

NIPOMO COMMUNITY SERVICES DISTRICT

AGENDA

DECEMBER 17, 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
LISA BOGNUDA, ASSISTANT ADMINISTRATOR
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL

The Nipomo Community Services District's mission is to provide the citizens of the District with quality, innovative, and cost-effective services through responsive and responsible local government to meet the changing needs of the community.

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 two days before the meeting.)

- A. CALL TO ORDER AND FLAG SALUTE NEXT RESOLUTION 2003-887
B. ROLL CALL NEXT ORDINANCE 2003-99
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) URBAN WATER MANAGEMENT PLAN (UWMP) – PUBLIC HEARING (CONTINUED)
Resolution adopting the District Urban Water Management Plan
D-2) POLICY ON ZONE CHANGES / DENSITY INCREASES IN NCSD BOUNDARY
Policy restricting water use to SLO County General Plan Amendments within District boundary
D-3) SLO COUNTY HOUSING ELEMENT
Review Housing Element Environmental Report
D-4) LANDSCAPE MAINTENANCE - TRACT 2409
Approving a contract for Landscape Maintenance for Tract 2409
E. OTHER BUSINESS
E-1) LAFCo SOI CEQA FEES
Request from LAFCo to pay SOI CEQA costs
E-2) INCORPORATION FEASIBILITY STUDY – CONTINUANCE / REVIEW SOI
Correspondence from consultant on deferring final incorporation report and review LAFCo SOI study
E-3) ANNUAL ELECTION OF THE PRESIDENT & VICE PRESIDENT OF THE BOARD OF DIRECTORS TO PRESIDE FOR THE 2004 YEAR
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) APPROVAL OF AUDIT PROPOSAL
Proposal for District annual audits
F-3) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Minutes of November 5, 2003, Regular Board meeting
Minutes of November 19, 2003, Regular Board meeting
Minutes of December 3, 2003, Regular Board meeting
G. MANAGER'S REPORT
G-1) LAFCo, MUNICIPAL SERVICE REVIEW / SOI CEQA REPORTS REVIEW PERIOD
H. COMMITTEE REPORTS
H-1) INCORPORATION COMMITTEE- CONTACT WOODLANDS ABOUT CITYHOOD
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.
C. ANTICIPATED LITIGATION, ONE CASE GC §54958.9

ADJOURN

The next regular Board meeting will be January 14, 2004.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: DECEMBER 17, 2003

AGENDA ITEM
D-1
DECEMBER 17, 2003

URBAN WATER MANAGEMENT PLAN
PUBLIC HEARING
CONTINUED

ITEM

Continuance of Public Hearing for the adoption of the District's Urban Water Management Plan

BACKGROUND

The California Urban Water Management Plan Act requires agencies serving over 3,000 customers to prepare an Urban Water Management Plan. Your Honorable Board has reviewed the Plan on a number of occasions. It has been modified based on input from your Honorable Board and other sources. The Plan was presented at the December 3rd Board meeting and continued to the next regular Board meeting.

RECOMMENDATION

Staff recommends that your Honorable Board, after hearing comments from the public, approve the attached resolution adopting the Urban Water Management Plan.

Board 2003/Urban Water Management Plan final 12-17-03

NIPOMO COMMUNITY SERVICES DISTRICT

Urban Water Management Plan

December 17, 2003

DRAFT

**Prepared by
Nipomo Community Services District**

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**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

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**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

1.0 INTRODUCTION

1.1 URBAN WATER MANAGEMENT PLANNING ACT

In 1983, the Urban Water Management Planning Act (UWMPA) was enacted by the California Legislature (Assembly Bill 797). This legislation requires that urban water purveyors, serving 3,000 or more customers or providing at least 3,000 acre-feet of water per year, to prepare and adopt an Urban Water Management Plan (UWMP). AB 797 was amended by AB 2661 in 1990, by AB 1869 and AB 11X in 1991, by AB 892 in 1993, AB 2853, and SB 1017 in 1994, and by AB 1845 and AB 1011 in 1995. The goals of the UWMP include the following:

- 1) to summarize the historic water supply and quality for an urban area;
- 2) to project future water demand based on population projections;
- 3) to evaluate the ability of the current supply to meet the future demands, in terms of quantity and quality;
- 4) to evaluate potential alternative supplies available to the area; and
- 5) to evaluate specific conservation measures outlined in the Act as they apply to the area.

The Act further requires that the UWMP be updated every five years in order to reassess and add to previously completed plans and updates

1.2 PURPOSE AND SCOPE

The purpose of this document is to comply with the requirements of the UWMPA and provide updates to the plan at least once every five years on or before December 31, in the years ending in five and zero. It is to include a historical review of population, water usage and water quality trends, and estimate projections of population growth and water demands including water conservation efforts.

1.3 PUBLIC PARTICIPATION

The Board of Directors of the Nipomo Community Services District has held a number of meetings, encouraging participation of the community and other agencies in developing the District's Urban Water Management Plan.

The Board of Directors of the Nipomo Community Services District will hold a public hearing prior to the adoption of the Urban Water Management Plan.

2.0 BACKGROUND

2.1 THE DISTRICT

The Nipomo Community Services District is a special district formed under Government Code 61000 and is governed by a five-member Board of Directors. The Board of Directors establishes the policies and the District staff administers the policies. A public meeting is held on the second and fourth Wednesday of each month. The public is invited to participate.

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

2.2 SERVICE AREA

The Nipomo Community Services District is located in San Luis Obispo County on the Central Coast of California between San Francisco and Los Angeles. The summers are mild and dry and the winters are cool with an average rainfall of approx. 16 inches. The summer fog helps reduce summer water demands within the District. The District serves an area of approximately seven square miles.

The District's Water and Sewer Master Plan by Boyle Engineering, completed in November 1995 and updated in 2001, indicates the weighted residential unit had 3.24 residents. The District's population projection was projected by multiplying the estimated number of services times the weighted residential population per account.

2.3 POPULATION PROJECTIONS

In the past ten years, the District has experienced relatively rapid growth in housing. The San Luis Obispo County Planning Department population projections based upon the 2000 Census data within the Nipomo Urban Reserve Line (URL) are listed in Table No. 1 along with the District's projections, Figure No. 1. These population projections are for an area larger than the existing District boundary.

3.0 EXISTING WATER SYSTEM AND SUPPLY

3.1 WATER SOURCES

Currently, the District's only water supply is from groundwater. The existing production capacity of the District's nine wells can meet the approximate build-out requirements within the District boundary as given in the current South County Area Plan (SCAP) of 27 May 1999, (Appendix A) to the year 2020. San Luis Obispo County's growth control ordinance presently restricts most developments in the Nipomo area to 2.3% per year. Based on this ordinance, there would be modest growth within the community.

Urban water providers, such as NCSD and investor-owned water companies (Cal Cities, Rural Water Co.), and mutual water companies, rural residents on private wells and agricultural users have increased groundwater extraction over the past years, creating a groundwater depression on the Nipomo Hydrologic Sub-Area (HSA) of the Santa Maria groundwater basin. (See Appendix B.)

The California State Department of Water Resources (DWR) 2002 Arroyo Grande/Nipomo Mesa Water Resources Report states that the Water Budget for the Nipomo HSA indicates that the outflow (sub-surface & extractions) exceeds inflow; therefore, this HSA of the Santa Maria groundwater basin is being mined or is in a state of overdraft. Reports from the consulting firm of SAIC and the Santa Barbara County Water Agency also confirm this overdraft.

The District has been made a party to the Santa Maria Valley groundwater adjudication filed in July 1997, known as Santa Maria Valley Water Conservation District vs. Nipomo Community Services District, et al., Case No. 770214 in Santa Clara County. This suit brings into question the groundwater rights between municipal water suppliers, such as the District and other users for the entire Santa Maria Groundwater Basin. This court case began October 8, 2003. It is anticipated that the court will impose a groundwater management plan for the basin where presently none exists.

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

The 2002 DWR Arroyo Grande/Nipomo Mesa Water Resources Report indicates that in the year 2000, the Nipomo HSA had approximately 84,000 acre-feet of water in storage above mean sea level. It is anticipated that the groundwater basin has sufficient capacity to supply the HSA and NCSD's water users until the court determines the status of the groundwater basin.

3.2 WATER PRODUCTION

The District presently operates two independent water systems, one known as the Town Division, with approximately 3,000 accounts, and the other known as the Blacklake Division, with approx. 580 accounts. The Town Division presently has six (6) wells that pump from the Nipomo hydrologic sub-area and has one active well in the Nipomo Valley with a total production capability of approximately 3,300 gallons per minute. The Blacklake Division has two (2) wells that pump groundwater from the Nipomo HSA with pumping capacity of approximately 750 gpm.

The District is 100% metered. The average consumption per account for the past five years for the Town Division is approximately 0.64 AFY and for the Blacklake Division about 0.68 AFY per account. By implementing an additional tiered water rate, a conservation program, and a seasonal water rate, it is estimated that the annual consumption rate per account could be reduced by a minimum of 1 percent per year until a 10 to 15 percent reduction is achieved. Most of this reduction could come from better regulation of outside use and landscaping irrigation. Other possible efforts are listed in Appendix B. Projected water demand is based on this estimate.

The tables below show the current and projected water supply capacity for each division operated by the District.

TABLE NO. 2 DISTRICT PRODUCTION CAPACITY		
	EXISTING PRODUCTION	80% OF CAPACITY*
Town Existing Wells	3,300 gpm	4,200 AFY
Blacklake Existing Wells	750 gpm	950 AFY

* Assume wells would be down 20% of the time for maintenance, etc.

In 2001, the District pumped approximately 2400 acre-feet from its wells to supply the water for its consumers in both divisions. The District completed an update of the 1995 Water and Sewer Master Plan in 2001 which projects the additional infrastructure requirements to supply the community with water and sewer services. As the community grows, infrastructure is constructed to meet the demands of the community, which are primarily financed through the District capacity fees and charges paid by developers.

If the adjudication of the Santa Maria groundwater basin results in the District being required to reduce well production, the District may make up this difference of production from the District Nipomo Valley wells on the east side of Highway 101, outside of the defined groundwater basin, as shown in Table No. 3:

TABLE NO. 3 EXISTING AND FUTURE PRODUCTION	
FUTURE PRODUCTION	TOWN (AFY)

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

Production outside the basin based on 70% capacity		AFY
Hermreck Well	250 gpm	300
Savage Well	100 gpm	100
Church Well	150 gpm	200

Other potential supplemental water services would include a District well site near the Santa Maria River, purchase water from other agencies, and a possible desalination operation.

