

NIPOMO COMMUNITY SERVICES DISTRICT AGENDA

AUGUST 27, 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

DOUG JONES, GENERAL MANAGER
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL

John Snyder
5120
1020
150
1170

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 NEXT RESOLUTION 2003-876
B. ROLL CALL NEXT ORDINANCE 2003-98
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) DISTRICT-INSTALLED SEWER LINE REIMBURSEMENT – STORY STREET
Public Hearing to establish sewer line reimbursement costs for Story St. & Meredith Extension
D-2) REQUEST FOR SERVICE – TRACT 2441 (GRAY TRUST)
Request for renewal of an Intent-to-Serve for a 38-lot project at Blume & Grande
D-3) REVIEW EXISTING ANNEXATION POLICY
Review possible modifications to the policy
D-4) DRAFT MEMORANDUM OF AGREEMENT ON SPHERE OF INFLUENCE (SOI)
Review draft agreement between SLO County and NCSD on District SOI boundary
D-5) REVIEW SPHERE OF INFLUENCE (SOI)
Approve LAFCo SOI study area

E. OTHER BUSINESS

- E-1) DISTRICT PERSONNEL
Consider recruitment of Utility Worker I Position
E-2) GENERAL MANAGER RECRUITMENT
Review recruitment schedule

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 August 13, 2003, Regular Board meeting

G. MANAGER'S REPORT

H. COMMITTEE REPORTS

I. DIRECTORS COMMENTS


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. WATER LINE EASEMENT ACROSS COUNTY PARK - DISTRICT NEGOTIATOR - DOUG JONES. CONFERENCE WITH NEGOTIATOR GC§54956.8 COUNTY NEGOTIATOR - PETE JENNY, REGARDING TERMS & PRICE.

ADJOURN

The next regular Board meeting will be September 10, 2003.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: AUGUST 27, 2003

AGENDA ITEM
D1
AUGUST 27, 2003

DISTRICT-INSTALLED SEWER LINE REIMBURSEMENT
STORY STREET

ITEM

PUBLIC HEARING to establish sewer line reimbursement costs

BACKGROUND

The District acquired a Community Block Grant to connect the People's Self-Help Housing, Montecito Verde II, development to the District's area-wide sewer collector system. The connection was constructed in the Meredith extension to Story Street and in Story Street to Crystal Way. Most of the engineering and construction of the improvements for Montecito Verde II were paid for by the Community Block Grant. The Story Street and the Meredith extension connections were paid from the District's sewer capacity funds. On May 14, 2003, the District adopted an ordinance amending Chapter 4.2 of the District Code to allow the District to collect reimbursement fees for District-installed sewer line construction similar to reimbursement of District-installed water line construction costs.

The sewer line constructed in Story Street and the Meredith extension costs are attached for the Board's review along with a diagram showing where the sewer lines were constructed. Letters were sent to the property owners who may connect to the sewer lines and if so would reimburse the District for a proportional cost of those improvements.

Now is the time to hold a Public Hearing to review the costs and any input from the property owners that may wish to connect to these facilities.

RECOMMENDATION

Staff recommends that your Honorable Board adopt the attached resolution setting reimbursement fees for the Story Street and the Meredith extension sewer line.

Exhibit "A" – Map
Exhibit "B" – Engineer's Report

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

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
APPROVING REIMBURSEMENT CHARGES
FOR DISTRICT INSTALLED SEWER MAINS
(DISTRICT CODE §4.12.085A)**

WHEREAS, the Board of Directors of the Nipomo Community Services District (herein "District") has adopted District Code §4.12.085A to provide for the recovery of District costs, based on "front footage" from new sewer services connecting to District installed sewer mains; and

WHEREAS, the District has constructed, a sewer main in Story Street and Meredith Extension (herein "Story Street/Meredith Extension"), as described in the Staff Report and Exhibits "A" and "B"; and

WHEREAS, §5.01.030(C) of the District Code provides the method of establishing the front footage free fee; and

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

- A. The District Engineer's Report pro-rating District sewer construction costs against all lots or parcels which in the future may be served by direct connection to the District installed sewer mains is approved.
- B. That all lots or parcels identified in the Engineer's Report have been provided notice as required by District Code §5.01.030 C 1.
- C. That the District did not receive protests concerning the division or spread of actual and necessary construction costs against affected lots or parcels.
- D. The public meeting adopting this Resolution has been properly noticed pursuant to Government Code Section 54954.2 (the Brown Act); and that the District has complied with the requirements of District Code Sections 4.12.085 and 5.01.030C.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED, by the Nipomo Community Services District Board of Directors as follows:

SECTION 1. The Engineer's Report prorating District costs as front footage fees is hereby adopted and approved.

SECTION 2. The proration of costs against all lots and parcels as identified in the Engineer's Report is adopted and determined as final.

**NIPOMO COMMUNITY SERVICES DISTRICT
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APPROVING REIMBURSEMENT CHARGES
FOR DISTRICT INSTALLED SEWER MAINS
(DISTRICT CODE §4.12.085A)**

SECTION 3. The above-referenced recitals and findings are determined to be true and correct and are incorporated herein.

SECTION 4. The District General Manager is hereby authorized to record a Notice of Reimbursement Charges on all parcels affected by this Resolution.

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

AYES: Directors:
NOES:
ABSENT:
CONFLICTS:

The foregoing Resolution is hereby passed, approved and adopted by the Board of Directors of the Nipomo Community Services District this 27th day of August, 2003.

Michael Winn, President,
Board of Directors
Nipomo Community Services District

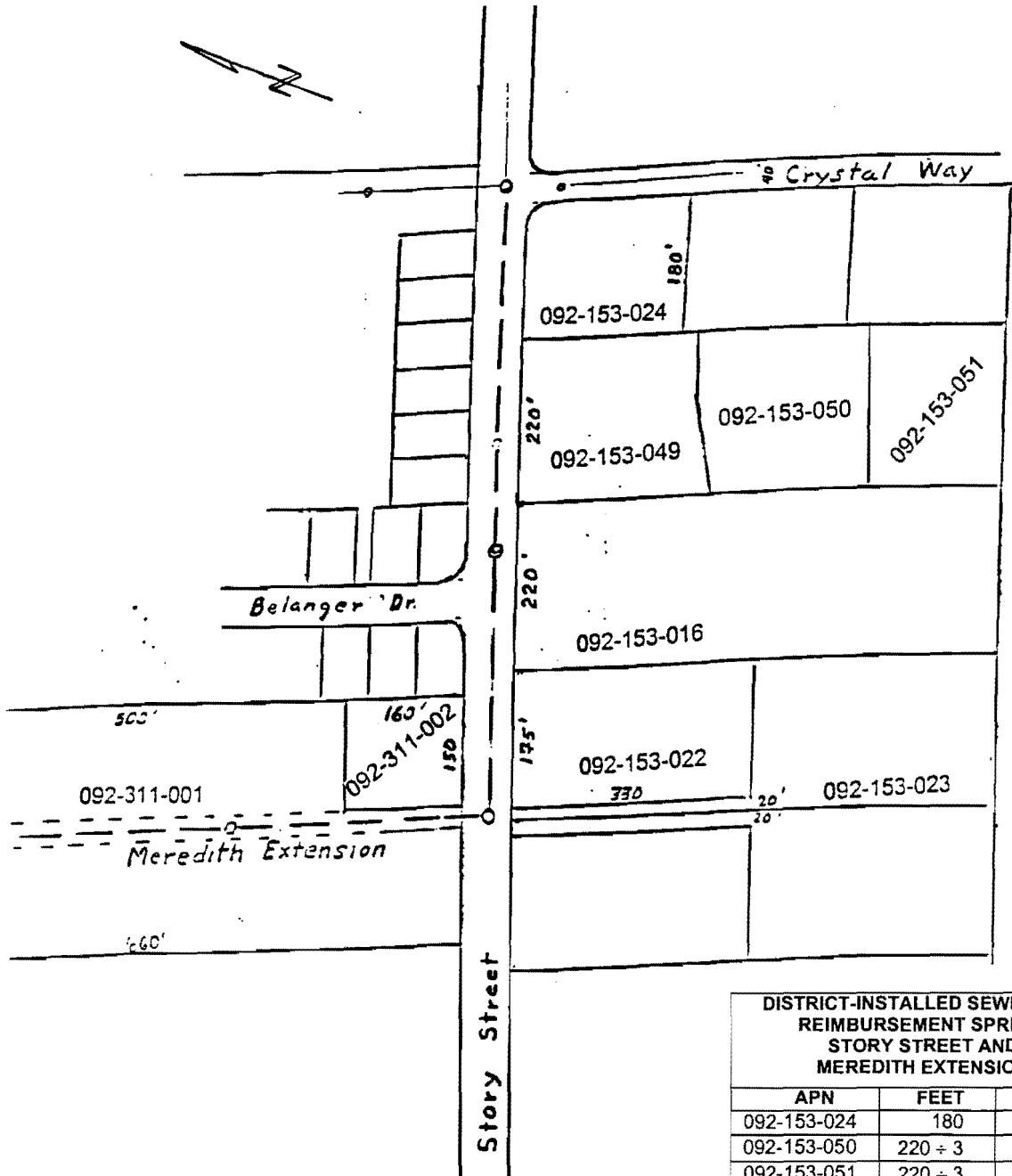
ATTEST:

Donna Johnson,
Secretary to the Board of Directors

NIPOMO COMMUNITY SERVICES DISTRICT
 RESOLUTION NO. 2003 - _____

A RESOLUTION OF THE BOARD OF DIRECTORS
 OF THE NIPOMO COMMUNITY SERVICES DISTRICT
 APPROVING REIMBURSEMENT CHARGES
 FOR DISTRICT INSTALLED SEWER MAINS
 (DISTRICT CODE §4.12.085A)

EXHIBIT A



DISTRICT-INSTALLED SEWER LINE REIMBURSEMENT SPREAD STORY STREET AND MEREDITH EXTENSION		
APN	FEET	TOTAL
092-153-024	180	\$14,490.00
092-153-050	220 ÷ 3	5,903.33
092-153-051	220 ÷ 3	5,903.33
092-153-049	220 ÷ 3	5,903.33
092-153-016	220	17,710.00
092-311-002	150	12,075.00
092-153-023	175	7,848.75
092-153-022	175	7,848.75
092-311-001	1160	43,442.00
092-311-002	160	5,992.00

**NIPOMO COMMUNITY SERVICES DISTRICT
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APPROVING REIMBURSEMENT CHARGES
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(DISTRICT CODE §4.12.085A)**

EXHIBIT B

**NIPOMO COMMUNITY SERVICES DISTRICT
STORY STREET – MEREDITH EXTENSION
SEWER REIMBURSEMENT COST RECOVERY**

STORY ROAD SEWERS – 825 FEET

ITEM	COST
8" sewer line	\$ 73,200.00
Tie-in to manhole	400.00
1½ Manholes	6,750.00
AC pavement	52,480.00
	\$ 132,830.00

$\$132,830.00 \div (825 \text{ feet} \times 2 = 1,650 \text{ feet}) = \80.50 per linear front foot

MEREDITH EXTENSION SEWER – 660 FEET

ITEM	COST
8" sewer line	\$ 45,310.00
Manholes	9,000.00
AC pavement	960.00
	\$ 55,270.00

$\$55,270.00 \div (738 \text{ feet} \times 2 = 1,320 \text{ feet}) = \37.45 per linear front foot

NIPOMO COMMUNITY

BOARD MEMBERS
MICHAEL WINN, PRESIDENT
JUDITH WIRSING, VICE PRESIDENT
ROBERT BLAIR, DIRECTOR
CLIFFORD TROTTER, DIRECTOR
LARRY VIERHEILIG, DIRECTOR



SERVICES DISTRICT

STAFF
DOUGLAS JONES, GENERAL MANAGER
JON SEITZ, GENERAL COUNSEL
DAN MIGLIAZZO, UTILITY SUPERVISOR

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932 Email address gm@nipomocsd.com

July 22, 2003

NOTICE OF PUBLIC HEARING MEREDITH EXTENSION SEWER

Dear Property Owner:

Nipomo Community Services District has constructed a sewer line in Story Street and the Meredith Extension as part of the Montecito Verde II sewer project.

Pursuant to District Ordinance 2003-97 any property requiring sewer service from a District-installed sewer line, will be required to reimburse the District a front footage cost of constructing the sewer line. The District has determined that your property fronts a District-installed sewer line. Enclosed are (1) a copy of the front footage area and (2) the calculations of the front footage costs. The costs are shared among front and rear lots facing the street on both sides of street.

