circulation Plan.

As proposed, these grant funds would enable the Nipomo Community Services District (NCSD) to install sewer and water laterals before Tefft Street is repaved. This will prevent future degradation of the street as new commercial development occurs along Tefft Street. As new commercial properties develop, those property owners will repay the NCSD for the cost of the laterals, and the NCSD will re-use the funds in Nipomo, subject to County approval. Thus, the grant will fill a funding gap already identified for an important project implementing the Olde Towne Nipomo Design and Circulation Plan, and will also prevent future damage to Tefft Street from new commercial development.

Staff is not recommending that this \$186,300 be distributed throughout the County because that would result in amounts too small for any significant benefit to each community through eligible physical improvement projects and would result in high administrative costs.

However, this grant program is scheduled to repeat in 2004 and 2005. Locations of high permit activity in 2002 and 2003 could then be identified for potential consideration in allocating the resulting grants. For example, San Miguel might exhibit the highest residential permit level for 2003 if pending developments proceed as scheduled.

Other Agency Involvement

The Nipomo Community Services District and the Nipomo Community Advisory Committee have been notified of this potential grant.

Financial Considerations

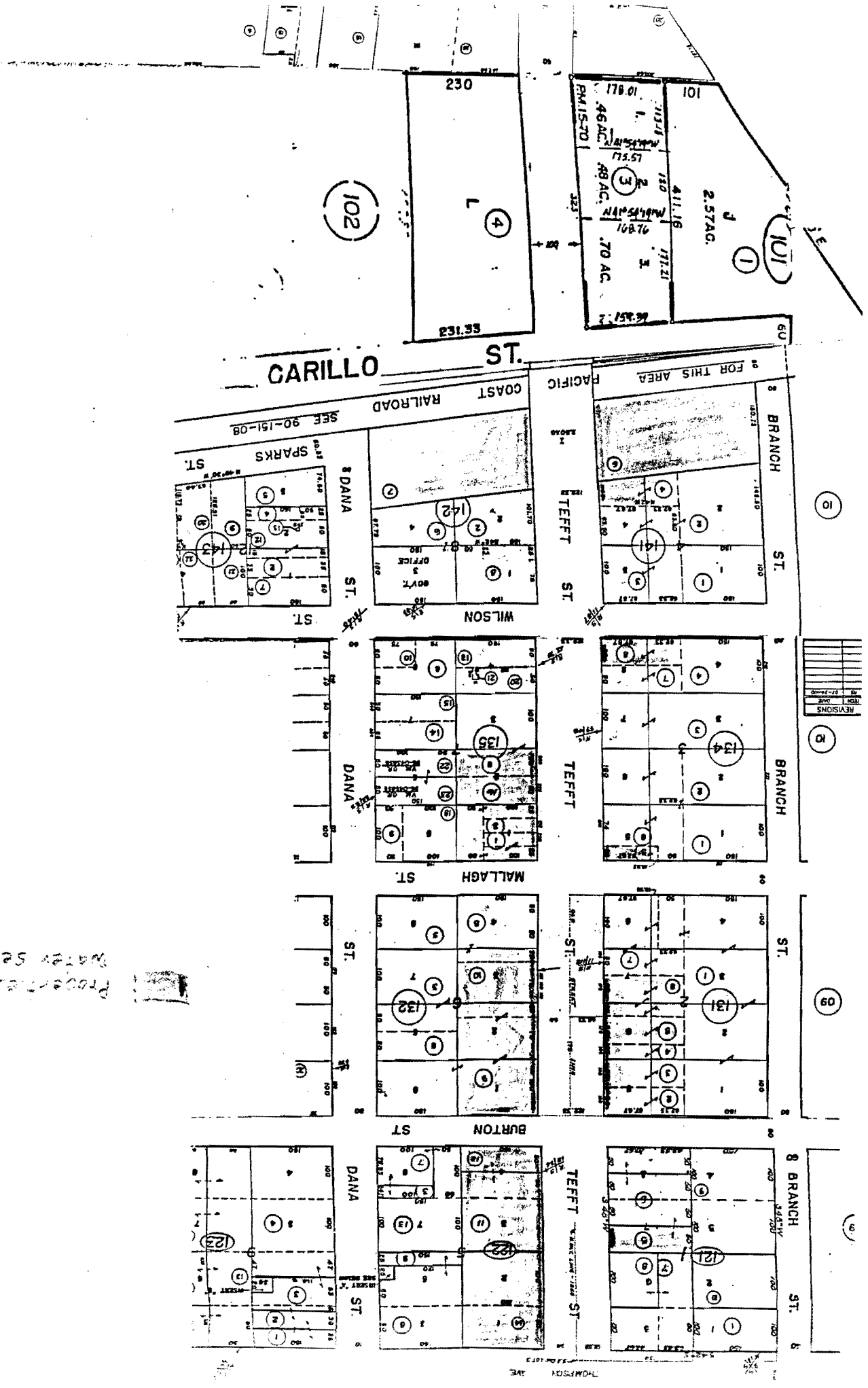
Allocating this grant to the Nipomo project will fill a funding gap previously identified.