TABLE NO. 4 POTENTIAL OF NIPOMO MESA WATER SUPPLY		
Other potential sources		AFY
Off-Mesa well site	1,000 gpm	1,100
Other supplemental water sources**	-----	1,500

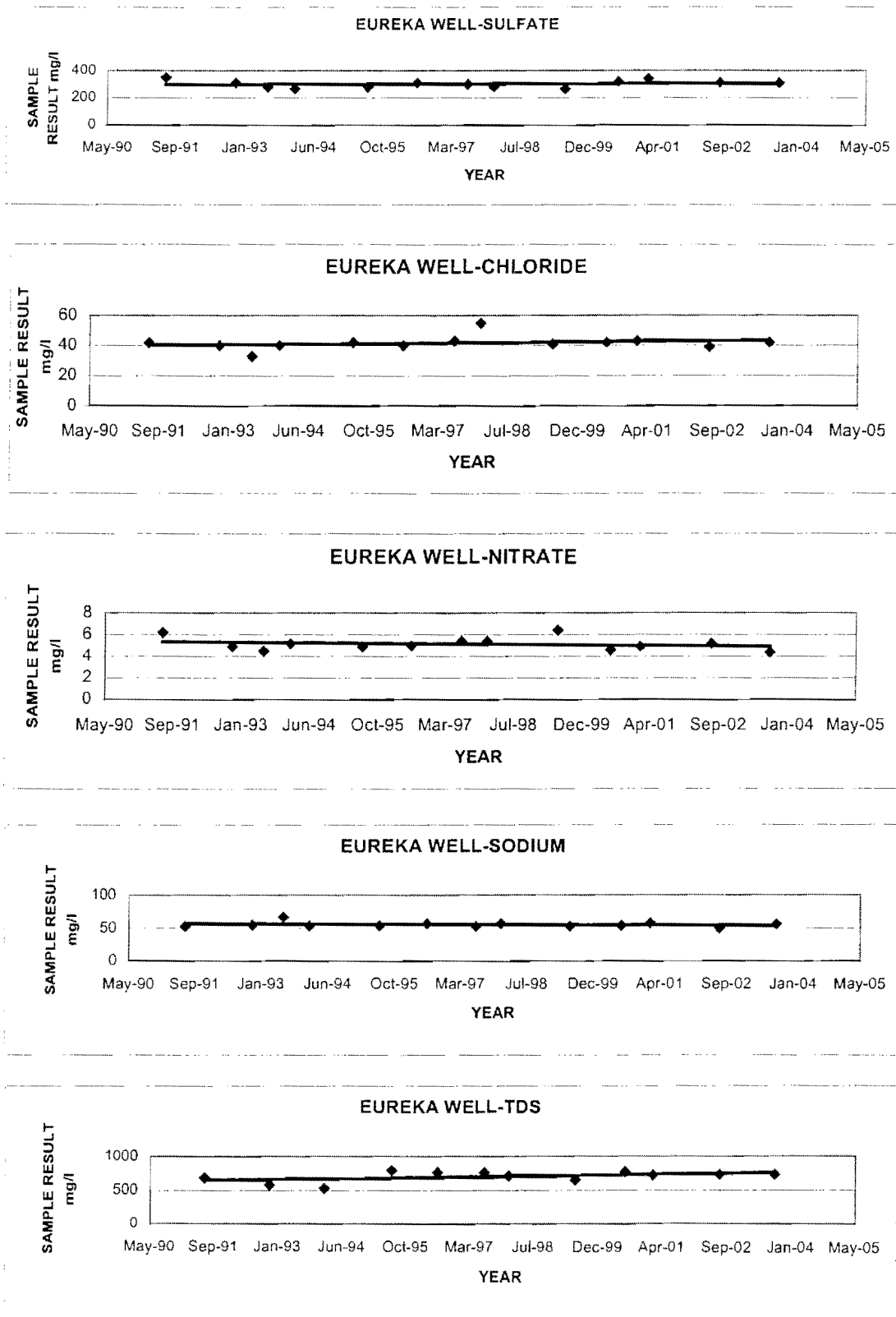
3.3 WATER QUALITY

The District's water supply is in compliance with the State Department of Public Health requirements. Water samples taken from the District wells over the past ten years include Total Dissolved Solids (TDS), chlorides, nitrates and sodium. These water quality samples were taken from the District's Eureka Well, Via Concha Well, Blacklake Well #4, and Church Well on the east side of Highway 101, as shown on Figures No. 2 through 5, including trend lines. All of the District's water supply is classified as hard water. The primary drinking water standards from the State Department of Public Health are as follows:

TABLE NO. 5 WATER QUALITY STANDARDS	
Sodium	500 mg/ l
Chlorides	500 mg/ l
Nitrates	45 mg/ l
TDS (secondary standard)	500 to 1000 mg/ l

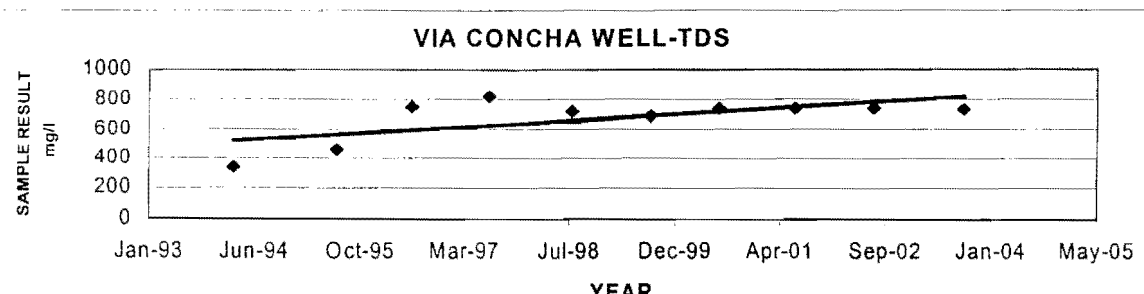
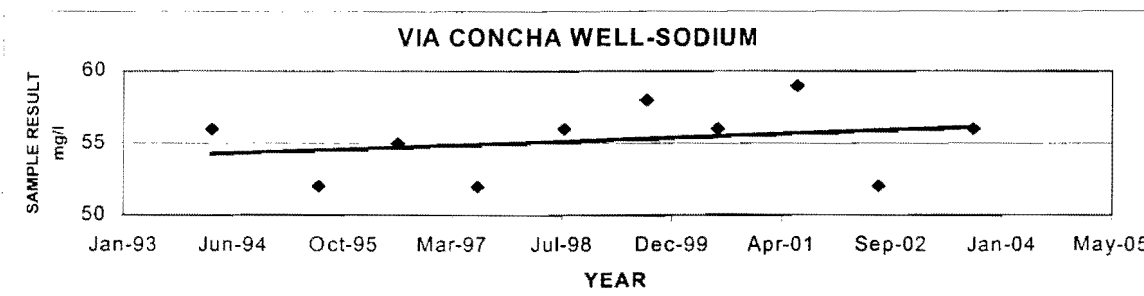
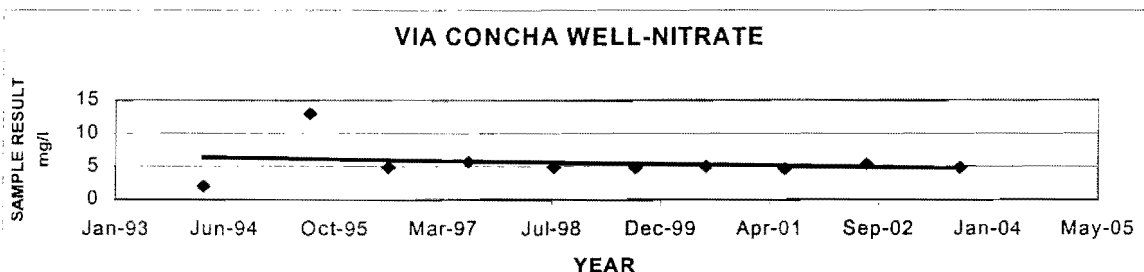
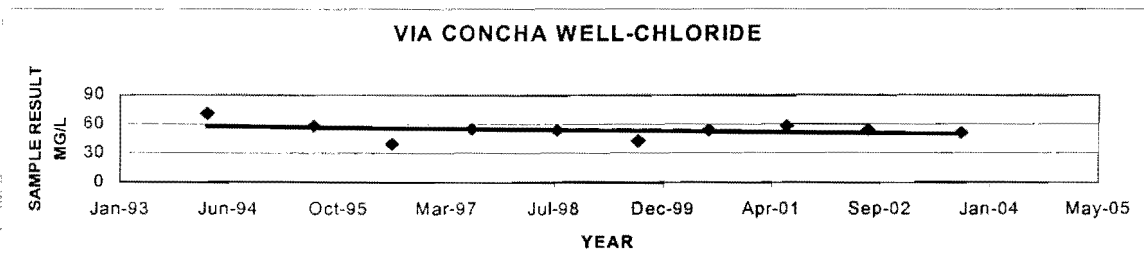
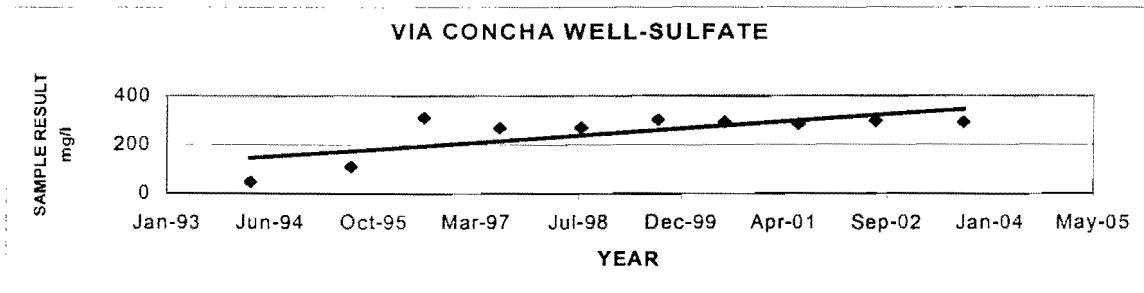
NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