The Board of Directors set a Public Hearing on the proposed reimbursement allocations for Wednesday, August 27, 2003, at 9:00 a.m. in the District Board room at 148 South Wilson Street, Nipomo, California. The Board will take public testimony before making their final determination on the proposed reimbursement allocation.

If you wish to protest the front footage costs, the reason for your protest must be in writing and received at the District office no later than 14 calendar days from the date of this notice. A protest will be considered only with the actual front footage construction costs. A protest shall not be concerned with the actual construction costs unless the protester can demonstrate fraud or willful concealment of the actual cost information as presented by the District's engineer.

You are NOT required to connect to the District sewer system unless you have a failing septic tank disposal system or if you wish to develop your property. If you wish to connect to the sewer line, the District will require payment of the front footage reimbursement fee as well as the District's current Sewer Capacity Fee. The current capacity fee for sewer is \$3048.00 per DUE.

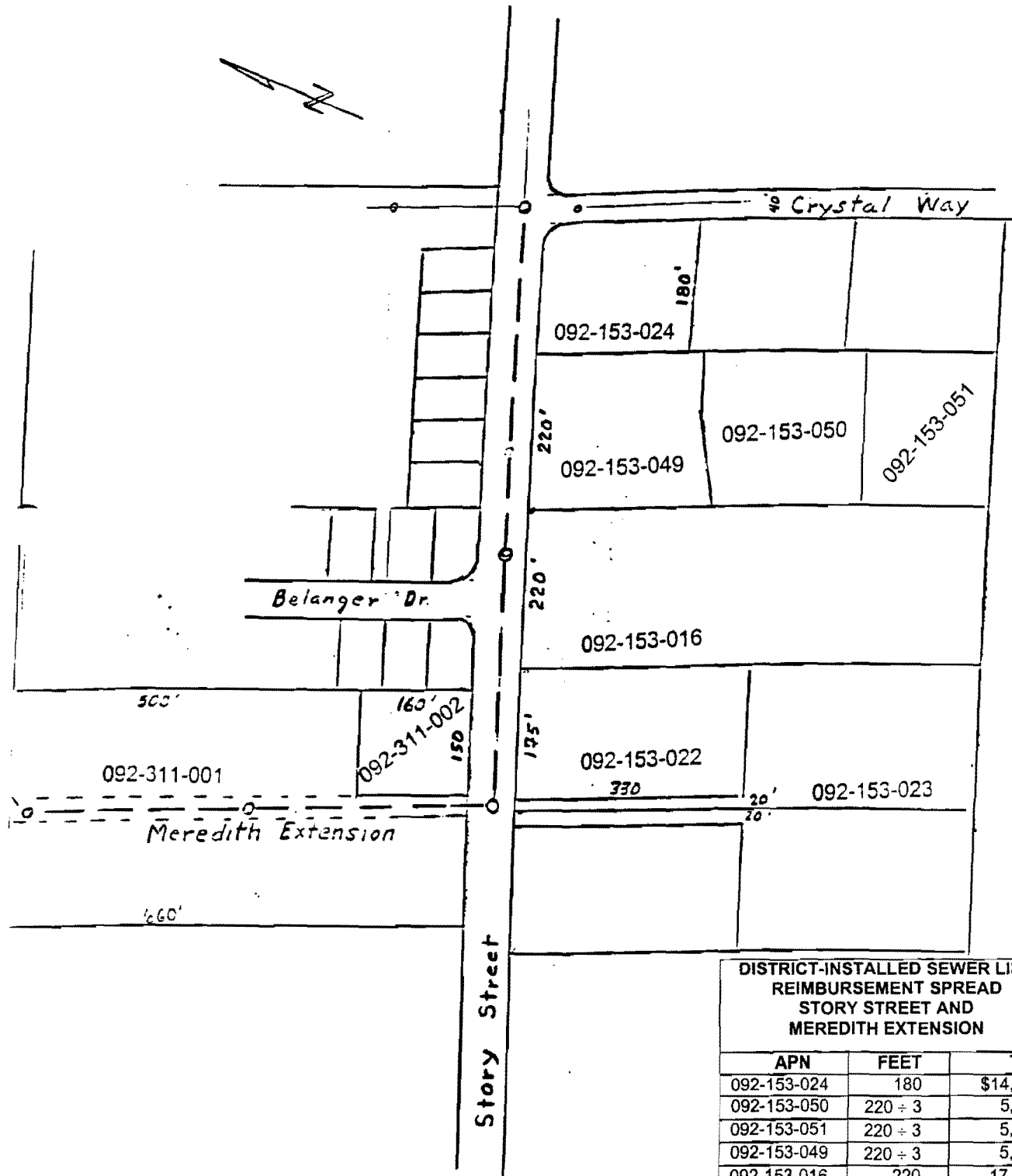
APN 092-311-001		ITEM	COST
Front footage cost	\$37.45 per foot X 1160 feet	8" sewer line	\$ 45,310.00
		Tie-in to manhole	400.00
		1½ Manholes	9,000.00
Location # 70453	Total \$ 43,442	AC pavement	960.00
		Total	\$ 55,270.00
		Length	738 feet

Public Hearing: August 27, 2003

If you have any questions, please feel free to contact our office at 929-1133.

Montecito Verde II/Reimb hearing notice Meredith

**NIPOMO COMMUNITY SERVICES DISTRICT
 STORY STREET-MEREDITH EXTENSION
 SEWER REIMBURSEMENT COST RECOVERY**



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NIPOMO COMMUNITY SERVICES DISTRICT

148 SOUTH WILSON STREET
POST OFFICE BOX 326
NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932
Email address gm@nipomocsd.com

MEMO

TO: BOARD
FROM: DOUG JONES
DATE: AUGUST 15, 2003
RE: DISTRICT INSTALLED SEWER LINE REIMBURSEMENT – MEREDITH EXTENSION BACKGROUND TO MR. DENNIS CAJAS LETTER (ATTACHED)

Under the direction of the California Regional Water Quality Control Board, the District connected the Montecito Verde II on-site sewer system to the District's area-wide sewer system via connection through the Meredith Extension and Story Street. The sewer line constructed on the Meredith Extension went through the property owned by Dennis Cajas. The assessor's parcel map indicated a 30-foot road easement through his property. The District hired appraiser Reeder, Gilman and Associates to determine the value of a sewer easement in the indicated road easement. The sewer easement was appraised at \$2,150.00. The Board approved that dollar amount to acquire an easement. Mr. Cajas was informed at that time that if he wished to connect to the District's sewer line, he would have to pay the appropriate District fees, the sewer capacity and construction costs of the sewer laterals. Mr. Cajas inquired about installing wyes during the construction. He was advised that installing the wyes would be between the contractor and him. He could directly pay the contractor for installing a number of wyes in the sewer line across his property. Mr. Cajas' parcel is approximately 4½ acres and could be split into a minimum of four lots.

The construction of the sewer line was completed in March of 2003. Approximately one year after Mr. Cajas executed the easement deed for the sewer line easement, your Honorable Board adopted Ordinance 2003-97 allowing reimbursements of District-installed sewer lines so the District could recover its cost.

During construction of the project, a property owner on Story was interested in connecting to the District's sewer line once it was extended across the front of his property. He, like Mr. Cajas, made arrangements with the contractor to install sewer laterals (since the sewer line was so deep) with anticipation of connecting to the sewer line once it was completed. At that time, the property owner on Story Street was informed that he would be responsible to pay for the sewer lateral, connection fee and possibly a front footage fee which had not yet been determined. Once the project was completed, the Board proceeded to adopt an ordinance for front footage fee reimbursement and held a public hearing to approve the fee.

Some options the Board may consider:

1. Waive the sewer line reimbursement front footage fee for Mr. Cajas
2. Give Mr. Cajas some consideration on the front footage fee
3. Have Mr. Cajas pay the front footage fee as presented to the Board

Any consideration given to Mr. Cajas should also be considered to the property owners on Story Street.

Nipomo Community Services District
148 South Wilson Street
Nipomo, Ca 93444-0326

August 7, 2003

Re: APN 092-311-001

Dear Board Members and Doug Jones:

I am responding to a notice which I just received yesterday August 6, 2003. I talked to Doug Jones today about submitting my protest letter on the Meredith Extension as part of the Montecito Verde II sewer project, after receiving the notice on August 6, 2003. Doug Jones said to submit a letter today.

I am protesting the frontage cost. I should not have to pay for the cost of laying a sewer line through the middle of my property. Before I agreed to let the district lay the sewer line and let them purchase the easement in the amount of \$ 2,150.00 through my property, I asked M. Lisa Borgquist, of Reeder, Gilman & Associated, who had first contacted me and did the research and appraisal process, if there was going to be any cost to me for installing the sewer line through my property, after it was done. Her response was no and that I was instead going to be paid for the easement to install the sewer line. I also questioned Doug Jones, General Manager and Rusty Garing, of Garing Taylor and Associates that supervised the project, if there would be any cost to me after the project was completed, I was told there would be no cost to me.

The agreement I signed did not mention any reimbursement cost or fees from me.

Before the start of the project, I talked to Doug Jones about adding future laterals and he referred me to Rusty Garing. Rusty said to contact Bill Parker, Project Manager of Tierra Contracting Inc., who did the installation of the project, of which I paid them the sum of \$500.00. Rusty and Bill both said it would be a good idea to install future laterals at that time, because it could be done easily when the sewer line was installed.

They said there would not be any added cost to me after it was done.

I did not contact the Nipomo Community Services District. I was contacted by the District to install the sewer, through my property.

If I knew I would have to pay a reimbursement cost after completion of the sewer project I would not have agreed to the easement.

RECEIVED

AUG 07 2003

NIPOMO COMMUNITY
SERVICES DISTRICT

I think the Nipomo Community Services are benefiting from this project on my behalf. I understood that there would be a sewer capacity fee, which is in the amount of \$ 3048.00. But I am protesting the "Front Footage Cost" extended to me.

I will be attending the meeting on August 27, 2003, 9:00 am.

Respectfully,

A handwritten signature in black ink, appearing to read "Dennis R Cajas". The signature is written in a cursive style with a large, sweeping initial "D".

Dennis R Cajas

P.S. I HAD CALLED YOU ON THE PHONE
ON MONDAY 7-30-01, AND TALKED TO
YOU, THAT THIS RESPONSE IS LATE
DUE TO RETRIEVAL FROM VICTON.

~~XXXXXXXXXX~~
DEANUS CAROL
YOURS TRULY

DEAR DONC:
I AGREE ON THE
OFFERED AMOUNT OF \$2150⁰⁰,
FOR THE PURCHASE REBATE
OF MY PROPERTY AT LOT 13,
10 NIPOMO OFF OF STONY STREET.
I WOULD ALSO LIKE TO
HAVE FUTURE TIE-IN RIGHTS,
TO THE SEWER SYSTEM, SHOULD
I DECIDE TO DEVELOP THE
PROPERTY IN THE FUTURE.

LOT # 13, PART OF LOT 26 OF
H.C. WARD'S SUBDIVISION NIPOMO.
7-31-01

RESOLUTION NO. 2002-814

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING AN EASEMENT FOR SEWER PURPOSES;
CAJAS APN 092-311-001

WHEREAS, the Nipomo Community Services District's (herein "District") is in need of an easement to construct a sewer collector system for the Montecito Verde II sewer project, and

WHEREAS, the Board finds that the said easement dedicated to District is necessary to construct a sewer collector system.

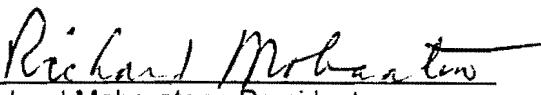
NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

1. That the Board of the Nipomo Community Services District approves and accepts the easement across APN 092-311-001 described as Exhibit "A", to construct a sewer collector system for the Montecito Verde II sewer project
2. That the Board authorizes compensation for said easement in the amount of \$2,150.00
3. That the Board authorizes the General Manager to execute the easement agreement and record such document

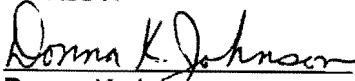
On the motion of Director Winn, seconded by Director Blair and on the following roll call vote, to wit:

AYES: Directors Winn, Blair, Trotter, Wirsing and Mobraaten
NOES: None
ABSENT: None
CONFLICTS: None

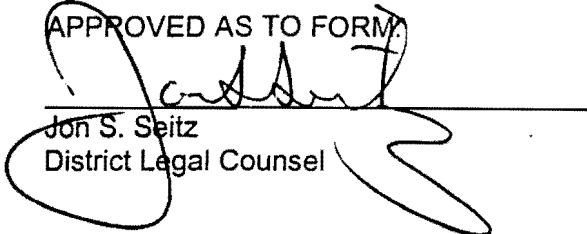
The foregoing hereby adopted this 1st day of May, 2002.