The County's cost in administering will be small, since the NCSD can perform most of the administration, including entering into agreements with owners of commercial properties.

Results


The intended result of the staff-recommended use of this grant will be to improve Tefft Street and avoid future degradation of the newly paved street by installing sewer and water laterals before it is repaved.

G:\AGENDAS\Board of Supv\03-04-03\030403jobsgrntmem.wpd



24
17
32

PROCESSED WITHOUT WATER SERVICES

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: MARCH 5, 2003

AGENDA ITEM
12
MARCH 5, 2003

COASTAL COMMISSION

ITEM

The California Coastal Commission will be meeting in SLO March 4 through March 7, 2003


BACKGROUND

Director Vierheilig requested that this item be put on the agenda for discussion purposes

RECOMMENDATION

Information item

Board 2003/Coastal Commission.DOC

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: MARCH 5, 2003

AGENDA ITEM
E3
MARCH 5, 2003

LAFCO PROPOSED
SPHERE OF INFLUENCE

ITEM

Review proposed Sphere of Influence boundaries

BACKGROUND

At the last regular Board meeting, your Honorable Board directed staff to put this item on the agenda for general discussion.

RECOMMENDATION

Information item

Board 2003/LAFCO SOI.DOC

SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
Nipomo Community Services District
Sphere of Influence Update – Municipal Service Review

WHAT'S HAPPENING?

The Local Agency Formation Commission of San Luis Obispo is preparing a Sphere of Influence Update and Municipal Service Review for the Nipomo Community Services District. A Sphere of Influence (SOI) is the area where the Community Services District might extend its services in the next 20 years. The Municipal Service Review studies the District's capability to provide services to its existing service area as well as the SOI areas that may be served by the District in the future. In order to evaluate the District's potential SOI, the area has been divided into eight study areas that are shown on the attached map. Each area is being evaluated in terms of existing land use, future development potential, and resources that might be needed to serve these areas. A Draft Sphere of Influence Update and Municipal Service Review is being prepared and will be released for public review and comment prior to public hearings. **The attached map does not represent the Sphere of Influence for the District.**

WHAT CAN I DO?

Please review the attached map and use the comment form to provide any comments or relevant information about the eight areas being studied. You may attach additional comments and/or information as needed. This could include information about existing land uses in an area, possible future development, applicable land use policies, potential impacts of including (or not including) an area in the District's SOI, the District's capability to serve the areas, resources available to serve the areas, or any other pertinent information. Information about what areas the SOI should or should not include and why would also be appreciated.

WHAT OTHER INFORMATION IS AVAILABLE?

Please visit our website at WWW.SLLOAFCO.COM to download the map and comment form. You may provide comments regarding the SOI areas by e-mailing us at our website, or send comments directly to DCHURCH@SLLOAFCO.COM.