GROUNDWATER WATER QUALITY
FIGURE NO. 2



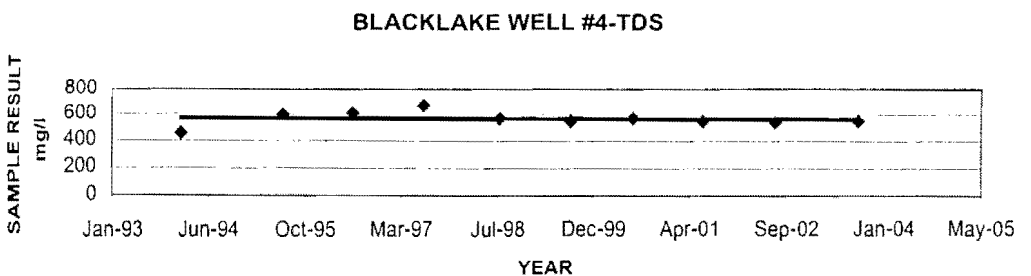
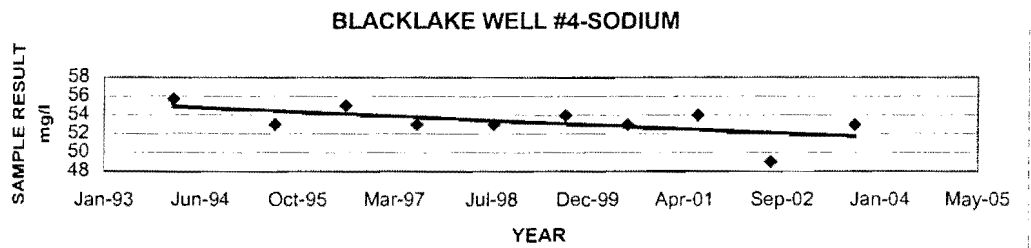
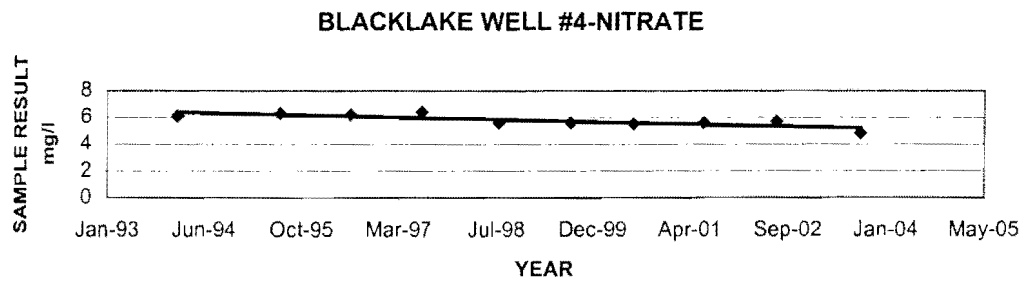
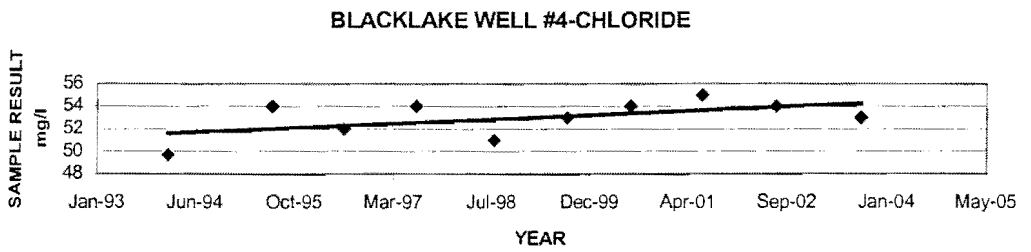
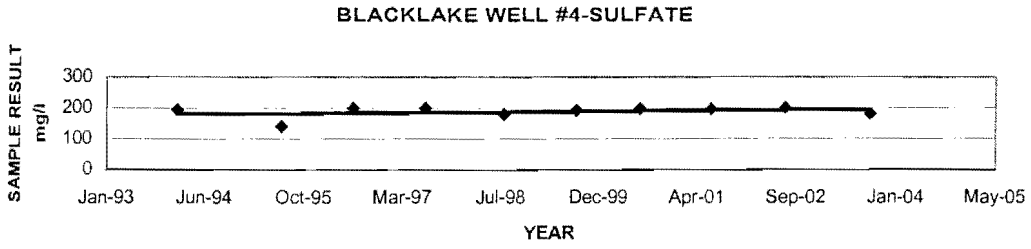
NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

GROUNDWATER WATER QUALITY
FIGURE NO. 3



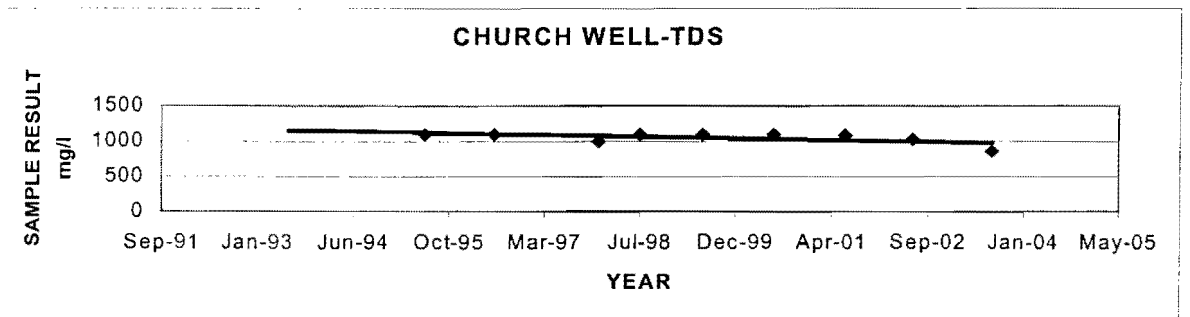
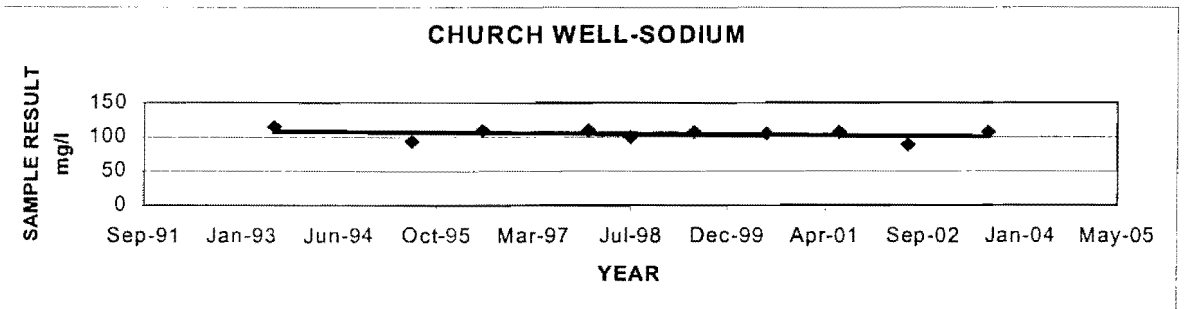
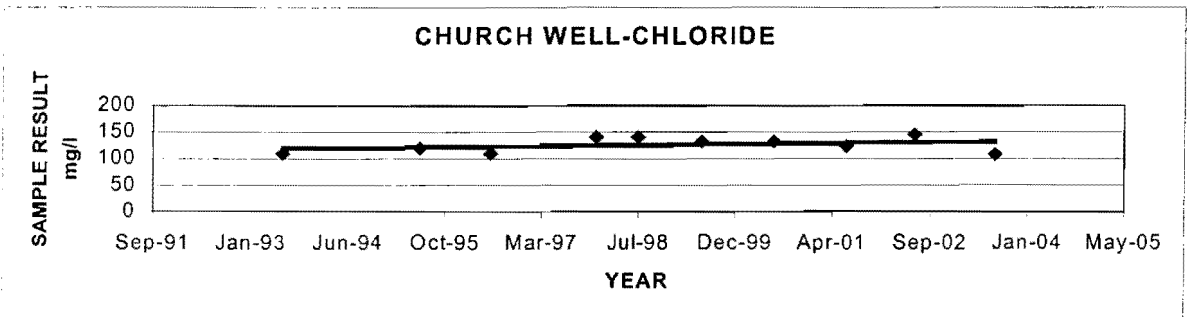
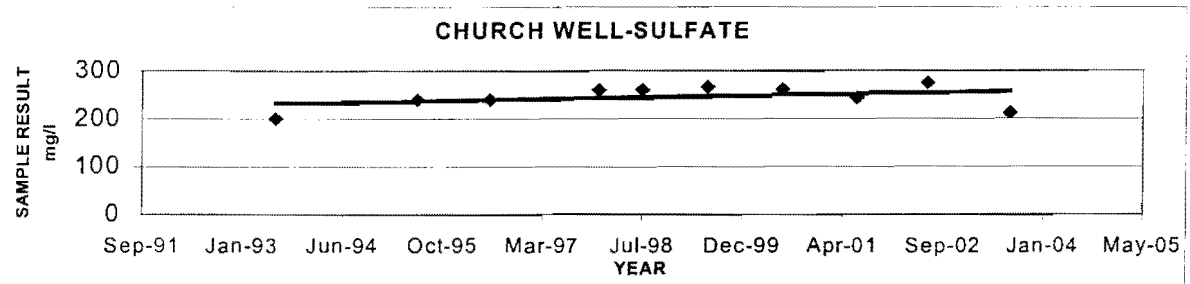
NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

GROUNDWATER WATER QUALITY
FIGURE NO. 4



NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

GROUNDWATER WATER QUALITY
FIGURE NO. 5



**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

3.4 RELIABILITY PLANNING

The Nipomo Community Services District's wells are drilled into the deeper portion of the groundwater basin; therefore, droughts of a single dry-year or multiple dry-year periods have not affected the District's well production.

The District's Sun Dale well (approx. 1,000 gpm) is driven by a natural gas engine, which is fully automated to operate during power outages. The District has standby generators, if needed, to put other wells on line during prolonged power outages in the community.

Presently the District has the capacity to store four million gallons of water in its storage reservoirs, thereby providing for emergency demands of the community during well interruptions (via power outages). The District is planning to add a number of new wells to increase production to meet future demands.

With standby generators, a natural gas engine, and storage capacity, the District has adequate reliability for maintaining the water supply for the community.

3.5 TRANSFERS OR EXCHANGE OPPORTUNITIES

The District presently has an emergency inter-tie with the neighboring, private water company (California Cities Water Company) and the Blacklake Division. With the addition of a booster pump, water could be exchanged between these areas in an emergency. The District is presently in negotiations with the City of Santa Maria for a possible supplemental water source, which may be developed sometime in the future. The District has begun investigation of a desalination project.

4.0 WATER USE PROVISIONS

4.1 CURRENT AND PROJECTED WATER USE

The Nipomo Community Services District was formed in 1965 to provide a domestic water source for Nipomo, an unincorporated community that lies within the County of San Luis Obispo. The District has grown slowly until 1990-2003, which has seen an increase of more than 58% in water accounts.

Projected water use for the Town Division, assuming some reduction in well production from the Mesa and supplemented with off-Mesa production (Nipomo Valley) and a supplemental supply, is shown in Figure No. 6. The Blacklake Division projected water use is shown in Figure No. 7.