Richard Mobraaten, President
Nipomo Community Services District

ATTEST:


Donna K. Johnson
Secretary to the Board

APPROVED AS TO FORM


Jon S. Seitz
District Legal Counsel

JULIE RODEW^{Ver}
San Luis Obispo County – Clerk/Recorder
Recorded at the request of
Public

MF
5/01/2002
1:20 PM

RECORDED AT THE REQUEST OF AND
WHEN RECORDED RETURN TO:
The Nipomo Community Services District
P. O. Box 326
Nipomo, CA 93444

DOC#: **2002036590**



Titles: 1	Pages: 7
Fees	0.00
Taxes	0.00
Others	0.00
PAID	50.00

AGREEMENT AND DEED RESTRICTION
AFFECTING SEWERLINE EASEMENT
AND FURTHER DEVELOPMENT OF THE SUBJECT PROPERTY

A. Warranty of Title

Grantors warrant and represent that they are the sole fee holders of the property described in Exhibit "A". Grantors further warrant and represent that they acknowledge the deed in favor of the Nipomo Community Services District (hereinafter referred to as "the District") which is attached hereto as Exhibit "B". The subject fee and easement referred to in Exhibits "B" is for the operation of a sewer line for the purpose of serving the District and for operating and maintaining said sewer line.

B. Agreement Affecting Future Subdivision
and Development of the Property

1. Grantors intend to develop and subdivide the Property into two or more parcels.
2. Grantors agree that upon the signing of this agreement and deed restriction affecting a sewer line easement (hereinafter referred to as "the Agreement") that this Agreement will be recorded with the San Luis Obispo County Recorder and is intended to place restrictions regarding the future development of the Property and subdivided parcels within.
3. To protect the ability of the District to maintain said sewer line, the parties recognize and agree that a 10-foot line bordering the existing easement area and immediately adjacent thereto shall be subject and restricted at all times to uses specifically compatible with the ability of the District to maintain the sewer line. More specifically, and without limitations, wells, waterlines, and any use deemed incompatible by the San Luis Obispo County Health Department or similar agency with similar jurisdiction over said area shall be prohibited in the said restricted use area.

4. Grantors agree not to construct any improvements such as buildings, retaining walls, driveways, patios, and sidewalks which could obstruct District access to the District facilities contained within the existing easement, or cause damage to District facilities contained within the existing easement, without first obtaining a recordable encroachment permit from the District.

5. Grantors will remove improvements constructed in violation of paragraph 4 above, immediately at Grantors' expense. If Grantors do not remove the improvements District is authorized to enter the existing easement and remove them. District shall charge all costs, including administrative costs, for the removal of said improvements to Grantors.

6 Grantors agree to hold District, its agents and employees, harmless and to indemnify the District for any damages occurring to Grantors' property due to District exercise of its rights to remove improvements pursuant to paragraph 5 above.

7. District has the right to enforce all reimbursement remedies described in paragraph 6 by all means available to the District, including those remedies and enforcement procedures stated in Government Code section 61621 et. seq.

8. Except as provided in paragraphs 6 and 7, above, District agrees to hold Grantors harmless and to indemnify Grantors for any damages arising out of the District's installation, use, maintenance, repair and replacement of the water well and water main, that are the subject of this Agreement, excepting those damages arising out of the negligence of Grantors.

9. These covenants and restrictions shall run with the land and will be binding on the successors and assigns of the Grantors and shall insure to the benefit of District and its successors and assigns.

10. If any action of law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this agreement, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other relief to which that party may be entitled.

11. Grantors will provide District, its employees and agents, with reasonable access to the easement for the purposes of inspection and maintenance.

12. This agreement shall be recorded in the Official Records of the County Recorder's Office, San Luis Obispo County, and reference to this agreement shall be included in the first deed from Grantors to any subsequent purchaser of the Property or any portion thereof affected by this Agreement. It is intended by the parties hereto that this be a permanent restriction upon the use of the Property and shall be part of the public record and active against all future Property owners who own the fee or any portion thereof.

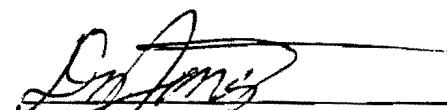
13. It is mutually understood and agreed that no alterations or variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

14. Each party acknowledges that it has reviewed this Agreement with its own attorney and had the provisions hereof satisfactorily explained to said party. No provision of this Agreement shall be interpreted for or against either party because any particular provision was written by that party or its attorney.

15. This Agreement is in addition to, and does not supersede, any other agreement or agreements entered into by and between the parties hereto.

16. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.


Dennis R. Cajas


Doug Jones, General Manager
Nipomo Community Services
District


Chris Cajas


Marcia Janice Featherston

[Space for Notary.]

EXHIBIT A

EASEMENT 1

AN EASEMENT FOR SEWER PURPOSES OVER AND ACROSS THAT PORTION OF SAID LOT 13, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHEASTERLY LINE OF SAID LOT 13, WHICH IS SOUTH $48\frac{1}{2}^{\circ}$ WEST 165 FEET FROM THE MOST EASTERLY CORNER OF SAID LOT; THENCE NORTH $41\frac{3}{4}^{\circ}$ WEST AND PARALLEL WITH THE NORTHEASTERLY LINE OF SAID LOT, 165 FEET; THENCE NORTH $48\frac{1}{4}^{\circ}$ EAST AND PARALLEL WITH SOUTHEASTERLY LINE OF SAID LOT, 15 FEET; THENCE SOUTH $41\frac{3}{4}^{\circ}$ EAST AND PARALLEL WITH THE NORTHEASTERLY LINE OF SAID LOT, 165 FEET, TO THE SOUTHEASTERLY LINE OF SAID LOT; THENCE SOUTH $48\frac{1}{4}^{\circ}$ WEST ALONG SAID SOUTHEASTERLY LINE 15 FEET TO THE POINT OF BEGINNING.

EASEMENT 2

THAT PORTION OF LOT 13 OF DANA'S RESUBDIVISION OF LOT 26 OF WARD'S SUBDIVISION OF RANCHO NIPOMO, ACCORDING TO MAP FILED IN BOOK A, PAGE 16 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE EASTERLY MOST CORNER OF TRACT 607 AS SHOWN ON MAP FILED IN BOOK 11, PAGE 16 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH $49^{\circ} 27' 55''$ WEST, ALONG THE SOUTHEAST LINE OF SAID TRACT 607, A DISTANCE OF 112.04 FEET TO THE TRUE POINT OF BEGINNING; THENCE

1. SOUTH $40^{\circ} 32' 05''$ EAST, 5.00 FEET; THENCE
2. SOUTH $49^{\circ} 27' 55''$ WEST, 11.83 FEET; THENCE
3. SOUTH $9^{\circ} 14' 03''$ WEST, 30.97 FEET; THENCE
4. NORTH $40^{\circ} 17' 49''$ WEST, 25.00 FEET, MORE OR LESS, TO A POINT ON SAID SOUTHEAST LINE OF TRACT 607; THENCE
5. NORTH $49^{\circ} 27' 55''$ EAST, ALONG SAID SOUTHEAST LINE OF TRACT 607, A DISTANCE OF 35.36 FEET TO THE TRUE POINT OF BEGINNING.

MAY 14, 03

**NIPOMO COMMUNITY SERVICES DISTRICT
ORDINANCE 2003-97**

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING CHAPTER 4.12 OF THE DISTRICT CODE**

WHEREAS, the District desires to provide an equitable procedure for at least partial reimbursement of District's costs in constructing sewer mains if such sewer mains are also used thereafter to directly serve and benefit private property of others; and

NOW, THEREFORE BE IT ORDAINED by the Board of Directors of the Nipomo Community Services District as follows:

Section 1. Authority

This Ordinance is enacted pursuant to Government Code §61600(b) and §61621.

Section 2. Section 4.12.085

Section 4.12.085 is added to the District Code as follows:

4.12.085 Sewer Connection Fees:

A. District installed sewer main.

1. When a new service is connected to an existing District installed sewer main, the Applicant shall be charged a front footage fee based on the pro rata cost of constructing the sewer main.

2. The front footage fee shall be established pursuant to the provisions of §5.01.030 (C) of the District Code.

B. Developer installed sewer main.

When a new service is connected to a developer installed sewer main pursuant to Title 5 of the District Code, the Applicant shall pay a supplemental charge pursuant to the reimbursement agreement.

Section 3. CEQA Findings

The Board of Directors of the District finds that the fees and charges adopted by this Ordinance are exempt from the California Environmental Quality Act pursuant to Public Resources Code § 21080(b)(8) and CEQA Guidelines Section 15273. The Board of Directors further finds that the adoption of the Rules and Regulations established by this Ordinance fall within the activities described in Section 15061(b)(3) of the CEQA Guidelines which are deemed not to be "projects" for the purposes of CEQA, because it can be seen with certainty that the adoption of the Regulations that establish the reimbursement amount will not have a significant effect on the environment. The District General Manager is directed to prepare and file an appropriate notice of exemption.

NIPOMO COMMUNITY SERVICES DISTRICT
ORDINANCE 2003-97
AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING CHAPTER 4.12 OF THE DISTRICT CODE

Section 4. Severance Clause.

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, ineffective or in any manner in conflict with the laws of the United States, or the State of California, such decision shall not affect the validity of the remaining portions of this Ordinance. The Governing Board of the District hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsection, sentence, clause or phrase be declared unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California.

Section 5. Effect of Headings in Ordinance.

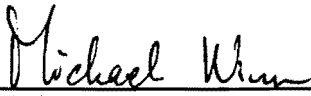
Title, division, part, chapter, article, and section headings contained herein do not in any manner affect the scope, meaning, or intent of the provisions of this Ordinance.

Section 6. Effective Date.

This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage. Before the expiration of fifteen (15) days after passage it shall be posted in three (3) public places with the names of the members voting for and against the Ordinance and shall remain posted thereafter for at least one (1) week. The Ordinance shall be published once with the names of the members of the Board of Directors voting for and against the Ordinance in a newspaper of general circulation within the District.


Introduced at a regular meeting of the District Board of Directors held on April 23, 2003, and passed and adopted by the District Board of Directors on the 14th day of May, 2003, by the following roll call vote, to wit:

AYES: Directors Vierheilig, Wirsing, Trotter, Blair and Winn
NOES: None
ABSENT: None
CONFLICTS: None




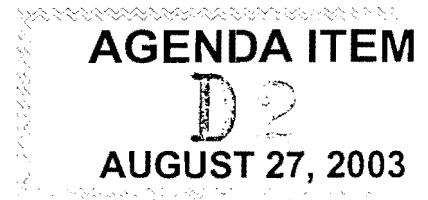
Michael Winn, President
Board of Directors, Nipomo
Community Services District

ATTEST:



Donna K. Johnson,
Secretary to the Board

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: AUGUST 27, 2003



REQUEST FOR SERVICE
TRACT 2441
GRAY TRUST

ITEM

Request for renewal of an Intent-to-Serve letter for a 38-lot project at Blume and Grande
This item was continued from the Board meeting of August 13, 2003.