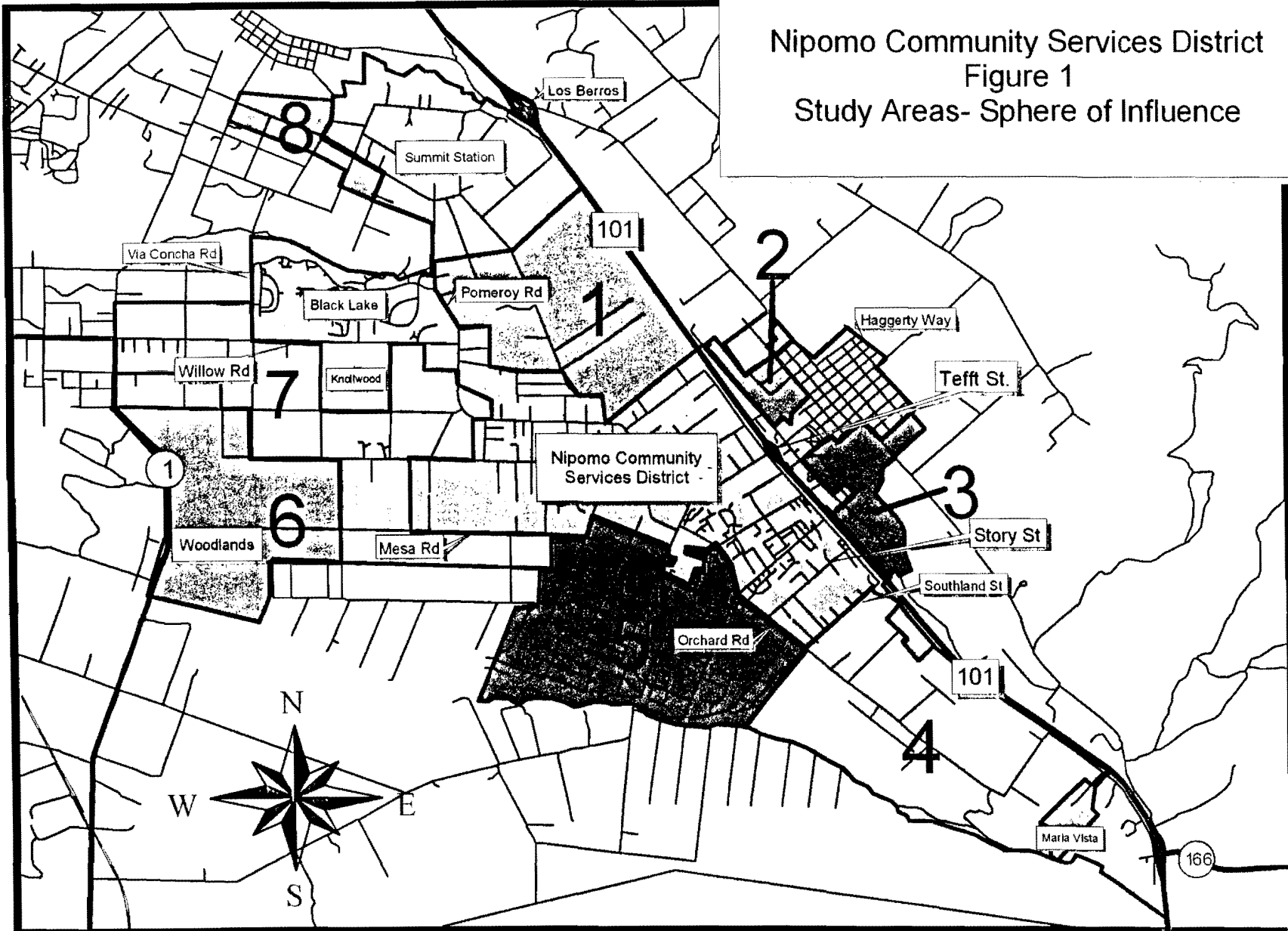
IS THERE A DEADLINE?

Please submit any comments you may have regarding the Study Areas by **March 17, 2003**. Status reports and study sessions will be presented at the Commission's regularly scheduled meetings on February 20, 2003 and March 20, 2003.

CONTACT

If you have any questions, please call David Church at 805-788-2096. Correspondence should be addressed to 1042 Pacific Street, Suite A, San Luis Obispo, CA 93401. LAFCO's FAX number is 805-788-2072.

Nipomo Community Services District
Figure 1
Study Areas- Sphere of Influence



**COMMENT FORM
STUDY AREAS-SPHERE OF INFLUENCE
NIPOMO COMMUNITY SERVICES DISTRICT**

Area #1. This area is located west of Highway 101, north of the Tefft Street with properties zoned Residential Rural and Agriculture. Includes Canada Ranch & Mehlschau sites.

Area #2. This area is located to the north of Olde Towne Nipomo and east Highway 101 and is zoned agriculture with the High School located in the northeast corner of the area.

Area #3. This area is located east of Highway 101 and south of Olde Towne Nipomo, is zoned Residential Single Family and Agriculture.