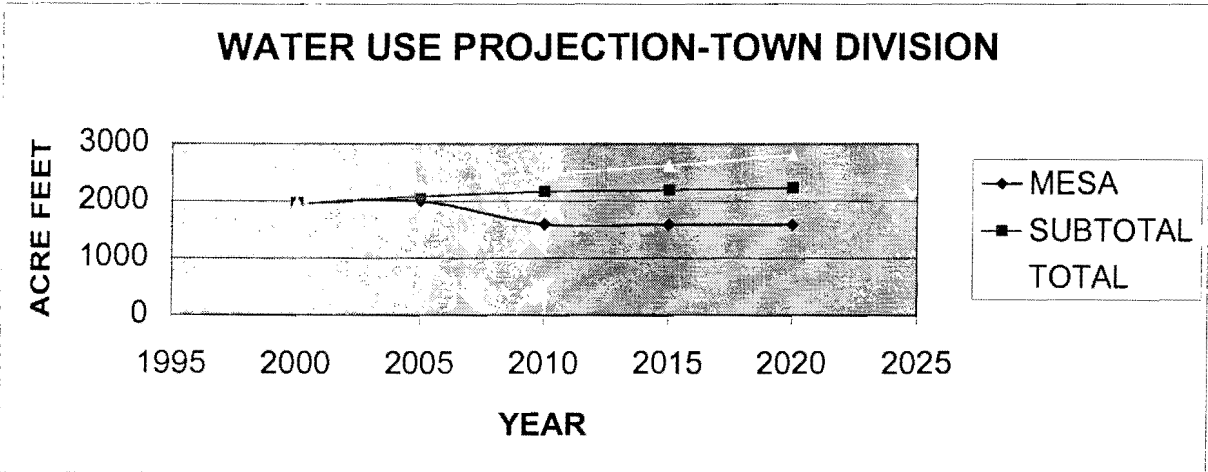
NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

FIGURE NO. 6

WATER USE PROJECTION
TOWN DIVISION SUPPLY (AFY)

YEAR	MESA	OFF MESA	SUBTOTAL	SUPPLEMENTAL	TOTAL
2000	1971	N/A	1971	0	1971
2005	2000	80	2080	170	2250
2010	1600	570	2170	300	2470
2015	1600	600	2200	420	2620
2020	1600	600	2240	570	2810

Notes: Mesa Supply assumes reduction from water rights court ruling.
Off Mesa = District wells in Nipomo Valley
Subtotal = Mesa, Off Mesa and conservation
Total = All supplies w/o conservation @ 0.68 AF/Account



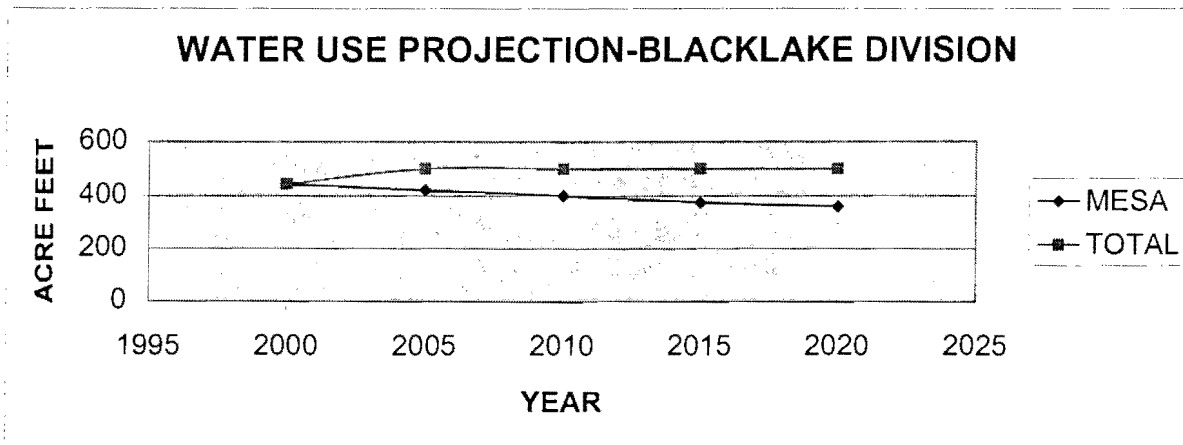
NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

FIGURE NO. 7

WATER USE PROJECTION
BLACKLAKE DIVISION SUPPLY (AFY)

YEAR	MESA	SUPPLEMENTAL	TOTAL
2000	443	N/A	443
2005	420	80	500
2010	400	100	500
2015	375	125	500
2020	360	140	500

Notes: Mesa = Well production, conservation and assumed a water rights court ruling
Total = Well and supplemental supply w/o conservation @ 0.78 AF/Account



NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

The primary service area within the District is residential, with a small commercial sector.

TABLE NO. 6 DISTRICT PRODUCTION AND CONSUMPTION								
CURRENT AND PROJECTED WATER CONSUMPTION/PRODUCTION								
YEAR	1985	1990	1995	2000	2005	2010	2015	2020
TOWN								
Number of Accounts	1,170	1,731	2,281	2,744	3,010	3,310	3,510	3,710
AF/Consumption/Acct.*	0.64	0.66	0.55	0.64	0.63	0.60	0.57	0.55
Total Consumption (AFY)	743	1,134	1,263	1,756	1,890	1,970	2,000	2,040
Est. Production (1.1 x Consumption) (AFY)	810	1,250	1,400	1,820	2,080	2,170	2,200	2,240
*Assume 15% reduction from 2000-2020 due to water rate adjustment and conservation.								
CURRENT AND PROJECTED WATER CONSUMPTION/PRODUCTION								
YEAR	1985	1990	1995	2000	2005	2010	2015	2020
BLACKLAKE DIV.								
Number of Accounts	+		371	564	590	590	590	590
AF/Consumption/Acct.*			0.65	0.72	0.67	0.62	0.58	0.56
Total Consumption (AFY)			240	410	390	370	340	330
Est. Production (1.1 x Consumption) (AFY)			260	450	430	410	380	360

* Assume 15% reduction from 2000-2020 due to water rate adjustment and conservation.

+ The District took over operation from CSA-1G (Blacklake) in 1994.

The current and projected water supply is partly based on buildout projections from the County Planning Department's Growth Control Ordinance, as expressed in the General Plan of the South County Planning Area (SCAP) of 27 May 1999, and the number of assessor parcel numbers not served within the District, as shown in Table No. 7.

TABLE NO. 7 PARCELS WITHIN THE DISTRICT – BASED ON APN'S		
Assessor Parcel Numbers in the District as of 1/2003	No.	%
TOTAL	3,767	100.0
Non-Buildable (easements, etc.)	138	3.5
Vacant or no NCSD service	245	6.5

The District presently services over 90% of the buildable parcels within the Town Division. It is estimated there will be approximately 800 to 1,000 additional connections by the year 2020 within the current boundary, assuming that not all parcels are developed by the year 2020.

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

HISTORIC, CURRENT, AND PROJECTED NUMBER OF CONNECTIONS

TABLE NO. 8 TOWN DIVISION							
CUSTOMER TYPE	YEAR						
	1990	1995	2000	2005	2010	2015	2020
Single Family Residential	1,698	2,027	2,479	2,735	2,975	3,220	3,290
Multi-Family Residential		158	174	180	190	200	210
Commercial/ Industrial	33	73	70	73	120	150	160
Landscaping		18	19	20	23	38	38
Agricultural		5	2	2	2	2	2
Total (NO. OF ACCOUNTS)	1,731	2,281	2,744	3,010	3,310	3,610	3,710

TABLE NO. 9 BLACKLAKE DIVISION							
CUSTOMER TYPE	YEAR						
	1990	1995	2000	2005	2010	2015	2020
Single Family Residential	203	275	465	485	490	490	490
Multi-Family Residential		66	65	65	65	65	65
Landscaping/Recreational*		30	34	35	35	35	35
Total (NO. OF ACCOUNTS)	203	371	564	585	590	590	590

*Blacklake has no agricultural users.

5.0 WATER DEMAND MANAGEMENT MEASURES

5.1 WATER CONSUMPTION AND PRODUCTION AUDIT

The District audits its water production and consumption and determines if unaccountable water is in excess of the District distribution system allowances.

In the past, there was a high degree of unaccountable water (up to 22%), due to polybutylene water service line failures. ("Unaccountable water is the difference between the amount pumped and the amount metered to customers.) The District has completed a program of replacing these services to reduce water losses. After this replacement program was completed and the system audited, the unaccountable water loss is presently at 3%. The District audits its production, consumption and unaccountable water use.

5.2 LOW-FLUSH TOILET REPLACEMENT PROGRAM

The District has established a plumbing fixture retrofit program. Any developer wishing to annex property into the Services District is required to retrofit eight existing homes for each new home in the proposed annexation. This program has been successful in accomplishing retrofitting of residential units in the District.

With a limited number of retrofits available, future annexations and increased densities within the District boundaries will require a supplemental water supply.

NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

5.3 PUBLIC INFORMATION

The District publishes a newsletter describing District activities, which includes promoting water conservation items. Board agenda and other documents are also sent to local internet egroups for circulation and comment.

5.4 CONSERVATION

The District is 100% metered and has a tiered water-billing rate structure with a lifeline allotment as the basic block. Water used over this block is billed at a higher rate. Rates are adjusted annually to maintain fiduciary responsibility. To promote further conservation, the District is planning to adjust its rate structure.

Other conservation programs that the District has reviewed are school education, washing machine rebate, commercial accounts (the District has a few commercial accounts and no industrial or institutional accounts) and other programs as described in Appendix C. Presently, the small size of the District does not economically justify implementing all of these programs, but they are all being re-evaluated.

5.5 WATER SHORTAGE CONTINGENCY PLAN

The District does not have a surface water supply and relies on groundwater. The groundwater basin water levels have had normal fluctuations even during minimum rainfall where it has not affected the District's water production. Since the District has not experienced water supply shortages, it has not needed to implement an analysis of water shortages or reduce customer consumption, which would reduce revenue and increase operating costs.

5.6 WATER CONSERVATION AND SHORTAGE PROGRAM

District Code §3.3.4 - Water Conservation and Emergency Water Shortage Regulations address conservation and water shortages and emergencies. The ordinance states

- No customer shall waste water.
- Prohibits irrigation between 9 a.m. and 6 p.m.
- Prohibits use on hard surfaces (driveways, sidewalks, etc.)
- Allows customers up to four hours to repair their leaks after being notified.

The following is a summary of the three stages of water conservation:

(1) **Stage 1: Voluntary Conservation**

Customers are requested to voluntarily limit the amount of water used from May 15th to October 15th of each year to that amount absolutely necessary for health and business. A fifteen percent (15%) reduction in water use is requested.

(2) **Stage 2: Mandatory Conservation**

Limited water use: Outdoor irrigation limited (6 p.m. to 9 a.m.) Residential car washing prohibited. Fire hydrant flushing is curtailed.

(3) **Stage 3: Mandatory Conservation**

More limited water use: Prohibits use of District water for lawns, ground cover, crops and vegetation. Quantity of water used shall not exceed 75 gallons per day per person. Violators would be subject to installation of flow restrictors and fines. Further violations would cause the meter to be removed.