BACKGROUND

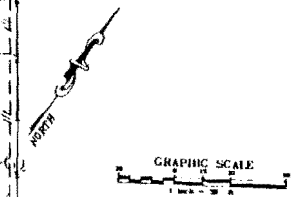
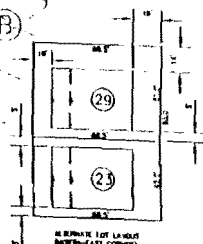
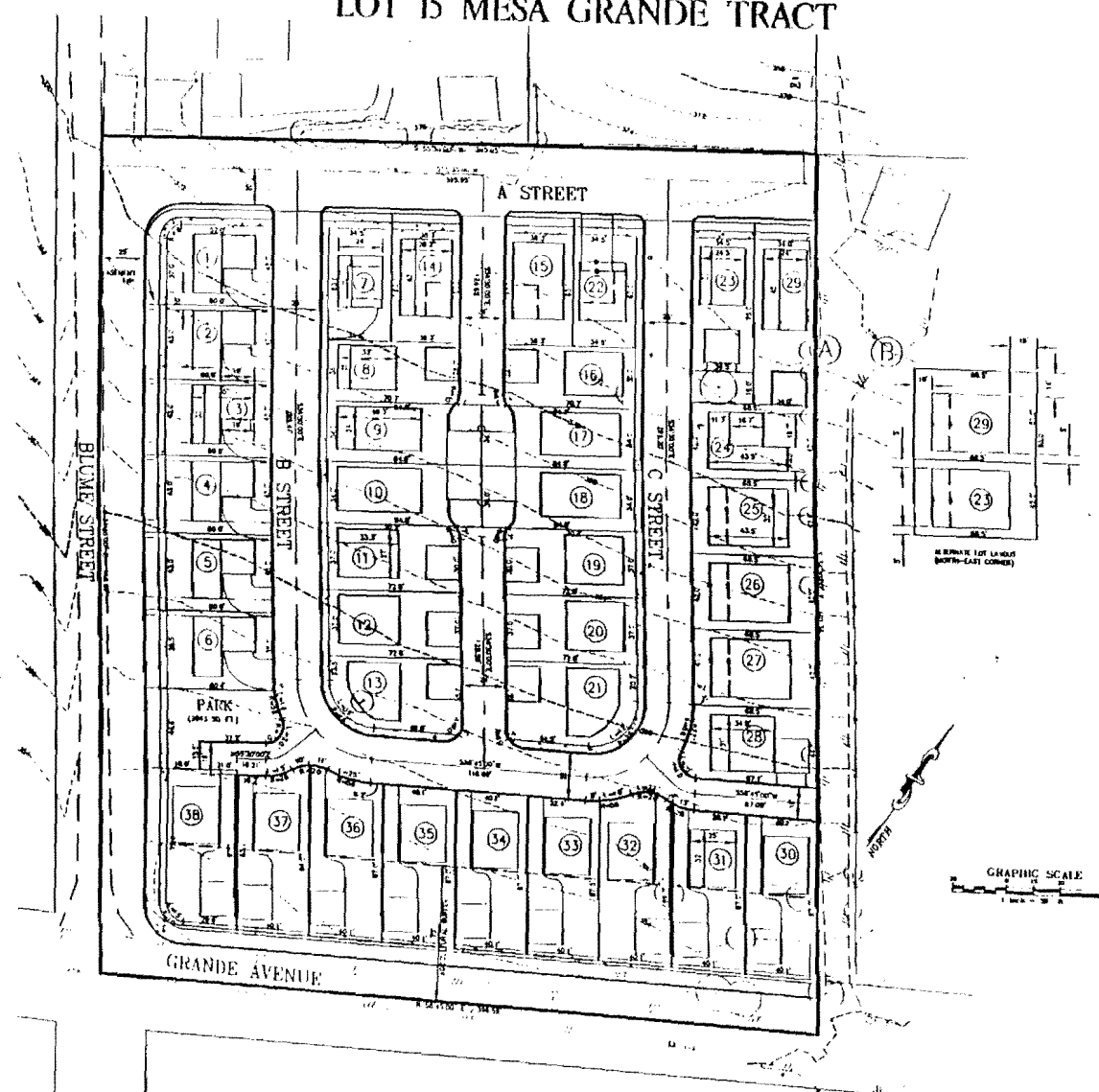
The District received a request from Westland Engineering to renew an Intent-to-Serve letter for water and sewer service to a 38-lot development at Blume and Grande (Tract 2441). The original Intent-to-Serve letter was issued August 16, 2001. The estimated water use would be about 15 AFY. Wastewater flow will be approx. 0.01 MGD. Your Honorable Board may renew the Intent-to-Serve letter Tract 2441 with the following conditions:

1. Enter into a Plan Check and Inspection Agreement and pay the appropriate fees.
2. Submit improvement plans showing appropriate looping prepared in accordance with the District Standards and Specifications for review and approval.
3. Pay all appropriate District water, sewer and other fees associated with this development.
4. Construct the improvements required and submit the following:
 - a. Reproducible "As Builts" - A mylar copy and digital format disk (Auto Cad) which includes engineer, developer, tract number and water improvements
 - b. Offer of Dedication
 - c. Engineer's Certification
 - d. A summary of all water and sewer improvement costs
5. This Intent-to-Serve Letter will expire two years from date of issuance.
6. Other future conditions the Board of Directors may establish prior to the issuance of a Will-Serve letter.

RECOMMENDATION

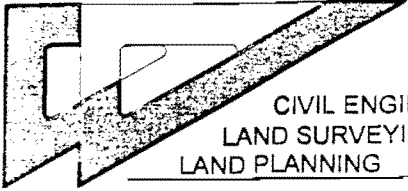
Staff recommends that your Honorable Board renew the Intent-to-Serve letter for Tract 2441 with the above conditions.

CONCEPTUAL PLAN LOT 15 MESA GRANDE TRACT



WESTLAND ENGINEERING, INC. <small>1100 N. 10TH ST. SUITE 100 DENVER, CO 80202 PHONE: 303.733.1100 FAX: 303.733.1101 WWW.WESTLAND-ENGINEERING.COM</small>	
LOT 15 MESA GRANDE TRACT CONCEPTUAL PLAN	
SHEET NO. TOTAL SHEETS	DATE DRAWN BY CHECKED BY
PROJECT NO. CLIENT	SCALE DATE

WESTLAND ENGINEERING, INC.



CIVIL ENGINEERING
LAND SURVEYING
LAND PLANNING

75 ZACA LANE, SUITE 100 • SAN LUIS OBISPO, CA 93401
TELEPHONE: (805) 541-2394 • FAX: (805) 541-2439

July 30, 2003

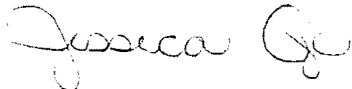
Doug Jones
N.C.S.D.
148 Wilson Street
Nipomo, CA 93444

Re: Intent-to-Serve Renewal for Tract 2441

Dear Mr. Jones,

We respectfully request a renewal of the intent-to-serve for the above-mentioned tract. I have attached a copy of the original intent-to-serve for your reference along with a check for the renewal fee of \$50. Please note that this project has not changed from our original submittal. If you have any questions, please contact me at 805/541-2394.

Sincerely,



Jessica George
Assistant Planner

DATE 7-31-03

NIPOMO COMMUNITY SERVICES DISTRICT
APPLICATION FOR
INTENT-TO SERVE LETTER

1. SLO County Planning Department/Tract or Development No.: Tract 2441
2. Project's Location: on corner of Blume & Grande
3. Assessor's Parcel Number (APN) of lot(s) to be served: 092-130-049
4. Total Number of Residential Units: 38 res. 1 open space
5. Owner Name: Mid-State Properties
6. Business Address: 1320 Archer St., SLO CA 93401
7. Mailing Address: 1320 Archer St., SLO CA 93401
8. Phone Number: 543-1500
9. Agent's Name (Architect or Engineer): Westland Engineering
10. Mailing Address: 15 Zaca Lane, SLO CA 93401
11. Phone Number: (805) 541-2394
12. Type of Use:
 Single Family Residence Duplex Triplex Multi-Family
 Subdivision
 Commercial? _____ Type _____
 Remodel: (Project Description) _____

13. Applications for commercial projects, projects that exceed two (2) residential units, or multi-family projects will not be approved until the following have been submitted to the District for its review:

- a. Two (2) separate sets of site plans that show the approximate square footage of each unit, the site topography and an estimate of the number of water fixtures to serve each unit in the project; and
- b. A reduced copy of the site plan (8½" x 11")
- c. The number of plumbing fixture units 760 (more or less)
- d. An engineer or architect's estimate of monthly water and sewer and demand (in gallons per month) for the project. 342,000 gal/mo.

NIPOMO COMMUNITY SERVICES DISTRICT
APPLICATION FOR
INTENT-TO SERVE LETTER
PAGE TWO

14. The Applicant agrees that in accordance with generally accepted construction practices, Applicant shall assume sole and complete responsibility for the condition of the job site during the course of the project, including the safety of persons and property; that this requirement shall apply continuously and not be limited to normal working hours; and the Applicant shall defend, indemnify, and hold the District and District's agents, employees and consultants harmless from any and all claims, demands, damages, costs, expenses (including attorney's fees) judgements or liabilities arising out of the performance or attempted performance of the work on this project; except those claims, demands, damages, costs, expenses (including attorney's fees) judgements or liabilities resulting from the negligence or willful misconduct of the District.

Nothing in the foregoing indemnity provision shall be construed to require Applicant to indemnify District against any responsibility or liability or contravention of Civil Code §2782.

15. The undersigned acknowledges receipt of the Nipomo Community Services District Application for District Service Policy and Guidelines (attached).

16. APPLICATION FEES:
Intent to Serve Application Processing Fee.....\$ 50.00
(Non-refundable payment attached to this application)

Date 7-31-03

Westland Engineering
(Must be signed by owner or owner's agent)

Westland Engineering
Print name

FOR DISTRICT OFFICE USE:

AMOUNT PAID \$ 50⁰⁰ DATE: 7-30-03 RECEIPT # 66364

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: AUGUST 27, 2003



REVIEW EXISTING ANNEXATION POLICY

ITEM

Review possible modifications to the Annexation Policy

BACKGROUND

The Annexation Committee (Directors Wirsing and Winn) may make suggestions for modifying the District's Annexation Policy.

RECOMMENDATION

Your Honorable Board may consider Annexation Policy modifications.

Board 2003/Annex Policy mod

EXHIBIT A

THE ANNEXATION POLICY OF THE NIPOMO COMMUNITY SERVICES DISTRICT

DRAFT AUGUST 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 the 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 best to provide:

Good quality, economical and dependable water, sewerage and other authorized services for the residents of the Nipomo Community Services District.

The District recognizes the need for conservation of natural and environmental resources, including local resources, their availability and quality, consistent with the South County General Plan of San Luis Obispo County.

III. GENERAL POLICIES

- A. Annexations shall provide a reliable water source, other than water from the Nipomo Hydrologic Subarea (HSA) or pay for the costs of supplemental water for the area of annexation as a condition of District approval.
- B. 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 rejected by the Board of Directors, except under extraordinary circumstances.
- C. In order to evaluate the impacts on potential annexations upon the Nipomo Community Services District, the Board will only consider annexation requests which include the submittal of a layout plan and Annexation application pursuant to Section VI of these Policies. The District reserves the discretion to require additional information from the Applicant.

If the intended development within the proposed area of annexation requires further County approvals (e.g., zoning or subdivision), the District's approval of the annexation may be conditioned upon the owners obtaining such County approvals before the annexation becomes effective.

EXHIBIT A

THE ANNEXATION POLICY OF THE
NIPOMO COMMUNITY SERVICES DISTRICT

DRAFT AUGUST 2003

- D. After review of the layout plan and Application, the Board of Directors will consider annexation request where it can be demonstrated that:

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

- E. 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).

- F. 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, such associations lose efficiency over time, requiring a public entity to take over their operations. A public entity operating from the beginning would eliminate the need for later acquisition and rejuvenation of such systems at additional cost to the property owners.

- G. The District recognizes two (2) general classes of proposed annexations, as follows:

1. Those areas of proposed annexations that overlie a sufficient source of groundwater to serve the proposed development within the area of annexation; and
2. those areas of proposed annexations that do not overlie a sufficient source of groundwater to serve the proposed development within the area of annexation.

- H. The Board will not contract for State Project Water as a supplemental water supply without first obtaining the approval of the District voters. *

*Note: The Court may have jurisdiction to order State Project Water as part of the Adjudication Resolution.

- I. The Board shall make the final determination about the suitability of any water source.

IV. GENERAL STANDARDS FOR AREAS OVERLYING SUFFICIENT RELIABLE GROUNDWATER RESOURCES

- A. Dedications and Covenants:

Applicants who are connected to the District water system shall covenant not to pump from the underlying groundwater basin for non-agricultural uses consistent with the following:

EXHIBIT A

THE ANNEXATION POLICY OF THE
NIPOMO COMMUNITY SERVICES DISTRICT

DRAFT AUGUST 2003

1. Applicants that connect to the District's water system may continue to pump for agriculture related uses on Applicant's property, subject to any limitations imposed by a Court or other agency with jurisdiction.
2. Subject to paying the financial obligations referenced in subsections C and D below and further subject to any limitations imposed by a Court or other agency with jurisdiction, Applicants who do not receive District water service may :
 - Continue using existing well production for existing residential and commercial uses on Applicant's property.
 - Continue to pump for agriculture related uses on Applicant's property

B. District Processing Costs:

At the time of entering into an Annexation Agreement with District, Applicant shall make deposit for District administrative, consultant and legal costs in processing the annexation;

C. Financial Obligations Prior to LAFCO Approval:

1. For each residential connection to the District's water system or for each existing residential unit that does not connect to District water system, Applicants shall deposit with the District ten thousand dollars (\$10,000) or equivalent securities acceptable to District, to be applied to District administrative and consultant costs in acquiring supplemental water and to offset costs of supplemental water. *
2. Commercial and/or other uses that exceed a 1" meter shall pay a multiple of the deposit referenced in subsection 1 above based on flow capacity.
3. Each connection or potential connection shall pay District capacity and connection fees and charges. The District's water capacity charge shall be reduced by that portion attributed to well production.