Area #4. This area is located to the south of the current District boundary at Southland and north of the Santa Maria River and is zoned Rural Lands and Commercial Service.

FEB 14 2003

**COMMENT FORM
STUDY AREAS-SPHERE OF INFLUENCE
NIPOMO COMMUNITY SERVICES DISTRICT**

Area #5. This area is just west of the District's existing boundary and is zoned Residential Suburban and Residential Single Family.

Area #6. The Woodlands is the site of a Specific Plan that proposes 1,320 residential units, 45 holes of golf, a business park and commercial development to be built over an 18-year period.

Area #7. This area is east of the Woodlands project and Highway One and south of Willow Road. The area is zoned Residential Rural with two smaller parcels zoned agriculture.

Area #8. This area is located on the west side of Highway 101, to the west of the Summit Station area and south of Los Berros. The area is zoned Residential Rural.

NIPOMO COMMUNITY SERVICES DISTRICT
 Sphere of Influence Update and Municipal Service Review Schedule

| Task | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG |
|---------------------------------|--|-----|-----|----------------|-----|-----------|-----|-----|-----|
| Information Gathering | █ | | | | | | | | |
| Prepare Draft Documents | | █ | | | | | | | |
| Prepare Environmental Documents | Length of time depends on if an Negative Declaration or EIR is required. | | | | | | | | |
| Public Review Period | | | | █ 45 – 60 DAYS | | | | | |
| Incorporate comments | | | | | | █ 15 DAYS | | | |
| LAFCO Hearing | | | | | | | █ | | |

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: MARCH 5, 2003

AGENDA ITEM
F
MARCH 5, 2003

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 February 19, 2003, Regular Board meeting

Bd2002\Consent-030503.DOC

WARRANTS MARCH 5, 2003

**AGENDA ITEM
F-1
MARCH 5, 2003**

HAND WRITTEN CHECKS

| | | | |
|-------|----------|---------------|--------|
| 18592 | 02-19-03 | R MOTLEY | 461.36 |
| 18593 | 02-19-03 | R RODRIGUEZ | 110.00 |
| 18594 | 02-24-03 | COUNTY OF SLO | 14.00 |
| 18595 | 02-26-03 | M WINN | 50.00 |
| 18596 | 02-26-03 | J WIRSING | 50.00 |