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

6.0 WATER SUPPLY

6.1 WATER PROJECTS

The District is working with a number of developers to bring new wells on line and reconstructing a stand-by well to meet future supply and peak system demands. Present District storage capacity is 3.3 million gallons with an additional 0.7 MG emergency storage. Additional storage is in the planning stage.

6.2 SUPPLEMENTAL WATER SUPPLIES

The District is presently reviewing possible supplemental water supplies, which include the following:

- Purchase water from the neighboring City of Santa Maria, which would include an inter-tie for water supply that may be needed in times of emergencies.
- Desalination - The Board has directed staff to look into methods of desalination. No final determination has been made, however.
- Hard rock drilling - Drilling in the fractured rock area east of the District for a possible water supply.

A supplemental water supply may be acquired before the finalization of the adjudication of the groundwater basin. The amount needed will depend on the court's ruling on the adjudication of the groundwater rights. A ruling is expected in the year 2004.

7.0 RECYCLED WATER

7.1 WASTEWATER COLLECTION AND TREATMENT

The District has two (2) wastewater treatment facilities within its boundaries.

Southland Wastewater Treatment Plant - Provides wastewater treatment for approx. 1,900 accounts.

Blacklake Wastewater Treatment Plant - Provides treatment of wastewater for approx. 550 accounts.

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

Table No. 9 shows the amount of wastewater treated in 2000 and existing capacity.

TABLE NO. 10 WASTEWATER CAPACITIES TOWN AND BLACKLAKE DIVISIONS				
WASTEWATER TREATMENT				
Treatment Facility Name	Average Daily Flow MGD (2000)	Maximum Daily Flow MGD (2000)	Year planned for build-out	Existing Capacity Average Daily Flow
Southland	0.4	0.6	2020+	0.9 MGD
Blacklake	0.06	0.1	2005	0.2 MGD

The treated wastewater from the Southland Wastewater Treatment Facility flows into percolation ponds, which percolates back into the HSA groundwater basin. Presently, it is not economical to recycle the wastewater for other uses.

The wastewater from the Blacklake Wastewater Treatment Facility is treated and discharged into a golf course water hazard, which is then used for golf course irrigation and percolation to the groundwater basin. All the wastewater processed by the District is recycled into the groundwater basin.

7.2 CURRENT AND PROJECTED WASTEWATER PROCESSES

TABLE NO. 11 RECYCLED WASTEWATER TOWN AND BLACKLAKE DIVISIONS						
RECYCLED WASTEWATER		2000	2005	2020	2015	2020
Town Division	AFY	400	500	600	700	800
Blacklake Division	AFY	60	75	75	75	75

8.0 OTHER WATER CODE ITEMS

Due to the District having slightly over 3,000 water accounts, the following sections of the California Water Code Sections are not presently economically justifiable for a small District.

Sec. 10634: (f)(I)

- (A) water audit program for residential and multi-family accounts
- (E) implementation of a large landscaping conservation program
- (F) implementation of a high efficiency washing machine rebate program
- (I) implementation of conservation commercial, industrial and institutional program. (There is little commercial and no industrial or institutional served by the District.)

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

9.0 SUMMARY

It is proposed that this Urban Water Management Plan be updated in the year 2005 because of the following:

- The Court may have made a determination on the adjudication of the groundwater basin.
- A supplemental water supply agreement may be completed.
- The District's Sphere of Influence will be finalized by the Local Agency Formation Commission (LAFCo).
- The possibility of the city incorporating will be more clearly defined.

Funds should be budgeted in Fiscal Year 2004-05 or 2005-06 to update the UWMP and analyze the District's water rates.

10.0 CONCLUSION

The District has established a Urban Water Management Plan in compliance with the water code and to evaluate its water needs within the existing District boundary in conformity with the current General Plan for the South County Planning Area (SCAP) of 27 May 1999.

The District's future water supply will be dependent on the court's decision on the adjudication of the Santa Maria groundwater basin. With the possibility of the District having to curtail its pumpage from the Nipomo Sub-Area of the Santa Maria groundwater basin, it could supplement this water reduction from the Nipomo Valley and other agencies and implement conservation water measures to meet water demands to the year 2020.

A supplemental water supply will be required for future growth via annexations to the District. The District is presently negotiating with the City of Santa Maria for a supplemental water supply and has budgeted funds for a desalination study. Because a supplemental water supply will be more expensive than the District's existing water, the economics will drive conservation.

The District continues to look into conservation measures, as described in Appendix C. Due to the District's size, implementing certain conservation measures at this time may not be economically justifiable at this time. The District presently recycles all of its wastewater either through percolation back into the groundwater basin or irrigation for the golf course. The District's infrastructure is presently in place to meet the District's water production and storage facilities to the year 2020.

ADJUDICATION OF THE GROUNDWATER BASIN

It is anticipated that when the Court makes a determination on the adjudication of the Santa Maria groundwater basin, a management plan will be developed for the basin which will quantitate the District's water supply for the community.

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

REFERENCES

- 1) Boyle Engineering Water and Sewer System Master Plan – November 16, 1995
- 2) SLO County Planning Department – South County Area Plan – Inland – May 27, 1999
- 3) Kennedy/Jenks Consultants – Evaluation of Water Supply Alternatives – Nipomo, CA – October 2001
- 4) Boyle Engineering Water and Sewer System Master Plan 2001 Update March 2002
- 5) State Department of Water Resources, Water Resources of the Arroyo Grande-Nipomo Mesa area – Southern District Report – 2002
- 6) SAIC – Water Resources Evaluation Nipomo Mesa Management Area draft – May 28, 2003
- 7) DWR Bulletin No. 118, update 2003-October 2003

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

APPENDIX A

[Insert map of NCSD, with the Urban Reserve Line (URL) superimposed.]

**NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN**

APPENDIX B

[Insert map of South County Planning Area (Inland), with the Nipomo HSA superimposed.]

NIPOMO COMMUNITY SERVICES DISTRICT
URBAN WATER MANAGEMENT PLAN

APPENDIX C

CONSERVATION MEASURES

- ? 1. Purveyor provides leak detection assistance to customers
- D 2. Purveyor has an on-going leak detection and elimination program for water system
- D 3. Water bill inserts containing water conservation messages
- D 4. Adopt conservation pricing: customers pay higher rate for higher water use
- ? 5. Water bills compare current use with previous year's and community-wide average
- ? 6. Purveyor provides landscape water-use audits for customers
- D 7. Provide water conservation information to applicants for new service
- D 8. Provide incentives for voluntary refit of low-flow toilets, shower heads and faucets
- D 9. Adopt an ordinance or regulations prohibiting wasteful outdoor water use
- ? 10. Provide information to public schools for use in conservation education programs
- D/? 11. Mandatory retrofit programs for new construction / or upon transfer of ownership
- X 12. Purveyor personnel trained in turf management provide assistance to customers
- D 13. Use of local newspapers to promote water conservation
- X 14. Use of television and radio to promote water conservation
- D 15. Reclaim significant amounts of wastewater

D = done now

E = easily done

? = explore to see if worth implementing

X = judged to be ineffective

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: DECEMBER 17, 2003

AGENDA ITEM

DECEMBER 17, 2003

POLICY ON ZONE CHANGES/DENSITY INCREASES IN NCSD BOUNDARY

ITEM

Policy restricting water use to SLO County General Plan Amendments within District boundary

BACKGROUND

At the last Board meeting Director Vierheilig requested that this item be put on the agenda concerning the County General Plan (GPA) amendments within the District boundary.

An increase of land use densification is a concern with respect to the District water supply. At the last Board meeting, the request for service to Tract 2303 (which will require a land use change – GPA) was extended for 90 days in anticipation of a decision from the court on the groundwater basin adjudication.

RECOMMENDATION

Staff requests direction from your Honorable Board.

Board 2003/Moratorium on zoning changes 12-03

November 12, 2003

From: Larry Vierheilig, NCSD Director

To: NCSD Administration, Staff, and Board of Directors


For: NCSD Board Meeting November 19, 2003


Re: Directors Comments

In the event that I am unable to attend this meeting due to Jury Duty, I request the following items be placed on the agenda for the December 3, 2003 NCSD Meeting:

1. NCSD position to Board of Supervisors, appropriate Department Heads, and staff regarding land use zoning changes, use of TDCs, etc. within NCSD boundaries that would increase water connections above that currently defined in the South County Area Plan (SCAP) - "NCSD recommends a moratorium on all zoning changes/density increases above that currently defined in the SCAP within NCSD boundaries that would increase the number of water connections over current zoning until the Santa Maria River Valley Water adjudication is resolved." Verbiage could be added to further define 'resolved', etc.
2. As above but expanded to include the proposed SOL.

Many Thanks,


Larry Vierheilig, NCSD Director

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: DECEMBER 17, 2003



SAN LUIS OBISPO COUNTY HOUSING ELEMENT

ITEM

Review SLO County Housing Element Environmental Report

BACKGROUND

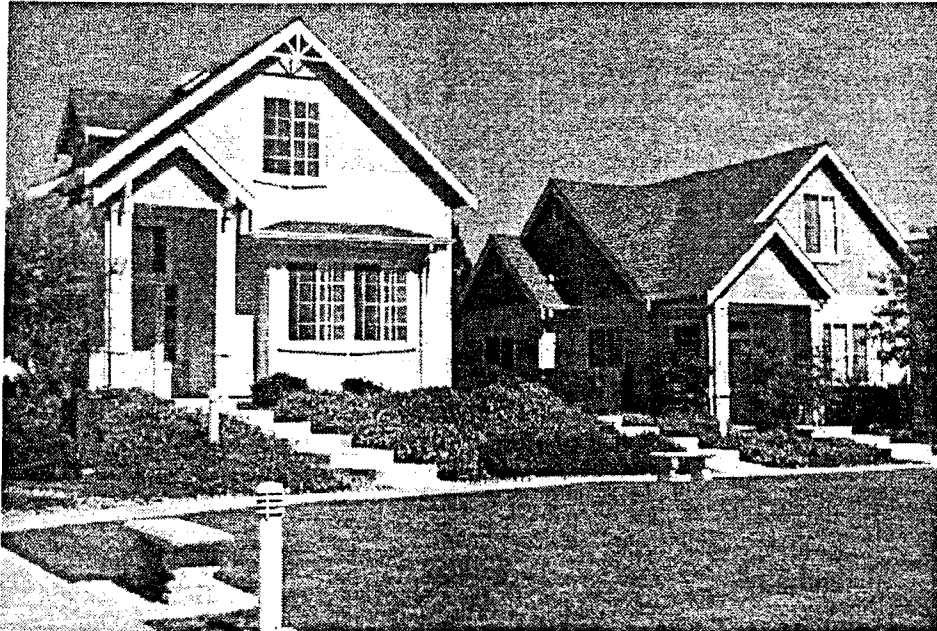
The County has published the Planning Commission's recommended draft to the San Luis Obispo Housing Element to the General Plan. Attached are excerpts from the Housing Element that may have a relationship to the water supply, which your Honorable Board may wish to discuss.