* To be returned if LAFCO does not approve annexation. Further, to the extent the supplemental water deposit exceeds District's costs, as prorated among other applicants for annexation, the remainder will be used to reduce Section D water charges. A legal "granny" unit served by the same 1" meter as the primary residence shall not be counted as an additional connection.

EXHIBIT A

THE ANNEXATION POLICY OF THE
NIPOMO COMMUNITY SERVICES DISTRICT

DRAFT AUGUST 2003

D. Payment of Monthly Supplemental Water Charge:

Applicants shall agree to establish a zone of benefit with a rate covenant wherein those residents and commercial users within the area of annexation will pay eighty percent (80%) of the actual costs of supplemental water for the area of proposed annexation plus one hundred percent (100%) of the reserve that may be required to obtain supplemental water.

E. Customers of the District:

1. Upon annexation, residents and commercial users within the area of the proposed annexation shall become "regular customers" of the District, with no greater entitlements to water service than any other District customer.
2. Subject to compliance with the Annexation Agreement, LAFCO conditions, the District Inspection and Public Facility Agreement, District Rules and Regulations, and a determination by the Board of Directors that there are adequate water resources to supply the area of annexation during the period of time specified in the Annexation Agreement, reasonably determined to acquire supplemental water, District agrees to provide water to the area of annexation upon LAFCO final approval.

F. Cluster Developments:

1. District may negotiate with and require Applicants planning a cluster development to dedicate the open space parcels produced thereby to the District, or another agency, or appropriate caretaker organization for maintenance and improvements. ~~for an identified purpose approved by District and which may be operated by District.~~ Other designees might be San Luis Obispo County Parks and Recreation, Lucia Mar Unified School District, or other such public benefit agencies.
2. If the District accepts responsibility for the open space parcel, then applicant shall form an Assessment District or other Special Tax District, or establish an endowment acceptable to District for the purposes of the operation and maintenance of the open space parcel; and
3. Applicant shall establish a Homeowners Association for the purposes of assuming obligations in Subparagraph 2 above in the event the District is required to abandon the Assessment District or Special Tax.

EXHIBIT A

THE ANNEXATION POLICY OF THE
NIPOMO COMMUNITY SERVICES DISTRICT

DRAFT AUGUST 2003

V. GENERAL STANDARDS FOR AREAS OF ANNEXATION THAT DO NOT OVERLIE SUFFICIENT RELIABLE GROUNDWATER RESOURCES.

- A. The Applicant shall comply with all conditions set forth in Section III above for proposed annexations that overlie a sufficient groundwater resource; and
- B. Pay one hundred percent (100%) of the monthly supplemental water charge (see III D above); and
- C. District will not deliver water to the area of annexation until:
 - 1. A sufficient supplemental water is under contract and available for delivery; and
 - 2. CEQA review, including challenges, are completed; and
 - 3. In addition the construction phase shall not begin until steps C-1 and C-2 are completed and the Board determines that there is sufficient water to serve the proposed area of annexation during the construction phase.

VI. DISPUTE RESOLUTION

If an Applicant disputes District determination that the area of proposed annexation does not overlie a sufficient groundwater resource, then Applicant, at Applicant's sole cost, may request District to perform reliability tests, possibly including pump tests, to the District Engineer's standards, to determine sufficiency of underlying groundwater resources. The Board of Directors' determination of the sufficiency of the groundwater supply shall be final.

VII. ANNEXATION AGREEMENT

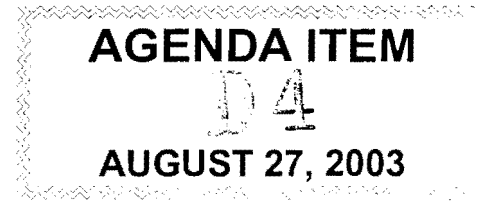
All applicants for annexation shall be required to enter into an Annexation Agreement. Said Annexation Agreement shall include the following:

- 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. Reimbursement to District for its costs in processing the annexation, including administrative costs, legal costs and engineering costs; and
- C. Payment for all applicable District capacity, meter and connection charges.

VIII. SUBMITTAL OF ANNEXATION APPLICATION AND LAYOUT PLAN

Prior to consideration by the Board of Directors, Applicants must submit an application to the District, demonstrating that the annexation will conform to these Annexation Policies and submit a layout plan for the proposed area of annexation in sufficient detail for the District to assess the full impact of the annexation on the District's water distribution facilities, sewer service and other services to be provided to the area of annexation by the District.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: AUGUST 27, 2003



DRAFT MEMORANDUM OF AGREEMENT ON SPHERE OF INFLUENCE (SOI)

ITEM

Review amended draft Memorandum of Agreement (MOA) between SLO County and NCSD on District proposed SOI boundary

BACKGROUND

The Local Agency Formation Commission (LAFCO) is in the process of reviewing NCSD's proposed Sphere of Influence (SOI). Since the District does not have land use powers and the County does, this agreement outlines specific guidelines with respect to the District's Sphere of Influence and proposed land use changes by the County.

Your Honorable Board approved the attached memorandum on June 23, 2003. Any changes the Board desires may be incorporated into the MOA.

RECOMMENDATION

After your Honorable Board reviews the MOA, you may direct staff to make modifications or finalize the agreement as it is.

Board 2003/MOA for SOI

**MEMORANDUM OF AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT AND
THE COUNTY OF SAN LUIS OBISPO
REGARDING THE NCSD'S SPHERE OF INFLUENCE**

This Agreement is entered into on this _____ day of August, 2003, by and between the Nipomo Community Services District (hereafter "District") and the County San Luis Obispo County (hereafter "County").

WITNESSETH

WHEREAS, the Cortese/Knox/Hertzberg Act ("the Act" Government Code 56000 et Seq.) requires the Local Agency Formation Commission (LAFCO) to update the Spheres of Influence for all applicable jurisdictions in the County every five years; and

WHEREAS, the District and the County enter into this agreement with the common goals of preserving and protecting the rural character of Nipomo, identifying areas of potential urban and suburban growth using the existing South County Area Plan (SCAP), implementing the District's annexation policies, and planning for future resource and service needs; and

WHEREAS, Section 56001 of the Act declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well being of the state; and

WHEREAS, the purposes of the Local Agency Formation Commission as stated in Section 56301 of the Government Code are to discourage urban sprawl, preserve open space and prime agriculture lands, efficiently provide government services, and to encourage the orderly formation and development of local agencies based upon local conditions and circumstances; and

WHEREAS, Section 56425 of the Government Code states that LAFCO shall determine the sphere of influence of each local government agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere; and

WHEREAS, a Sphere of Influence is defined by Government Code Section 56076 as a "plan for the probable physical boundaries and service area of a local agency, as determined by the Local Agency Formation Commission", and is further defined as a 20-year growth boundary for a jurisdiction's physical development in SLO LAFCO's Policies and Procedures; and

WHEREAS, the District and the County voluntarily enter into this agreement for the purpose of enhancing and promoting the orderly and logical development of the Nipomo Community; and

WHEREAS, all water rights in the Nipomo Hydrologic Sub-Area (HSA) are being litigated (Exhibit C) and it is generally accepted that the HSA is at least under stress if not in overdraft; and

WHEREAS, the District has adopted an Annexation Policy designed to defend the Nipomo HSA by requiring all annexations into the District to be supplied by supplemental water (Exhibit D); and

**MEMORANDUM OF AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT AND
THE COUNTY OF SAN LUIS OBISPO
REGARDING THE NCSD'S SPHERE OF INFLUENCE**

WHEREAS, while this agreement clarifies the intent and purpose of the District's and the County's policies regarding the Sphere of Influence, the agreement does not establish the Sphere of Influence for the District; and

WHEREAS, the County, through the Inland South County Area Plan adopted in 1994, has established an Urban Reserve Line within the unincorporated community of Nipomo that identifies the areas of urban and suburban development for the community; and

WHEREAS, the District and County have reached an agreement regarding the intent and purpose of the District's Sphere of Influence and the County's Urban Reserve Line as described in Exhibit A, Provisions; and

WHEREAS, the Sphere of Influence Boundary shall be established by the Local Agency Formation Commission based on the evaluation of the eight Study Areas shown in Exhibit B and may include all of the eight areas, a combination of Study Areas, a portion of some areas, or other configuration as approved by LAFCO. (Exhibit B is not intended to be the proposed Sphere of Influence and this agreement does not establish the Sphere of Influence.)

NOW, THEREFORE, the parties agree as follows:

1. The provisions found in Exhibit A are intended to clarify the relationship and definition of the District's Sphere of Influence and the County's Urban Reserve Line respectively.
2. The provisions found in Exhibit A are intended to provide the District and the County with a basis for evaluating future annexation proposals for the areas in the District's Sphere of Influence and do not supersede or limit either agency's mission or legislatively established function.
3. The parties agree that the above recitals are true and correct.

President, Board of Directors
Nipomo Community Services District

Chair, Board of Supervisors
County of San Luis Obispo

APPROVED AS TO FORM AND LEGAL EFFECT:

District Counsel

County Counsel

Dated: _____

Dated: _____

ATTEST:

District Secretary
Dated: _____

County Clerk Recorder
Dated: _____

**MEMORANDUM OF AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT AND
THE COUNTY OF SAN LUIS OBISPO
REGARDING THE NCSD'S SPHERE OF INFLUENCE**

Exhibit A

PROVISIONS

The following provisions are agreed to and shall be used by the District and the County to guide the development decisions within the Sphere of Influence as eventually approved by the San Luis Obispo Local Agency Formation Commission.

1. **Intent.** It is the intent of the District and the County to work cooperatively towards the goals of preserving and protecting the rural character of the Nipomo area by: identifying areas of potential urban and suburban growth using the existing South County Area Plan (Inland, adopted 1994); implementing the District's annexation policies and procedures; and planning for future resource and service needs. These goals shall be achieved in accordance with the Cortese/Knox/Hertzberg Act, the County's General Plan, the Policies and Procedures of the District, the California Environmental Quality Act and any other applicable laws and regulations.
2. **Term.** Upon adoption of the SOI by LAFCO, this agreement shall be reviewed, evaluated, or amended as necessary at such time as the Sphere of Influence is updated by LAFCO, or concurrent with a comprehensive update of the South County Area Plan as initiated by the County.
3. **Interagency Cooperation.** The District and the County shall work cooperatively regarding, but not limited to the following issues for the area within the Nipomo Hydrologic Subarea and Nipomo Valley as shown in Exhibit C: planning for land use, the provision of public services, utility and road rights-of-way, traffic and circulation, agricultural land and open space preservation, and General Plan Amendments. Each jurisdiction shall refer proposals, applications and actions related to the above issues to the other for review and comment prior to taking action on a proposal/project. Information about the proposal/project shall be referred immediately to the following address for review and comment:

Principal Planner, Long Range Planning
Department of Planning and Building
County Government Center
San Luis Obispo, CA 93401

General Manager
Nipomo Community Services District
148 South Wilson Street - P.O. Box 326
Nipomo, CA 93444

This provision shall not supersede or terminate other methods of commenting or providing feedback regarding a proposal or project, but is meant to enhance and increase interagency cooperation and communication.

4. **Commitment by the Nipomo Community Services District.** The District, in cooperation with the County, shall work to provide efficient and effective public services to residents in the Nipomo area. The District is committed to serving the area in the Sphere of Influence (to be determined by LAFCO) as currently zoned consistent with the existing Inland South County Area Plan adopted in 1994 and as amended from time to time by the County Board of Supervisors. The District's Sphere of Influence is not intended to increase density or encourage urbanization in areas outside the Urban

**MEMORANDUM OF AGREEMENT
BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT AND
THE COUNTY OF SAN LUIS OBISPO
REGARDING THE NCSD'S SPHERE OF INFLUENCE**

Reserve Line. The District does not encourage or promote projects that are inconsistent with the community's vision for Nipomo, as described in the South County Area Plan. The District will not extend sewer services into Study Area 1 west of Hetrick Road. The District will support extension of services into Study Areas 2 and 3 only with the approval of LAFCo. The District shall not extend future/new sewer services into Study Area 4 before the next General Plan or Specific Plan update, nor will it even then extend sewer service into Study Areas 5, 7, or 8. The District does not request that Study Area 6 (Woodlands) be included in its Sphere of Influence. The District also intends to provide an adequate and reliable water supply to its existing and future customers.