COMPUTER GENERATED CHECKS

VOID None

| number | Date | Vendor/Organization | Invoice Id | Date | Description/Reference | Period | Amount | Amount Paid |
|--------|----------|---------------------------------|------------|----------|-----------------------|---------|-----------|---------------------------|
| 7810 | 02/28/03 | EMP01 EMPLOYMENT DEVELOP DEPT | A30224 | 02/24/03 | STATE INCOME TAX | 02-03 | 421.91 | 421.91 |
| 7811 | 02/28/03 | MID01 MIDSTATE BANK-PR TAX DEP | A30224 | 02/24/03 | COMBINED CHECK | 02-03 | 2173.41 | 2173.41 |
| 7812 | 02/28/03 | MID02 MIDSTATE BANK - DIRECT DP | A30224 | 02/24/03 | NET PAY DEDUCTION | 02-03 | 13442.18 | 13442.18 |
| 7813 | 02/28/03 | PER01 PERS RETIREMENT | A30224 | 02/24/03 | COMBINED CHECK | 02-03 | 2362.30 | 2362.30 |
| 7814 | 02/28/03 | SIM01 SIMMONS, DEBRA | A30224 | 02/24/03 | WAGE ASSIGNMENT | 02-03 | 150.00 | 150.00 |
| 7815 | 02/28/03 | STA01 STATE STREET GLOBAL | A30224 | 02/24/03 | DEFERRED COMP | 02-03 | 735.00 | 735.00 |
| | | | | | | | | |
| 007816 | 03/05/03 | AWW02 AMERICAN WATER WORKS ASSO | | 645.00 | .00 | 645.00 | A30227 | AWWA CONFERENCE-BOB BLAIR |
| 007817 | 03/05/03 | BCS01 BASIC CHEMICAL SOLUTIONS | | 751.35 | .00 | 751.35 | S1308741 | SODIUM HYPOCHLORITE-BL WW |
| 007818 | 03/05/03 | BLA01 BLAIR, ROBERT L | | 100.00 | .00 | 100.00 | 030503 | REGULAR BOARD MTG 3/5/03 |
| 007819 | 03/05/03 | CHA02 CHARTER COMMUNICATIONS | | 54.90 | .00 | 54.90 | A30227 | INTERNET SERVICE |
| 007820 | 03/05/03 | COM02 COMMUNICATION SOLUTIONS | | 217.50 | .00 | 217.50 | 3122 | REPAIR OAKS LIFT STATION |
| | | | | 625.54 | .00 | 625.54 | 3123 | BRACKEN L/S REPAIR |
| | | | | 145.00 | .00 | 145.00 | 3124 | SCADA SYSTEM REPAIRS |
| | | Check Total.....: | | 988.04 | .00 | 988.04 | | |
| 007821 | 03/05/03 | COR01 CORBIN WILLITS SYSTEMS | | 545.48 | .00 | 545.48 | A302151 | MONTHLY MAINTENANCE FEE |
| 007822 | 03/05/03 | CRE01 CREEK ENVIRONMENTAL LABS | | 30.00 | .00 | 30.00 | K0481 | BL WWTP LAB TEST |
| | | | | 30.00 | .00 | 30.00 | K0553 | BL WWTP LAB TEST |
| | | | | 30.00 | .00 | 30.00 | K0576 | BL WWTP LAB TEST |
| | | Check Total.....: | | 90.00 | .00 | 90.00 | | |
| 007823 | 03/05/03 | CSD01 CALIF SPECIAL DIST ASSOC | | 290.00 | .00 | 290.00 | A30227 | GOV AFFAIRS DAY-BOB AND M |
| 007824 | 03/05/03 | DEN01 DENDY & ASSOCIATES | | 1400.00 | .00 | 1400.00 | JANUARY | GROUNDWATER LITIGATION SE |
| 007825 | 03/05/03 | FED01 FED EX | | 88.10 | .00 | 88.10 | 457310449 | FED EX FOR BOND ISSUE |
| | | | | 35.72 | .00 | 35.72 | 457353297 | FED EX TO LEXISNEXIS |
| | | Check Total.....: | | 123.82 | .00 | 123.82 | | |
| 007826 | 03/05/03 | FER01 FERGUSON ENTERPRISES INC | | 148.97 | .00 | 148.97 | 455243 | GRIP WRENCH/PIPE CUTTERS |
| 007827 | 03/05/03 | FGL01 FGL ENVIRONMENTAL | | 44.80 | .00 | 44.80 | 301096A | NIPOMO WWTP LAB TEST |
| | | | | 44.80 | .00 | 44.80 | 301350A | BL WWTP LAB TEST |
| | | | | 44.80 | .00 | 44.80 | 301351A | NIPOMO WWTP LAB TEST |
| | | Check Total.....: | | 134.40 | .00 | 134.40 | | |