RECOMMENDATION

Staff requests direction.

County of San Luis Obispo

**Planning Commission Recommended Draft
Housing Element
San Luis Obispo County General Plan**



ADOPTED BY
THE SAN LUIS OBISPO COUNTY BOARD OF SUPERVISORS
DECEMBER ____, 2003
RESOLUTION No. _____

Program HE 1.1: Designate More Residential Land.

Purposes: The County will amend the Land Use Element to designate additional land in the Residential Multi-Family (RMF) and Residential Single Family (RSF) land use categories to accommodate housing needed during the next five years and beyond. While the County previously designated adequate land to accommodate its share of regional housing needs, as described in chapter 3 of this housing element, additional land will be needed after the planning period for this housing element. The County can limit price escalation of land by adding new residential land to the inventory, thereby making more feasible the construction of housing affordable to local residents. Some of the new residential land should include parcels 10 acres in size to enable proper site planning. The County can limit traffic congestion by locating additional RMF land near centers of employment, shopping, schools, parks and transportation systems.

Desired Result: The County will designate additional land for a variety of housing types to ensure that available supply of residential land is sufficient to meet projected needs through the year 2018. The County estimates that sufficient new RSF and RMF land would be needed to accommodate 4,000 housing units.

Agency: Planning and Building Department

Funding: Department Budget or Community Development Block Grant Program, application fees for privately initiated proposals.

Schedule: Staff will work with community advisory groups and property owners to identify potential locations in 2004, initiate necessary general plan amendments in 2005, complete amendments to rezone land in 2007.

ID	Task Name	2004				2005				2006				2007	
		Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
1	Program HE 1.1.1														
2	Consult with service districts														
3	Identify locations														
4	Review with advisory committees														
5	Process amendments														
6	Adoption hearings														

Program HE 1.4: Revise residential development standards.

Purposes: The County will revise its development standards for multi-family housing and single-family to encourage well-designed housing at relatively high residential densities (10-26 units/acre). The primary purpose is to reduce constraints to high density housing, with emphasis on locations where residents can use alternatives to private automobiles. While existing development standards for multi-family housing already allow 26 or 38 units per acre in many locations, these densities are rarely achieved, as noted in chapter 4 of this housing element. This program will include consideration of manufactured housing opportunities. The County intends to consult with local developers familiar with the County's requirements to identify potential revisions to the development standards. For example, if a particular site is adjacent to a public park, the project might be appropriate for development with less required on-site open area.

Desired Result: Revised ordinances could facilitate development of an additional 2,000 housing units for very low, low and moderate-income households.

Agency: Planning and Building Department, Public Works Department

Funding: Department Budgets or Community Development Block Grant (CDBG) Program

Schedule: Consult with local developers, nonprofit housing organizations and local community advisory groups in 2004 to identify possible ordinance revisions or pilot projects, complete the ordinance amendments in 2005.

ID	Task Name	2004				2005				2006	
		Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
1	Program HE 1.4										
2	Consult with developers										
3	Identify possible ordinance changes										
4	Review with advisory committees										
5	Process amendments										
6	Adoption hearings										

Program HE 1.5: Revise Mixed-Use Standards.

Purposes: The County will revise its standards for mixed-use developments to encourage additional dwellings. Through mixed-use developments, the County can encourage development of additional dwellings in commercial areas. While the County's existing standards for mixed-use developments already allow significant amounts of housing in some commercial areas, fewer mixed-use developments have been established than the County intended. Also, mixed-use developments in residential areas are highly limited by the County's general plan and ordinances. Accordingly, the County will consult with local developers, lenders and community advisory groups to identify possible ordinance revisions which could encourage more mixed-use developments. As part of this program, a mixed-use planned development ordinance will be proposed for adoption.

Results: Revised ordinances could facilitate development of an estimated additional 400 housing units for very low, low and moderate-income households.

Agency: Planning and Building Department, Public Works Department, California Department of Forestry

Funding: Department Budgets

Schedule: Consult with local developers, lenders and local community advisory groups in 2004 to identify ordinance revisions or pilot project, complete the ordinance amendments in 2005.

ID	Task Name	2004				2005						
		Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	Program HE 1.5											
2	Consult with developers											
3	Identify possible ordinance changes											
4	Review with advisory committees											
5	Process amendments											
6	Adoption hearings											

Program HE 1.6: Revise Standards for Secondary Dwellings.

Purposes: The County will revise its ordinances to encourage additional secondary dwellings. These are housing units permitted in addition to the primary residence allowed on a property under certain circumstances. Secondary dwellings provide added housing without the added land cost, and therefore are often affordable to low and very low income households. The County will consult with local developers, lenders and community advisory groups to identify possible ordinance revisions that could encourage more secondary dwellings.

Desired Result: Revised ordinances could facilitate development of an additional 200 housing units for very low, low and moderate-income households.

Agency: Planning and Building Department

Funding: Department Budget

Schedule: Consult with local developers, lenders and local community advisory groups in 2004 to identify possible ordinance revisions, complete the ordinance amendments in 2005.

ID	Task Name	2004				2005				2006		
		Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
1	Program HE 1.6											
2	Consult with developers											
3	Identify possible ordinance changes											
4	Review with advisory committees											
5	Process amendments											
6	Adoption hearings											

Program HE 1.9: Require Development of Affordable Housing.

Purposes: The County will prepare a draft ordinance requiring provision of specified amounts of affordable housing in conjunction with new market-rate housing developments. This is known as "inclusionary housing". This is a way to ensure that some affordable housing will be provided in the unincorporated areas of the county to meet a portion of the identified housing need.

Desired Result: The amount of affordable housing these requirements would produce is not yet known.

Agency: Planning and Building Department

Funding: CDBG Program (for preparation of the ordinance)

Schedule: Draft inclusionary ordinance and financial analysis in 2004; possible adoption in 2005.

ID	Task Name	2004				2005				
		Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	Program HE 1.9									
2	Consult with developers		█	█						
3	Prepare ordinances			█	█					
4	Nexus and feasibility studies				█	█				
5	Process amendments					█	█	█		
6	Adoption hearings							█	█	

Program HE 1.10: Establish Minimum Residential Multi Family Densities.

Purposes: The County will consider requiring minimum densities of between 15 and 25 units per acre for multi-family developments in some areas, to encourage more affordable housing in locations near employment, shopping, schools, parks and transportation systems. Some of the land designated Residential Multi-Family (RMF) has been developed at much less than the residential density allowable. Instead of achieving 26 or 38 units per acre, many developments reach only 10 or 15 units per acre. This density is much lower than anticipated under the General Plan and results in less housing affordable to county residents than is desired by the County. The County proposes to implement such a requirement in selected areas close to centers of employment, shopping, schools, parks and transportation systems by amending the County ordinances to establish both a minimum and maximum density.

Desired Result: Revised ordinances could facilitate development of an additional 400 housing units for very low, low and moderate-income households.

Agency: Planning and Building Department

Funding: Department Budget

Schedule: Consult with local developers and local community advisory groups in 2004 to identify possible locations and appropriate minimum densities, complete the ordinance and general plan amendments in 2005.

ID	Task Name	2004				2005				
		Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3
1	Program HE 1.10									
2	Consult with developers									
3	Consult with advisories									
4	Process amendments									
5	Adoption hearings									

Nipomo

Unlike other communities that have limited growth due to resource constraints, Nipomo experienced tremendous growth. Between 1990 and 2000, Nipomo's population increased from 7,109 to 12,600, a 77% increase. This dramatic growth is placing strains on infrastructure, including road capacities, schools and water availability. Due to the relative affordability of Nipomo, a large workforce population resides in Nipomo. A majority of these workers commute out of town to their jobs. Despite the large workforce population, new residential development in Nipomo consists primarily of expensive, detached single-family dwellings.

Recommendations: The County should consider financing public improvements in Nipomo, particularly for those areas within the Residential Multi-family category. This would reduce developers' costs and encourage more multi-family projects. Developers can also take advantage of the County's density bonus program. An increase of multi-family units, including rentals, would help to support the community's workforce demographics.