5. **Commitment by the County of San Luis Obispo.** The County shall work cooperatively with the District to efficiently and effectively provide for public services to residents in the Nipomo area. The County intends to continue implementing the existing South County Area Plan adopted in 1994 and as amended from time to time by the County Board of Supervisors. The County does not intend, nor does it promote, expanding the existing Urban Reserve Line for the purpose of increasing the density allowed on a particular parcel of land unless approved as a General Plan Amendment or Specific Plan by the Board of Supervisors. To the extent legally possible, the County shall oppose moving the Urban Reserve Line into Study Area 7 and shall discourage the creation of new Private or Mutual Water Companies, or service by such entities, if water service can be adequately and reliably provided by the District for development projects approved within the District's Sphere of Influence. The County intends to maintain the community vision, goals and policies described in the existing South County Area Plan adopted in 1994 by allowing development that is appropriate and consistent with that vision.
6. **Urban Reserve Line and Sphere of Influence.** The District's Sphere of Influence boundary and the County's Urban Reserve Line are intended to be coordinated such that the Urban Reserve Line shall not extend beyond the Sphere of Influence, except in areas where an emergency water situation has been documented (e.g., Summit Station), or under circumstances when the District may be best suited to provide efficient and effective public services. The County does not intend for areas that are zoned Agriculture, Rural Lands, and Residential Rural to be included within the Urban Reserve Line. Areas that are zoned Residential Suburban, Residential Single Family, and Residential Multi-Family are intended to be within the Urban Reserve Line and should also be included in the Sphere of Influence.
7. **General Plan Update / Specific Plans.** The County shall undertake a comprehensive update of the South County Area Plan in approximately five years, or as directed by the County Board of Supervisors. The South County Area Plan calls for the preparation of Specific Plans to identify land uses within the areas known as Cañada Ranch and the area just of Southland Street. These Specific Plans shall be prepared and adopted by the County prior to the annexation of the property into the District. The Plans shall be prepared in accordance with the County's General Plan and subject to environmental review which shall include analysis of issues related to completing the annexation, such as a reliable and adequate water supply, sewer capacity, and other services for the proposed project.

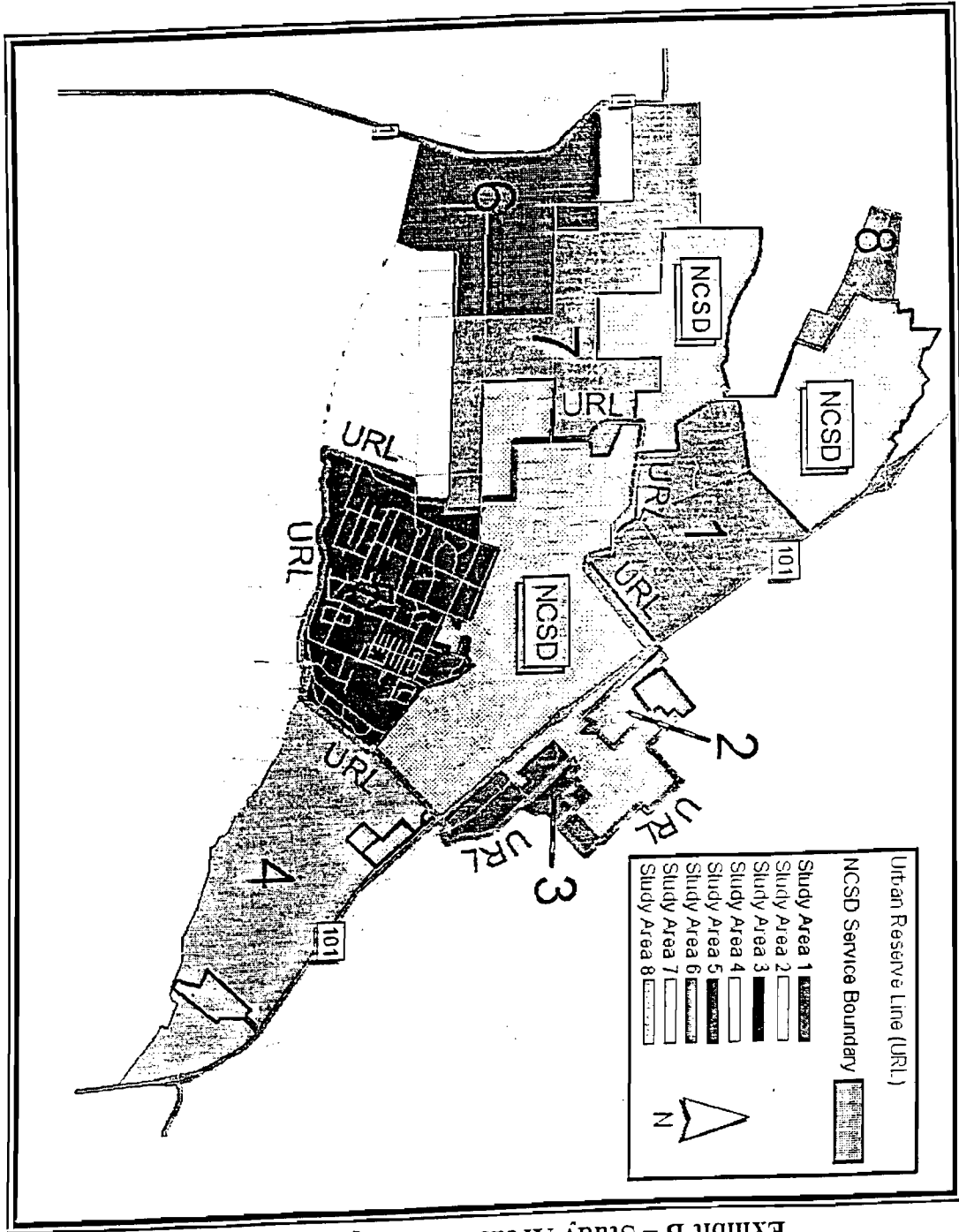
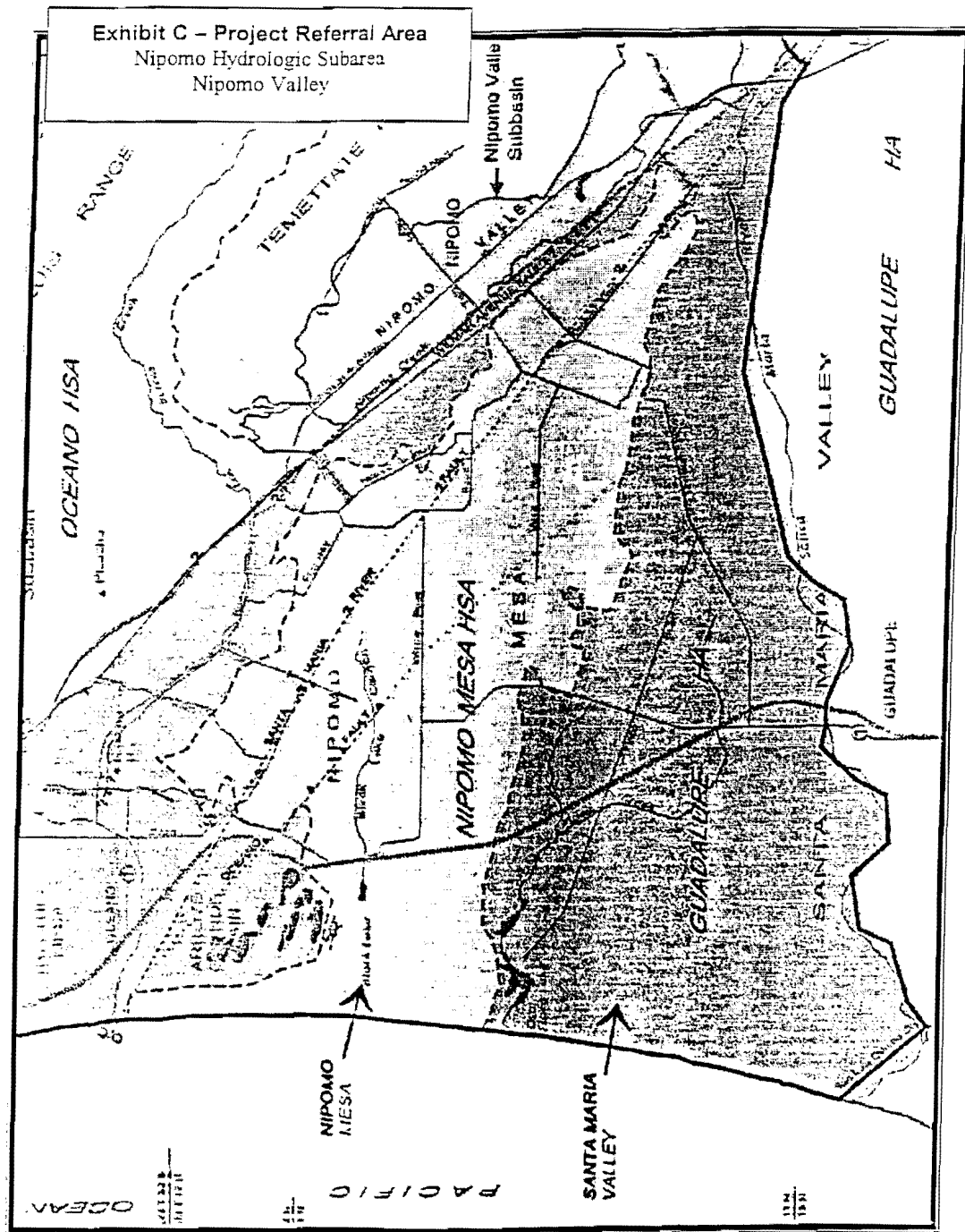


Exhibit B - Study Areas for the Sphere of Influence



Draft Memorandum of Agreement
 Nipomo Community Services District and County of San Luis Obispo

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: AUGUST 27, 2003



REVIEW SPHERE OF INFLUENCE

ITEM

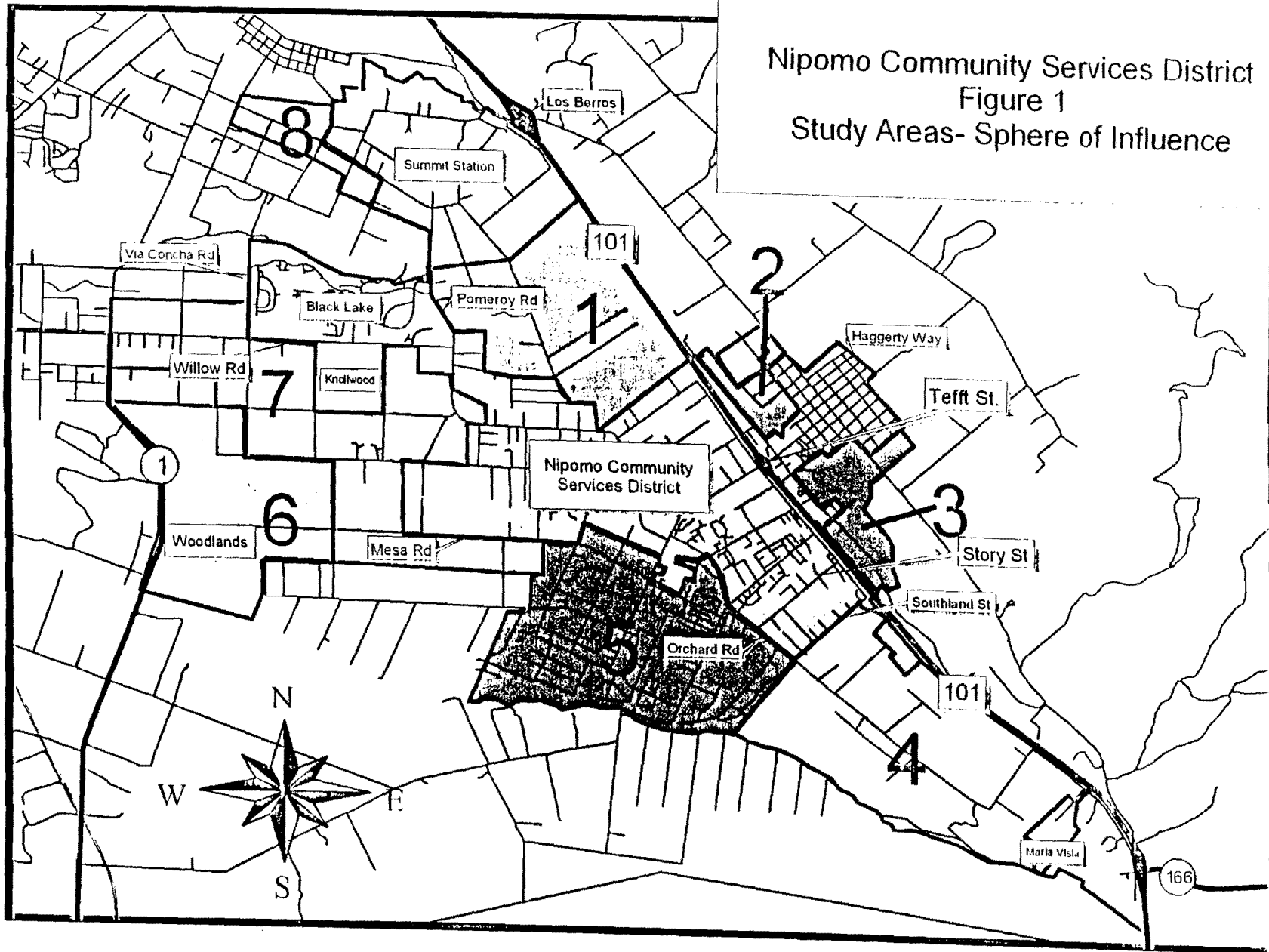
Consider LAFCo SOI study area


BACKGROUND

The Annexation Committee (Directors Wirsing and Winn) reviewed the Sphere of Influence and will make their recommendations to your Honorable Board.