COMPUTER GENERATED CHECKS

| Check Number | Check Date | Vendor Number | Name | Gross Amount | Discount Amount | Net Amount | Invoice # | Payment Information Description |
|--------------|------------|---------------|---------------------------|----------------------------|-------------------|----------------------------|------------------------------------|--|
| 007828 | 03/05/03 | GIL02 | GILLESPIE, SCOTT | 1968.83 | .00 | 1968.83 | A30227 | SUMMIT STATION BOOSTER PU |
| 007829 | 03/05/03 | GRO01 | GROENIGER & CO | 248.05 | .00 | 248.05 | 231517T | FLANGED COUPLINGS/SUPPLIE |
| 007830 | 03/05/03 | GSI01 | GSI SOILS, INC. | 910.00 | .00 | 910.00 | 8952 | WATERLINE SOIL COMPACTION |
| 007831 | 03/05/03 | GWA01 | GWA INC | 25.00 | .00 | 25.00 | A30227 | MONTHLY ALARM MONITORING |
| 007832 | 03/05/03 | IKO01 | IKON OFFICE SOLUTIONS | 47.20 | .00 | 47.20 | 16084304 | MONTHLY MAINTENANCE FEE |
| 007833 | 03/05/03 | IND01 | INDUSTRIAL MEDICAL GROUP | 135.00 | .00 | 135.00 | XXNNI003 | PHYSICAL/DRUG SCREEN-NEW |
| 007834 | 03/05/03 | NEX01 | NEXTEL COMMUNICATIONS | 375.24 | .00 | 375.24 | 87314-015 | NEXTEL PHONE/MONTHLY SERV |
| 007835 | 03/05/03 | NIC01 | NICKSON'S MACHINE SHOP | 1188.11 | .00 | 1188.11 | 1030100 | SUNDALE REPAIR |
| 007836 | 03/05/03 | PAC01 | PACBELL/WORLDCOM | 14.57 | .00 | 14.57 | T1071871 | TELEPHONE SERVICE |
| 007837 | 03/05/03 | PER02 | CALIF PUBLIC EMPLOYEES' | 4824.21 | .00 | 4824.21 | MARCH | MARCH HEALTH INSURANCE |
| 007838 | 03/05/03 | PLA01 | PLATINUM PLUS FOR BUSINES | 500.00 733.32 179.81 | .00 .00 .00 | 500.00 733.32 179.81 | FEBRUARY FEBRUARY1 FEBRUARY2 | AWWA SEMINAR-RICK & RIGO PICK UP REPAIRS OPERATING SUPPLIES |
| | | | Check Total.....: | 1413.13 | .00 | 1413.13 | | |
| 007839 | 03/05/03 | PRE01 | PRECISION JANITORIAL | 275.00 | .00 | 275.00 | 111 | FEBRUARY JANITORIAL SERVI |
| 007840 | 03/05/03 | PUL01 | PULITZER CENTRAL COAST NP | 168.75 | .00 | 168.75 | 139199 | SOLID WASTE ORDINANCE PUB |
| 007841 | 03/05/03 | QUI03 | QUINN RENTAL SERVICES | 34.27 | .00 | 34.27 | 2041105 | SLEDGE HAMMER |
| 007842 | 03/05/03 | RIC01 | RICHARDS, WATSON, GERSHON | 23017.11 539.46 | .00 .00 | 23017.11 539.46 | 125584 125585 | GROUNDWATER LITIGATION SAVE THE MESA |
| | | | Check Total.....: | 23556.57 | .00 | 23556.57 | | |
| 007843 | 03/05/03 | SAN01 | SANTA MARIA TIRE INC | 413.63 27.03 45.03 | .00 .00 .00 | 413.63 27.03 45.03 | 411166 411299 411308 | CHEVY TIRES/OIL/LUBE/FILT TOYOTA LUBE/OIL/FILTER DODGE OIL/LUBE/FILTER |
| | | | Check Total.....: | 485.69 | .00 | 485.69 | | |
| 007844 | 03/05/03 | SLO02 | DIV OF ENVIRON HEALTH | 620.00 | .00 | 620.00 | 24965 | LAB TESTS |
| 007845 | 03/05/03 | STA02 | STATE WORKERS' COMP FUND | 2051.11 | .00 | 2051.11 | FEBRUARY | W/C INSURANCE-FEB PREMIUM |
| 007846 | 03/05/03 | THE01 | THE GAS COMPANY | 71.35 | .00 | 71.35 | A30227 | HEATING OFFICE |
| 007847 | 03/05/03 | TIE01 | TIERRA CONTRACTING, INC. | 215385.75 | .00 | 215385.75 | 1918 | PROGRESS BILLING-MONTECIT |
| 007848 | 03/05/03 | TRO01 | TROTTER, CLIFFORD | 100.00 | .00 | 100.00 | 030503 | REGULAR BOARD MTG 3/5/03 |
| 007849 | 03/05/03 | UND01 | UNDERGROUND SERVICE ALERT | 126.00 | .00 | 126.00 | 30020062 | UNDERGROUND SERVICE ALERT |
| 007850 | 03/05/03 | VIE01 | VIERHEILIG, LARRY | 100.00 | .00 | 100.00 | 030503 | REGULAR BOARD MTG 3/5/03 |
| 007851 | 03/05/03 | WIN01 | WINN, MICHAEL | 100.00 | .00 | 100.00 | 030503 | REGULAR BOARD MTG 3/5/03 |
| 007852 | 03/05/03 | WIR02 | WIRSING, JUDY | 100.00 | .00 | 100.00 | 030503 | REGULAR BOARD MTG 3/5/03 |

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

FEBRUARY 19, 2003

F 2

REGULAR MEETING 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

MICHAEL WINN, PRESIDENT
JUDITH WIRSING, VICE PRESIDENT
ROBERT BLAIR, DIRECTOR
CLIFFORD TROTTER, DIRECTOR
LARRY VIERHEILIG, 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.
Consistent with the Americans with Disabilities Act, NCSD Board agendas and other writings will be made available to disabled persons in an appropriate alternate format. (If assistance is needed, please contact the District office at least one day before the meeting.)