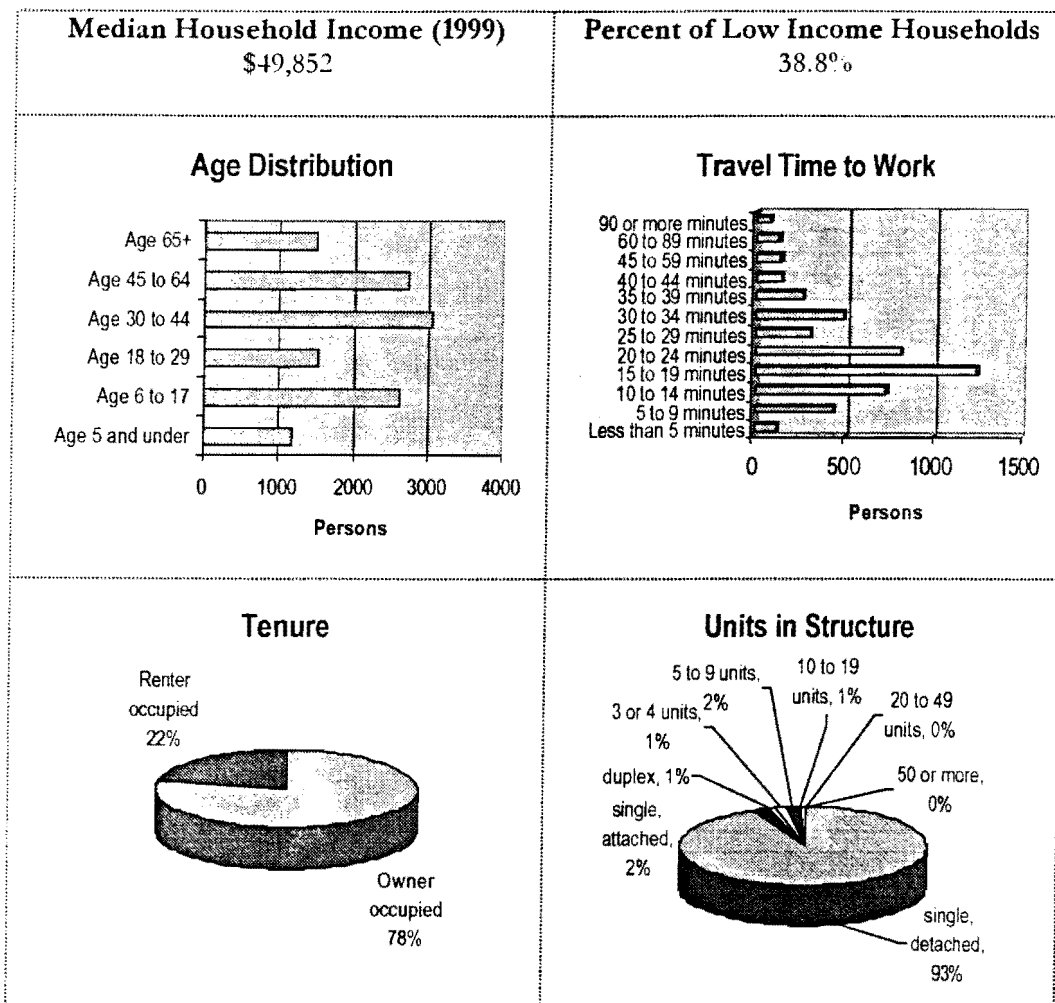


Table B.6: Nipomo – 2000 Census Population and Housing Data

Subject	Number	%
Total population	12,626	100
SEX AND AGE		
Male	6,231	49.4
Female	6,395	50.6
Under 5 years	922	7.3
5 to 9 years	1,112	8.8
10 to 14 years	1,188	9.4
15 to 19 years	987	7.8
20 to 24 years	622	4.9
25 to 34 years	1,360	10.8
35 to 44 years	2,157	17.1
45 to 54 years	1,672	13.2
55 to 59 years	569	4.5
60 to 64 years	504	4
65 to 74 years	894	7.1
75 to 84 years	506	4
85 years and over	133	1.1
Median age (years)	35.6	(X)
18 years and over	8,748	69.3
Male	4,220	33.4
Female	4,528	35.9
21 years and over	8,256	65.4
62 years and over	1,831	14.5
65 years and over	1,533	12.1
Male	701	5.6
Female	832	6.6
RACE		
One race	12,035	95.3
White	9,582	75.9
Black or African American	76	0.6
American Indian and Alaska Native	167	1.3
Asian	182	1.4
Asian Indian	4	0
Chinese	19	0.2
Filipino	95	0.8
Japanese	30	0.2
Korean	18	0.1
Vietnamese	4	0
Other Asian	12	0.1
Native Hawaiian and Other Pacific Islander	7	0.1
Native Hawaiian	3	0
Guamanian or Chamorro	0	0
Samoa	0	0
Other Pacific Islander	4	0
Some other race	2,021	16
Two or more races	591	4.7
Race alone or in combination with one or more other races		
White	10,091	79.9
Black or African American	116	0.9
American Indian and Alaska Native	333	2.6
Asian	336	2.7
Native Hawaiian and Other Pacific Islander	44	0.3
Some other race	2,362	18.7
HISPANIC OR LATINO AND RACE		
Total population	12,626	100
Hispanic or Latino (of any race)	4,362	34.5
Mexican	3,772	29.9
Puerto Rican	25	0.2
Cuban	10	0.1
Other Hispanic or Latino	555	4.4
Not Hispanic or Latino	8,264	65.5
White alone	7,653	60.6
RELATIONSHIP		
Total population	12,626	100
in households	12,612	99.9
Householder	4,035	32
Spouse	2,698	21.4
Child	4,355	34.5
Own child under 18 years	3,401	26.9
Other relatives	967	7.7
Under 18 years	392	3.1
Nonrelatives	557	4.4
Unmarried partner	190	1.5
In group quarters	14	0.1
Institutionalized population	14	0.1
Noninstitutionalized population	0	0
HOUSEHOLDS BY TYPE		
Total households	4,035	100
Family households (families)	3,316	82.2
With own children under 18 years	1,669	41.4
Married-couple family	2,698	66.9
With own children under 18 years	1,308	32.4
Female householder, no husband present	440	10.9
With own children under 18 years	265	6.6
Nonfamily households	719	17.8
Householder living alone	546	13.5
Householder 65 years and over	266	6.6
Households with individuals under 18 years	1,873	46.4
Households with individuals 65 years and over	1,076	26.7
Average household size	3.13	(X)
Average family size	3.42	(X)
HOUSING OCCUPANCY		
Total housing units	4,146	100
Occupied housing units	4,035	97.3
Vacant housing units	111	2.7
For seasonal, recreational, or occasional use	25	0.6
Homeowner vacancy rate (percent)	0.6	(X)
Rental vacancy rate (percent)	3.3	(X)
HOUSING TENURE		
Occupied housing units	4,035	100
Owner-occupied housing units	3,169	78.5
Renter-occupied housing units	866	21.5
Average household size of owner-occupied unit	3.06	(X)
Average household size of renter-occupied unit	3.37	(X)

(X) Not applicable
¹ Other Asian alone, or two or more Asian categories.
² Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.
³ In combination with one or more other races listed. The six numbers may add to more than the total population and the six percentages may add to more than 100 percent because individuals may report more than one race.
 Source: U.S. Census Bureau, Census 2000 Summary File 1



**COUNTY OF SAN LUIS OBISPO
INITIAL STUDY SUMMARY - ENVIRONMENTAL CHECKLIST**

Project Title & No. G030006Z (Housing Element) (ED03-095)

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED: The proposed project could have a "Potentially Significant Impact" for at least one of the environmental factors checked below. Please refer to the attached pages for discussion on mitigation measures or project revisions to either reduce these impacts to less than significant levels or require further study.

- | | | |
|---|--|--|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Geology and Soils | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Agricultural Resources | <input type="checkbox"/> Hazards/Hazardous Materials | <input type="checkbox"/> Transportation/Circulation. |
| <input type="checkbox"/> Air Quality | <input type="checkbox"/> Noise | <input type="checkbox"/> Wastewater |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Population/Housing | <input type="checkbox"/> Water |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Public Services/Utilities | <input type="checkbox"/> Land Use |

Mandatory Findings of Significance

DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation, the Environmental Coordinator finds that:

- The proposed project **COULD NOT** have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A **MITIGATED NEGATIVE DECLARATION** will be prepared.
- The proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.
- The proposed project **MAY** have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An **ENVIRONMENTAL IMPACT REPORT** is required, but it must analyze only the effects that remain to be addressed.
- Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or **NEGATIVE DECLARATION** pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or **NEGATIVE DECLARATION**, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

<u>John Busselle</u>	<u>[Signature]</u>	<u>9/15/03</u>
Prepared by(Print)	Signature	Date
<u>John Nall</u>	<u>[Signature]</u>	<u>10/3/03</u>
Reviewed by(Print)	Signature	Date
	(for)	

Ellen Carroll,
Environmental Coordinator

conversions. Specific language for these changes has not been developed. Impacts to wastewater are considered insignificant at this time and will be addressed during environmental review for specific amendments.

Programs 1.1.3, 1.1.7, 1.1.8, 1.1.12 and 1.2.2 describe administrative actions the County is currently involved in to provide financial assistance and support for affordable housing. Impacts to wastewater are considered insignificant.

14. WATER - Will the project:	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Violate any water quality standards?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Discharge into surface waters or otherwise alter surface water quality (e.g., turbidity, temperature, dissolved oxygen, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Change the quality of groundwater (e.g., saltwater intrusion, nitrogen-loading, etc.)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Change the quantity or movement of available surface or ground water?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Adversely affect community water service provider?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Other <u>Adversely affect legal Right to Extract water</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Setting/Impact.

The communities of San Luis Obispo County obtain approximately 60 percent of their water from groundwater supplies and approximately 40 percent from reservoirs. For many groundwater basins, demand is now near or greater than supply. Some communities have adequate supply, but lack an adequate delivery system. For others, the opposite is true.

The county Public Works Department monitors groundwater levels in many of the county's major basins through a program in operation since the early 1950's. Groundwater levels in over 300 wells throughout the county are measured in the Spring and Fall of each year.

Policies 1.1.1 - 1.1.3 focus on amount, location and distribution of additional land for housing. They do not target specific areas of the county or general locations for new housing development, nor do they specify acres of land to be designated. Specific proposals to designate additional land for housing will require one or more general plan amendments. Impacts to water resources are considered insignificant at this time and will be addressed during environmental review of future general plan amendments.

Policies 1.1.4 - 1.1.7 are primarily administrative actions the county will take to support housing. They include: use of federal and state financing, incentives(not specific), reducing regulatory barriers to affordable housing (not specific) and planning for future housing needs. These do not involve specific projects or result in direct physical changes. Policy

1.1.8 promotes equal opportunity in housing and does not result in physical impacts. Impacts to water resources are considered insignificant.


Programs 1.1.1, 1.1.11 and 1.2.1 focus on additional land for development and physical changes to existing housing units. Program 1.1.1 states that the County intends to designate 250 additional acres of land for housing. This program will need to be implemented through amendments to change zoning and/or allowed densities in specific Planning Areas identified in the County's General Plan. At this time, specific locations have not been identified. Impacts to water resources may vary significantly depending on where zoning or density changes occur. Impacts to water resources will be addressed during environmental review for any future general plan amendments to change zoning or densities.

Program 1.1.11 states that the County will adopt enabling general plan provisions for creation of new towns. Such provisions may or may not target specific areas within the county for general plan amendments to allow additional residential and commercial density. At this time specific general plan provisions have not been identified nor have specific locations or general areas been selected. As with Program 1.1.1, impacts to water resources will vary significantly depending on location of any new town. Impacts to water resources are considered insignificant at this time and will be addressed during environmental review for future general plan amendments.

Program 1.2.1 involves rehabilitation of existing housing units. It will not result in increased density. Again, specific locations for the program have not been identified. Impacts to water resources are considered insignificant.

Programs 1.1.2, 1.1.4, 1.1.5, 1.1.6, 1.1.9, 1.1.10 and 1.2.3 involve amendments to county ordinances (primarily the Land Use Ordinance) to maintain existing incentives for affordable housing, encourage higher densities (within already allowed limits) in multi-family areas, encourage mixed use (housing/commercial) developments, encourage secondary dwellings, require affordable housing in conjunction with market rate units, establish minimum densities in some multi-family locations and provide additional standards for mobile home park conversions. Specific language for these changes has not been developed. Impacts to water resources are considered insignificant at this time and will be addressed during environmental review for specific amendments.

Programs 1.1.3, 1.1.7, 1.1.8, 1.1.12 and 1.2.2 describe administrative actions the County is currently involved in to provide financial assistance and support for affordable housing. Impacts to water resources are considered insignificant.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: DECEMBER 17, 2003

AGENDA ITEM
D4
DECEMBER 17, 2003

AWARD OF CONTRACT FOR LANDSCAPE MAINTENANCE FOR
LANDSCAPE MAINTENANCE DISTRICT NO. 1 (LMD No. 1)

ITEM

Award of contract for landscape maintenance for Landscape Maintenance District No. 1 (Tract 2409).