Board 2003/SOI consider

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



TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: AUGUST 27, 2003



DISTRICT PERSONNEL

ITEM

Recruitment of District personnel – Utility Worker I

BACKGROUND

One of the District's utility workers (due to an illness) is anticipated to be out of work for four to eight weeks. With the additional field workload, staff had been planning to add one Utility Worker in Fiscal Year 2004-2005. Due to the existing employee being out of work for a period of time and the existing workload, it is requested that the District begin recruiting for a Utility Worker I position at this time for the field crew.

Depending on the hiring date of the new employee, it is estimated that the salary and benefits for the remainder of the year would be approximately \$25,000 to \$30,000.

RECOMMENDATION


Staff recommends that your Honorable Board approve the recruitment of a Utility Worker I which would be incorporated into a designated position beginning Fiscal Year 2004-2005.

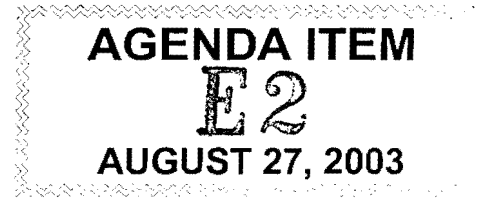
Board 2003/Utility Worker

NIPOMO COMMUNITY SERVICES DISTRICT
DISTRICT PERSONNEL

2003-2004

OFFICE	CURRENT	PROPOSED
General Manager	<u>1</u>	<u>1</u>
Assistant Administrator	1	1
Secretary	1	1
Billing Clerk	1	1
	<u>4</u>	<u>4</u>
	=	=
MAINTENANCE	CURRENT	PROPOSED
Utility Supervisor	<u>1</u>	<u>1</u>
Utility Field Foreman	1	1
Utility Operator	1	1
Utility Worker I	2	2
	<u>5</u>	<u>5</u>
	=	=
TOTAL	<u>9</u>	<u>9</u>
	=	=

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: AUGUST 27, 2003



GENERAL MANAGER'S REPLACEMENT

ITEM

Review general schedule for recruitment of a general manager

BACKGROUND

Director Wirsing requested that this item be placed on the agenda for review. A general schedule for recruitment of a general manager for the District would be as follows:

Ad appearance	January 2004
Closing date	February 2004
Screen applications	March 2004
First and second interviews	March 2004
Background check	April 2004
Make offer	April 2004
Employment to begin	April, May or June

RECOMMENDATION

Staff recommends that the Personnel Committee (Directors Trotter and Winn) meet, review and bring a detailed schedule of the process to your Honorable Board.

Board 2003/Manager replacement

CHAPTER SEVEN - JOB DESCRIPTIONS

7000 - GENERAL MANAGER

1. DEFINITION

Under policy direction of the Board of Directors, plans, organizes, coordinates and supervises all District functions and activities related to the production and distribution of potable water and the collection, treatment and disposal of wastewater and other functions of the District; provides policy guidance and program evaluation to staff and elected officials; encourages and facilitates improvement in the provision of services to customers by District staff; fosters cooperative working relationships with intergovernmental and regulatory agencies, various public and private organization and District staff; acts as Secretary to the Board of Directors; performs related work as assigned. This position has full-time management status, and is FLSA exempt.

2. CLASS CHARACTERISTICS

The employee in this class is the Chief Executive Officer of the District, serving at the pleasure of and accountable to the Board of Directors for all staff, functions and activities within policy guidance and applicable state and federal laws and regulations.

3. EXAMPLES OF DUTIES (Illustrative Only)

- A. Plans, organizes, coordinates and administers, either directly or through subordinate supervisors, the work of the District in accordance with the adopted goals and objectives of the Board of Directors and applicable laws and regulations.
- B. Directs and coordinates the development and implementation of goals, objectives, policies, procedures and programs for the District; administrative policies, procedures and work standards to assure that goals and objectives are met and that programs provide mandated services in an effective and efficient manner.
- C. Prepares and administers the annual budget for the District; reviews all District expenditures; provides financial management for the District.
- D. Acts as staff for the Board of Directors; advises the Board on issues and programs; prepares and recommends long-range plans for District funding and service provisions and directs the development of specific proposals for action regarding current and future District needs.
- E. Assures that appropriate notice of Board meetings is posted and that other legal notification requirements are met.
- F. Represents the Board and the District in contacts with governmental agencies, community groups and various business, professional and legislative organizations and District customers; acts as a District liaison with the media.
- G. Directs and reviews special studies; provides for contract services as required and administers various service, construction and equipment contracts; signs

and accepts development plans and specifications for conformance with District standards on behalf of the District.

- H. Provides for the selection of District staff; administers discipline as required; provides guidance and direction to staff regarding policies and procedures.
- I. Prepares a variety of correspondence, policies, procedures, reports, minutes and other written materials.
- J. Maintains and directs the maintenance of working and official District files.
- K. Assures that the Board is kept informed of District program and financial status and of legal, social and economic issues affecting District activities.
- L. In concert with the District Counsel, monitors changes in the law and operational process changes that may affect District operations; implements operational and procedural modification as required.

4. EMPLOYMENT STANDARDS

Knowledge of:

- A. Administrative principles and practices, including goal setting, program development, implementation and evaluation, and the supervision of employees.
- B. Principles, practices and procedures of public administration in a special district setting.
- C. Functions, authority, responsibilities and limitations of an elected Board of Directors.
- D. Principles and practices of potable water production, treatment and distribution.
- E. Principles and practices of wastewater treatment and disposal.
- F. Applicable legal guidelines and standards effecting District operations.
- G. Techniques for dealing with a variety of individuals from various socio-economic, ethnic and cultural backgrounds, in person and over the telephone, occasionally when relations may be confrontational or strained.

Skill in:

- A. Planning, organizing, administering, coordinating, reviewing and evaluating a variety of District programs and activities.
- B. Working cooperatively with and accomplishing implementation of the policies of an elected Board of Directors.
- C. Developing and implementing goals, objectives, policies, procedures, work standards and internal controls.
- D. Developing and administering an annual budget.
- E. Interpreting, applying and explaining complex laws, codes and regulations.
- F. Preparing clear and concise reports, correspondence and other written materials.
- G. Reading and interpreting plans, specifications and engineering documents.
- H. Using initiative and independent judgment within general policy guidelines.

- I. Making public presentations and conducting public hearings.
- J. Using tact, discretion and prudence in dealing with those contacted in the course of the work.

Physical Characteristics:

- A. Vision to read printed materials and a computer screen.
- B. Hearing and speech to interact in person and on the telephone.
- C. Mobility to work in a standard office environment, use standard office equipment, inspect District facilities in the field and to drive a motor vehicle.

Working Conditions:

- A. Attend meetings outside of normal working hours.

Licensing and Certification:

- A. Must possess a valid California Class C driver's license and have a satisfactory driving record.
- B. Must be bondable by District's fidelity bond insurer.

Education and Experience:

Equivalent to graduation from a four-year college or university with a bachelor's degree or higher in engineering or a related field and five (5) years' experience in an increasingly responsible public agency management position. Familiarity with water and/or wastewater processes are desirable.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: AUGUST 27, 2003

**AGENDA ITEM
F
AUGUST 27, 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 brackets.

- F-1) WARRANTS [RECOMMEND APPROVAL]
- F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Minutes of August 13, 2003, Regular Board meeting

WARRANTS AUGUST 27, 2003

**AGENDA ITEM
F-1
AUGUST 27, 2003**

HAND WRITTEN CHECKS

18651	08-12-03	POSTMASTER	74.00
18653	08-13-03	NIPOMO SHELL	979.35
18654	08-14-03	R BLAIR	50.00
18655	08-14-03	C TROTTER	50.00
18656	08-18-03	J WIRSING	50.00
18657	08-18-03	M WINN	50.00
18658	08-18-03	M WINN (REFUND)	100.00
18660	08-27-03	ED EBY (REFUND)	100.00
18650	VOID	18659 VOID	
18652	VOID	8441 VOID	

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
8444	08/15/03	EMP01	EMPLOYMENT DEVELOP DEPT	416.04	.00	416.04	A30811	STATE INCOME TAX
8445	08/15/03	MID01	MIDSTATE BANK-PR TAX DEP	1484.91	.00	1484.91	A30811	FEDERAL INCOME TAX
				457.36	.00	457.36	1A30811	MEDICARE (FICA)
			Check Total.....:	1942.27	.00	1942.27		
8446	08/15/03	MID02	MIDSTATE BANK - DIRECT DP	14206.70	.00	14206.70	A30811	NET PAY DEDUCTION
8447	08/15/03	PER01	PERS RETIREMENT	2379.69	.00	2379.69	A30811	PERS PAYROLL REMITTANCE
				69.03	.00	69.03	1A30811	MILITARY SERVICE CR
			Check Total.....:	2448.72	.00	2448.72		
8448	08/15/03	SIM01	SIMMONS, DEBRA	150.00	.00	150.00	A30811	WAGE ASSIGNMENT
8449	08/15/03	STA01	STATE STREET GLOBAL	735.00	.00	735.00	A30811	DEFERRED COMP
008450	08/27/03	BAD01	BADGER METER, INC.	1788.93	.00	1788.93	307279	24 WATER METERS
008451	08/27/03	BCS01	BASIC CHEMICAL SOLUTIONS	324.35	.00	324.35	SI371925	SODIUM HYPOCHLORITE
				759.64	.00	759.64	SI371927	SODIUM HYPOCHLORITE
			Check Total.....:	1083.99	.00	1083.99		
008452	08/27/03	BLA01	BLAIR, ROBERT L	100.00	.00	100.00	082703	REG BD MEETING 082703
008453	08/27/03	BNY01	BNY WESTERN TRUST COMPANY	50847.40	.00	50847.40	090103	INTEREST-CERTIFICATES OF
008454	08/27/03	BOG01	BOGNUDA, LISA	36.00	.00	36.00	073003	TRAVEL TO TEMPLETON CSDA
008455	08/27/03	CHA02	CHARTER COMMUNICATIONS	54.90	.00	54.90	092203	INTERNET CONNECTION 17206
008456	08/27/03	CIT01	CITY NATIONAL BANK	62418.00	.00	62418.00	01032	DEBT SERVICE-LOAN #01-032
008457	08/27/03	COR01	CORBIN WILLITS SYSTEMS	608.90	.00	608.90	A308151	BILLING PROG MAINT FEE
008458	08/27/03	CRE01	CREEK ENVIRONMENTAL LABS	30.00	.00	30.00	K3004	BL WWTP LAB
				30.00	.00	30.00	K3030	BL WWTP LAB
				30.00	.00	30.00	K3102	BL WWTP LAB
				25.00	.00	25.00	K3103	TEFFT ST WATER MAIN LAB
				30.00	.00	30.00	K3130	BL WWTP LAB
			Check Total.....:	145.00	.00	145.00		
008459	08/27/03	CSD02	CALIFORNIA SPECIALTY DIST	374.63	.00	374.63	114051	PUMP SUPPLIES FOR EUREKA
008460	08/27/03	DEN01	DENDY & ASSOCIATES	2450.00	.00	2450.00	0703	GROUNDWATER LITIGATION
008461	08/27/03	DEW01	J B DEWAR INC	886.51	.00	886.51	749263	DEEP WELL OIL
008462	08/27/03	FER01	FERGUSON ENTERPRISES INC	3655.08	.00	3655.08	537929	6 FIRE HYDRANT METERS
				911.63	.00	911.63	538547	VALVES FOR HYD METERS
				637.84	.00	637.84	539916	MISC SUPPLIES
			Check Total.....:	5204.55	.00	5204.55		