A. CALL TO ORDER AND FLAG SALUTE

President Winn called the meeting to order at 9:03 a.m.

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.

The following members of the public spoke:

Bob Blair, Nipomo resident- Wishes to express condolences to the family of Mr. John Mylan, one of the founding fathers of the Nipomo Community Services District. He will be missed by many. Asks that staff send a letter of condolences.

Freddie Otte, Central Coast Salmon Enhancement program – Spoke to the Board and the audience about a meeting to be held March 4, 2003, in the District Boardroom.

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

D-1) URBAN WATER MANAGEMENT PLAN - DRAFT

Review administrative draft for Board of Directors comments

The draft Urban Water Management Plan was explained to the Board. The Board members will bring comments back by Feb. 28th to be incorporated into the plan.

The following members of the public spoke:

Ed Eby, NCSD Customer – asked questions and made comments about the plan.
Handed out letter to Board.

Dave Watson, Rep. for King Ventures – suggested an appendix for plan
The Board further discussed the plan. There was no action taken.

D-2) DISTRICT ANNEXATION POLICY

Review possible revision to existing policy

Jon Seitz, District Legal Counsel, explained the proposed changes in the Annexation Policy. Discussion of the policy followed.

The following members of the public spoke:

Ed Eby, NCSD Customer – commented on the proposed policy. His letter, handed to the Board earlier, also contained comments on the proposed policy. If hardship considered, then he asks that mitigation measures be taken.

Jesse Hill, NCSD Customer, Property Owner – Commented on the proposed policy and the City of Santa Maria groundwater rights.

Jim Kinninger, Pres. of NCAC - asked that the supplemental water aspect be nailed down.

James Pudwill, Nipomo resident – said his well level has dropped from 133 ft. to 75 ft. and feels that Nipomo is taking his water. He feels he should not have to provide supplemental water for his annexation.

Greg Nester, NCSD Customer – Would like to continue forward in these projects.

Homer Fox, NCSD Resident – requested Board show latitude to the Pudwill project.

MINUTES SUBJECT TO BOARD APPROVAL

- D-2) (cont) DISTRICT ANNEXATION POLICY
Review possible revision to existing policy

Upon motion of Director Wirsing and seconded by Director Vierheilg, the Board unanimously agreed to table this item until the next meeting. Vote 5-0

- D-3) a) ANNEXATION NO. 22 – TRACT 2784 - PUDWILL
Review resolution conditionally approving annexation No. 22 and Annexation Agreement
b) ANNEXATION NO. 23 – TRACT 2499 - LEM
Review resolution conditionally approving annexation No. 23 and Annexation Agreement
c) PROPOSED ANNEXATION NO. 24 - LYN ROAD (Previously called Robertson Annexation)
Review water service report, resolution conditionally approving annexation & Annexation Agreement

The Board discussed the proposed annexations. Director Wirsing made a motion to table all four annexations including Item D-4. Director Trotter seconded.

The following members of the public spoke:

Greg Nester, NCSD Customer and developer – Asked the Board to consider property rights and that it was unrealistic to have small project pay for a supplemental water search.
George Newman, Nipomo resident – Would like some direction whether the Board will annex.

Ed Eby, NCSD resident – asked for the Board to deny request for the Newman annexation. His letter, handed to the Board earlier, also contained comments on the proposed Newman annexation.

Erik Benham, developer for Maria Vista – Asked the Board to do the supplemental water search instead of each development.

Homer Fox, NCSD Resident – Asked if Mr. Pudwill would have to give up water rights. Mr. Seitz will refer this matter to the special water counsel.

George Newman – rebuttal to Mr. Eby's comments. There is nothing new in his request. He has looked for other water. He is asking for a denial letter from NCSD in order to get water elsewhere.

Gene Mintz, Lyn Road annexation resident – Asked the Board for hardship consideration. He used to have water on his property but it is now gone. He and the other property owners have agreed to the restrictions put on the annexation.

The Board discussed the matter.

Director Trotter feels the District should be the lead agency to pursue supplemental water. Director Wirsing agrees that NCSD needs to find supplemental water. Would like to have report on search for supplemental water on the next agenda.

Director Vierheilg understood that the applicant MAY not will or shall find supplemental water until we know the condition of the groundwater basin.

Director Blair cannot support a delay for the annexation requests.

President Winn also cannot support a delay for all four annexation requests.

Director Wirsing modified the motion to table a) and b) {Annexations 22, 23} until the next meeting – March 5th. Director Trotter seconded the motion. Vote 3-2 with Directors Vierheilg and Blair voting no.

Upon motion of Director Trotter and seconded by Director Wirsing, the Board agreed to table D-3 {c} and bring back Lyn Road parcels annexation for approval of an annexation agreement to provide water to eleven (11) parcels. Vote 5-0

The following member of the public spoke:

Greg Nester, developer – Said Lem & Pudwill projects were given a condition of approval in September.

President Winn called for a short break at 11:10 a.m..
The Board reconvened at 11:24 a.m.

- D-4) REQUEST FOR ANNEXATION – OAKRIDGE (NEWMAN)
Request to annex approx. 285 acres north of Sandydale Rd. & west of Hwy 101

Upon motion of Director Trotter and seconded by Director Wirsing, the Board agreed to table this annexation request until the next meeting. Vote 5-0

The following members of the public spoke:

George Newman, developer – Perhaps the vernacular should be changed from immediate need to something different.

Ed Eby, NCSD Resident – described Mr. Newman's project as not having an immediate need for water, which is the Board's condition of annexation.

E. OTHER BUSINESS

- E-1) UTILITY BILLING
Review utility billing mailer alternatives

The Board heard Lisa Bognuda, Assistant Administrator, explain the utility billing alternatives. Board discussion ensued. There was no public comment. Upon motion of Director Wirsing and seconded by Director Vierheilg, the Board agreed to proceed with Option 2 as outlined in the Board letter. Vote 5-0

- 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 January 31, 2003, Special Board meeting
Minutes of February 5, 2003, Regular Board meeting

Upon motion of Director Blair and seconded by Director Vierheilg, the Board approved the Consent Agenda, as amended in D-4. Vote 5-0

G. MANAGER'S REPORT

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

- G-1) SUMMIT STATION – GENERAL PLAN AMENDMENT
Propose lifting restriction on subdividing and secondary units

H. COMMITTEE REPORTS

President Winn reported that the Annexation Committee met. He and Director Wirsing discussed the Annexation Policy.

Directors Vierheilg and Trotter awaiting info on the Finance Committee.

I. DIRECTORS COMMENTS

Director Blair – mentioned the PERS situation and Gov. Davis

Director Vierheilg – Coastal Commission – do we want to participate and to what extent?

President Winn – Water Planning Forum – Mon Feb. 17

Circulation meeting with County staff Thurs. 10:00 to 1:00.

Water shed meeting – March 4

NCAC meeting Monday February 24

Jon Seitz, District Legal Counsel, announced the need to go into Closed Session and offered the public a chance to comment on any item on the Closed Session before CS begins.

The following member of the public spoke:

Erik Benham, Maria Vista project developer – addressed the Board with some of his concerns.

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 CASE NO. CV 020181
- C. WATER LINE EASEMENT ACROSS COUNTY PARK - DISTRICT NEGOTIATOR - DOUG JONES, CONFERENCE WITH NEGOTIATOR GC§54956.8 COUNTY NEGOTIATOR - PETE JENNY, REGARDING TERMS & PRICE.
- D. ANTICIPATED/INITIATE LITIGATION, ONE CASE

The Board came back into Open Session and had no reportable action.

ADJOURN

President Winn adjourned the meeting at 1:10 p.m.

The next regular Board Meeting will be held on March 5, 2003, at 9:00 a.m.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: MARCH 5, 2003

AGENDA ITEM
G
MARCH 5, 2003

MANAGER'S REPORT

- G-1) SPECIAL BOARD MEETINGS TO BE SCHEDULED FOR MARCH 14 AND 28, 2003
There will be two special Board meetings scheduled with the financial consultant and bond counsel to review and take the appropriate action for the sale of the bonds.