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
008463	08/27/03	FGL01	FGL ENVIRONMENTAL	381.60	.00	381.60	307768	NIPOMO WWTP MONITORING
				44.80	.00	44.80	307769	BL WWTP LAB
				44.80	.00	44.80	307770	NIPOMO WWTP LAB
				44.80	.00	44.80	308010	NIPOMO WWTP LAB
				44.80	.00	44.80	308011	BL WWTP LAB
			Check Total.....:	560.80	.00	560.80		
008464	08/27/03	FLO01	FLOYD V. WELLS, INC.	99.85	.00	99.85	0013136	SUPPLIES
008465	08/27/03	GRO01	GROENIGER & CO	1466.10	.00	1466.10	43982B	MISC SUPPLIES
				128.01	.00	128.01	46081T	MISC SUPPLIES
			Check Total.....:	1594.11	.00	1594.11		
008466	08/27/03	GWA01	GWA INC	25.00	.00	25.00	082003	FIRE ALARM SYSTEM GW 514
008467	08/27/03	IKO01	IKON OFFICE SOLUTIONS	47.20	.00	47.20	16392765	COPIER MAINTENANCE
008468	08/27/03	NEX01	NEXTEL COMMUNICATIONS	210.56	.00	210.56	87314-021	CELL PHONES
008469	08/27/03	NIC01	NICKSON'S MACHINE SHOP	2839.03	.00	2839.03	68921	SUNDALE WELL MAINTENANCE
008470	08/27/03	NIP03	NIPOMO SHELL	1214.05	.00	1214.05	218	GASOLINE FOR VEHICLES
008470	08/27/03	NIP03	NIPOMO SHELL	.00	.00	.00	174685	FUEL FOR JUNE
			Check Total.....:	1214.05	.00	1214.05		
008471	08/27/03	PAC01	PACBELL/WORLDCOM	5.74	.00	5.74	T1597550	PHONE 343-2397
008472	08/27/03	PER02	CALIF PUBLIC EMPLOYEES'	5359.78	.00	5359.78	1067-0903	HEALTH INSURANCE
008473	08/27/03	POO01	POOR RICHARD'S PRESS	173.85	.00	173.85	39960	DOOR HANGERS - 1000
008474	08/27/03	PUL01	PULITZER CENTRAL COAST NP	60.00	.00	60.00	144988	PUBLISH NOTICE OF INTENT-
008475	08/27/03	REL01	RELIABLE	91.52	.00	91.52	QTT04201	11X17 BINDER
008476	08/27/03	SAI01	SAIC	21388.33	.00	21388.33	399454	GROUNDWATER LITIGATION
008477	08/27/03	SAN01	SANTA MARIA TIRE INC	27.03	.00	27.03	415702	OILD CHANGE-DODGE
008478	08/27/03	SAN09	SAN LUIS MAILING SERVICE	82.16	.00	82.16	26419A	MAILING SERVICE/INSECT
				489.98	.00	489.98	26419B	POSTAGE-UTILITY BILLS
			Check Total.....:	572.14	.00	572.14		
008479	08/27/03	SHI01	SHIPSEY & SEITZ, INC	3451.19	.00	3451.19	071503	LEGAL SERVICES
008480	08/27/03	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	082703	REG BD MEETING 082703
008481	08/27/03	VAL01	VALLEY SEPTIC SERVICE	820.80	.00	820.80	1257	PUMP BL LIFT STN
008482	08/27/03	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	082703	REG BD MEETING 082703
008483	08/27/03	WES01	WEST GROUP	348.55	.00	348.55	804881443	CALIF GOVERNMENT CODE UPD
008484	08/27/03	WIN01	WINN, MICHAEL	100.00	.00	100.00	082703	REG BD MEETING 082703
008485	08/27/03	WIR02	WIRSING, JUDY	100.00	.00	100.00	082703	REG BD MEETING 082703
008486	08/27/03	WOC01	DOUGLAS WOOD & ASSOCIATES	1730.84	.00	1730.84	080103	EI NEG DEC TR 1856 MARIA

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

AUGUST 13, 2003

REGULAR MEETING 8:00 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

DOUG JONES, **GENERAL MANAGER**
DONNA JOHNSON, **BOARD SECRETARY**
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 8:01 a.m.

B. ROLL CALL

At Roll Call, all members of the Board were present.

Jon Seitz, District Legal Counsel, announced the need to go into Closed Session to discuss the following item. There was no public comment on this item.

The Board adjourned to the conference room at 8:03 a.m.

CLOSED SESSION 8:00 a.m.

CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC§54956.9

A. SMVWCD VS NCSD SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES

OPEN SESSION -- Estimated time 9:00 a.m.

The Board reconvened into Open Session at 9:01 a.m.

President Winn led the flag salute.

Jon Seitz, District Legal Counsel, announced that the Board discussed groundwater adjudication. There was no reportable action taken.

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.

There was no public comment.

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

D-1) TEFST STREET LIFT STATION IMPROVEMENTS

Review/Approve Change Order No. 1

The Board discussed the proposed Change Order No. 1, the addition of a new wet well.

Jim Garing, Garing, Taylor and Associates described the proposed improvement. Upon motion of Director Trotter and seconded by Director Vierheilig, the Board unanimously approved Change Order No. 1 with R. Baker, Inc. There was no public comment on this motion. Vote 5-0

D-2) MANDATORY GARBAGE SERVICE

Consider establishing mandatory garbage collection

The Board discussed the possibility of establishing mandatory garbage collection.

Tom Martin from the Garbage Company answered questions from the Board.

The following members of the public spoke:

Dick Mobraaten NCSD resident – stated that he is against mandatory garbage service.

Homer Fox NCSD resident – stated that he is for mandatory garbage service.

Upon motion of Director Blair and seconded by Director Wirsing, the Board agreed not to proceed with mandatory garbage service. Vote 3-2 with Director Trotter and President Winn voting no.

MINUTES SUBJECT TO BOARD APPROVAL

- D-3) REQUEST FOR SERVICE – PARCEL MAP CO 00-0086 (KESHTGAR)
Request for renewal of an Intent-to-Serve for project on S. Frontage Rd.

The Board discussed the self-storage project planned for APN 092-381-016/020 on South Frontage Road. Mr. Jones suggested adding a sixth condition to the Intent-to-Serve letter. (Other future conditions may be established by Board of Directors prior to issuance of a final Will-Serve letter.) Upon motion of Director Blair and seconded by Director Winn, the Board approved the Intent-to-Serve letter for Parcel Map CO 00-0086. There was no public comment on this motion. Vote 4-1 with Director Wirsing voting no.

- D-4) REQUEST FOR SERVICE – TRACT 2441 (GRAY TRUST)
Request for renewal of an Intent-to-Serve for 38-lot project at Blume and Grande

The Board discussed the proposed project. Terry Orton from Westland Engineering answered questions from the Board. Upon motion of Director Wirsing and seconded by Director Vierheilig, the Board agreed to table this item until a map with legible writing and a complete application is provided to the Board with the stipulation that the expiration date on the current Intent-to-Serve is extended past the August 27, 2003, meeting. There was no public comment on this motion. Vote 4-1 with Director Blair voting no.

President Winn called for a short break at 10:05 a.m.

The Board reconvened at 10:14 a.m.

E. OTHER BUSINESS

- E-1) SOUTHLAND WASTEWATER TREATMENT PLANT IMPROVEMENTS
Consider an agreement with Quantum Consultants for the installation of equipment

The Board discussed the agreement with Quantum Consultants for the installation of equipment at the Southland Wastewater Treatment Facility for the purpose of saving power consumption costs. The total cost is paid by grant funds sponsored by PG&E. Director Vierheilig asked about several items in the agreement. Item 1c Page 2 – Define short term power failure. Item 2c Page 2 – does not like banner waving. Item 3 paragraph 2 – asked about holding harmless. Jon Seitz, District Legal Counsel, explained that the risk is minimal. President Winn cautioned against hackers.

Upon motion of Director Trotter and seconded by Director Blair, the Board approved the agreement with Quantum Consultants for installation of equipment at the Southland Wastewater Treatment Facility for energy conservation and directed the general manager to execute the agreement. There was no public comment on this motion. Vote 5-0

- E-2) CITY INCORPORATION QUESTIONNAIRE
Draft questionnaire for review/approval

The Board discussed the draft questionnaire prepared by Directors Wirsing and Winn. The following members of the public spoke:

Ed Eby, NCSD resident – asked the Board when the questionnaire would be sent out. He stated that if it were sent before the incorporation feasibility study, the answers would be moot.

Jesse Hill, 1910 Grant Ave, AG – stated that he thought a study was prepared by Marsha Stillman and perhaps would have some results she could share.

Guy Murray, NCSD customer and business owner – stated that he thought the questionnaire should be sent out after the feasibility study.

Upon motion of Director Vierheilig and seconded by Director Wirsing, the Board agreed to send the incorporation questionnaire as soon as possible. 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 brackets.*

- F-1) WARRANTS [RECOMMEND APPROVAL]
- F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Minutes of July 23, 2003, Regular Board meeting
- F-3) FOURTH QUARTER FINANCIAL REPORT [RECEIVE AND FILE]
- F-4) NOTICE OF COMPLETION -CONSTRUCTION OF WATER STORAGE FACILITY [RECOMMEND APPROVAL]
- F-5) GENERAL MANAGER CONTRACT AMENDMENT [RECOMMEND APPROVAL]

RESOLUTION NO. 2003- 875

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT
APPROVING THE CONTRACT AMENDMENT TO THE GENERAL MANAGER'S CONTRACT**

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

G. MANAGER'S REPORT

Doug Jones, District General Manager, reported on the following:

- G-1) NOTICE OF ENVIRONMENTAL REVIEW FOR MARIA VISTA SEWER FORCE MAIN
Consider Public Hearing to be set for September 10, 2003
Copies of the "Maria Vista Sewer Main Extension Expanded Initial Study/Mitigated Negative Declaration" are available in the office for a fee of \$10.00.
- G-2) INCORPORATION FEASIBILITY STUDY
Status report from Davis & Company
Mr. Davis sent a letter outlining the status of the feasibility study. The letter is included in the packet.
Our employee, Ernie, was in the hospital. He will probably return to work in 4-6 weeks.

H. COMMITTEE REPORTS

The Annexation Committee plans to meet in the near future.

I. DIRECTORS COMMENTS

Director Trotter – stated that Directors Winn and Trotter spoke to the Blacklake advisory committee or town counsel Tuesday, August 12, 2003. They explained reasons for future raising of sewer rates. He would like a message sent to the residents explaining the rate hike. He also asked about painting of the light poles that have fiberglass exposed. (Mr. Jones explained that PGE has been contacted and that painting is on their schedule.)

Director Wirsing would like to agendize the progress of communications of the hiring of the new manager to see what the plan would be to publicize it and what the Board's role will be. She also wished to thank Director Trotter for his article in the newspaper.

Director Vierheilg stated that in case some may have missed the Dunes Forum presentation earlier this month, Julia Dyer will be speaking again at the Nipomo Creek Water Shed meeting August 19 at 6:00 p.m. at the Senior Center.

Director Blair also thanked Director Trotter for the article. He stated that he might possibly be gone for the next meeting. He stated that he disagrees with the Willow Rd extension plan.

President Winn stated that some purveyors are reportedly selling sodium chloride canisters for water softeners in Blacklake which is a violation of the Specific Plan and has an adverse effect on the recycled water for the golf course. He asked how the ordinance prohibiting this is administered or enforced. (Mr. Jones explained that the Regional Water Quality Control Board had the enforcement power.)

The comment period for the Urban Water Management Plan has come to an end, and the Board needs to be reading over the comments in preparation for adopting a final version to submit for public hearings.

Hard rock drilling proposals on the east side have been received by the District, with some interesting possibilities.

He stated that he went with Gene Mehlschau to look at wells in the Nipomo Valley and was asked if the District would consider selling water for agriculture.

He asked to agendize the District agreeing to work with the County Flood Control District to map groundwater on the Mesa on a twice a year basis.

He stated that he will be making a one-page summary on the MoA water policy and to add to the draft to link the MoA with the District's Annexation & Supplemental Water policy. These will be submitted to the Board in its next meeting.

Jon Seitz, District Legal Counsel, announced the need to go into Closed Session to discuss the following items. There was no public comment on the items to be discussed. The Board adjourned into Closed Session at 11:09 a.m.

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. WATER LINE EASEMENT ACROSS COUNTY PARK - DISTRICT NEGOTIATOR - DOUG JONES, CONFERENCE WITH NEGOTIATOR GC§54956.8 COUNTY NEGOTIATOR - PETE JENNY, REGARDING TERMS & PRICE.

The Board came out of Open Session. Jon Seitz, District Legal Counsel, announced that the Board did not discuss item A above. There was no reportable action.

ADJOURN

President Winn adjourned the meeting at 11:16 a.m.

The next regular Board meeting will be August 27, 2003.