BACKGROUND

On April 9, 2003, the Board of Directors adopted Resolution 2003-8958, A RESOLUTION ORDERING THE FORMATION OF LANDSCAPE MAINTENANCE DISTRICT NO. 1 IN THE NIPOMO COMMUNITY SERVICES DISTRICT, CONFIRMING ASSESSMENTS, LEVYING AN ASSESSMENT THERON AND ORDERING CERTAIN LANDSCAPE IMPROVEMENTS TO BE ACQUIRED AND MAINTAINED AND DESIGNATING THE DISTRICT GENERAL MANAGER AS THE TREASURER OF THE DISTRICT TO COLLECT AND RECEIVE MONEY PAID PURSUANT TO SUCH ASSESSMENT.

NCSD's responsibilities for LMD No. 1 is to provide landscape maintenance for the area, levy the annual assessments and disburse funds.

Ron Edwards, developer of Tract 2409, requested that he continue to maintain the improvements for his tract until January 2004 (copy of letter attached).

NCSD sent out Request for Proposals for monthly landscape maintenance. Three bids were received from the following:

Snyder Landscape Maintenance	\$528.00 per month
GLM Landscape Management	\$600.00 per month
Pacific Landscapes	\$615.00 per month

Staff spoke with the references provided by the low bidder and the responses were positive.

RECOMMENDATION

Staff recommends that Your Honorable Board award the landscape maintenance contract to Snyder Landscape Maintenance.



SCULPTURES

by EDWARDS, Inc.

TEL. (805) 934-4163
FAX (805) 934-4863

June 16, 2003

To: NCSD

From: Ron Edwards

Subject: Landscaping

Doug Jones:

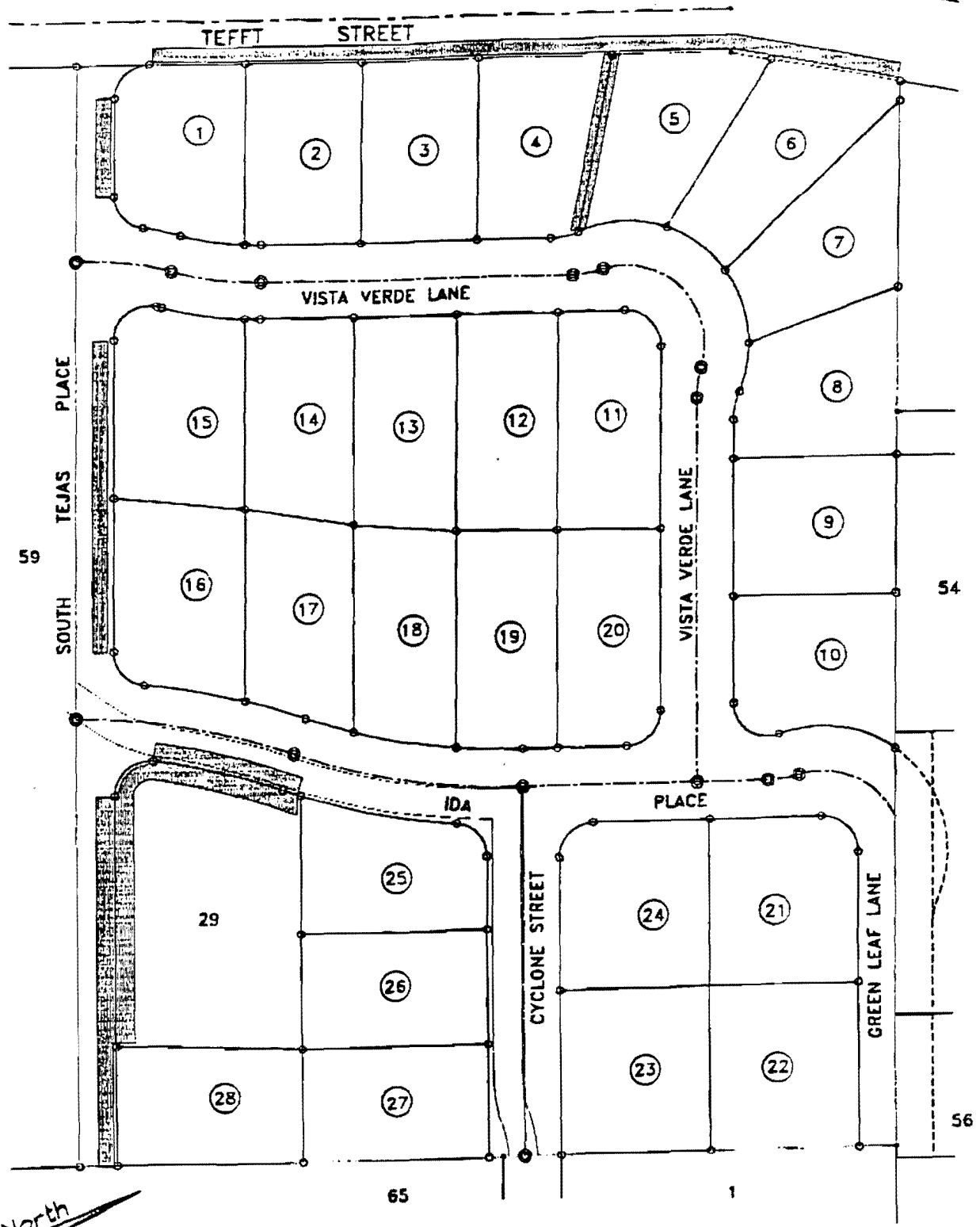
Due to my obligation to the county to maintain the landscaping until my landscape bond is 100% released, I will maintain the landscape at my own cost. It is estimated that my the last 10% of my bond will be released by January 2004. When the landscape bond is fully released I would like to turn over the responsibility for the maintenance to NCSD's assessment district.

I understand that the lots will be assessed at this time and a surplus will be accumulated for the remainder of this year.

Sincerely,

Ron Edwards

EXHIBIT "D" ENGINEER'S ASSESSMENT DIAGRAM



LEGEND

③ LOTS TO BE ASSESSED

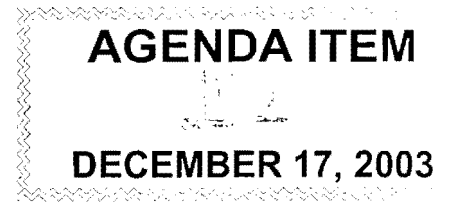
--- AREA TO BE MAINTAINED

TRACT 2409

VISTA VERDE ESTATES

EXHIBIT "D" TO NCSO STREET
AND LANDSCAPE MAINTENANCE
DISTRICT NO. 1 PETITION

TO: BOARD OF DIRECTORS
FROM: DOUG JONES *DJ*
DATE: DECEMBER 17, 2003



LAFCo SOI CEQA FEES

ITEM

Request from LAFCo to pay NCSD Sphere of Influence (SOI) CEQA fees

BACKGROUND

The Local Agency Formation Commission (LAFCo) is updating the District's Sphere of Influence which required an environmental review. In June of this year, LAFCo requested the District to fund the estimated \$7,500 of the environment report of which your Honorable Board approved \$6,500. LAFCo is now requesting the additional \$1,000 to cover the costs of the CEQA document on the District's SOI.

Attached for the Board's review are the following:

- Correspondence from LAFCo
- Doug Wood & Assoc. invoices
- June 12, 2003 - Letter written to LAFCo indicating that the Board would pay \$6,500
- Minutes of June 11, 2003, about this issue

RECOMMENDATION

Your Honorable Board may direct staff if it wishes to pay the additional \$1,000 for the CEQA document associated with the District's Sphere of Influence.

Board 2003/LAFCO SOI fees

LAFCO • The Local Agency Formation Commission

Serving the Area of San Luis Obispo County

December 1, 2003

COMMISSIONERS

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Special District Member

SHIRLEY BIANCHI, Vice Chair
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WENDY SCALISE
City Member

BARBARA MANN
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RICHARD ROBERTS
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MICHAEL P. RYAN
County Member

ALTERNATES

KATCHO ACHADJIAN
County Member

STAN GUSTAFSON
Special District Member

TOM MURRAY
Public Member

ALLEN SETTLE
City Member

STAFF

PAUL L. HOOD
Executive Officer

RAY BIERING
Legal Counsel

DAVID CHURCH
LAFCO Analyst

LEAHA K. MAGEE
Clerk to the Commission

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

Re: Environmental Consultant Fees

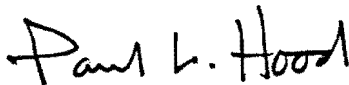
Dear Mr. Jones:

Attached are the invoices to date from Mr. Doug Wood for consultant services associated with preparation of the Environmental Impact Report for the Nipomo Community Services District sphere of influence update. Mr. Wood's original estimate of costs was \$7,500 and payments made to date are \$7,200. So far the NCSD has contributed \$6,500 towards the cost of the document, which means that an additional \$1,000 remains to be paid.

As you are aware, LAFCO staff is preparing the EIR in-house with a large amount of staff time being devoted to the effort. It was the understanding of the Commission that the NCSD would pay the full cost of outside consultant services. Therefore, I request that the district submit a check in the amount of \$1,000 payable to LAFCO at your earliest convenience.

Please let me know if you have any questions or comments.

Sincerely,



PAUL L. HOOD
Executive Officer

1042 Pacific Street, Suite A • San Luis Obispo, California 93401
Phone: 805.781.5795 Fax: 805.788.2072
www.slolafco.com

Douglas Wood & Associates, Inc.

Land Use Planning / Governmental Relations / Environmental Analysis

INVOICE

To: San Luis Obispo Local Agency Formation Commission
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401
Attn: David Church

From: Douglas Wood & Associates, Inc.
1461 Higuera Street, Suite A
San Luis Obispo, CA 93401

Subject: Professional Consulting Services
Sphere of Influence Update and Municipal Services Review EIR
Nipomo Community Services District
Invoice #1

Date: 7/1/03

Total Due: \$1,416.00

Labor: \$1,400.00

Mileage: \$16.00 (40 miles @ \$.40/mile)

Project Phases	Budget	Amount Prev. Inv.	Amount Remaining	Amt. this Invoice
I. Research and Analysis	\$1,000.00	\$0.00	\$500.00	\$500.00
II. Document Review	\$2,800.00	\$0.00	\$2,000.00	\$800.00
III. Technical Support	\$3,000.00	\$0.00	\$3,000.00	\$0.00
IV. Meeting and Hearing Attendance	\$700.00	\$0.00	\$600.00	\$100.00
Total	\$7,500.00	\$0.00	\$6,100.00	\$1,400.00

20 Years of Excellence 1983 – 2003

Douglas Wood & Associates, Inc.

Land Use Planning / Governmental Relations / Environmental Analysis

INVOICE

To: San Luis Obispo Local Agency Formation Commission
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401
Attn: David Church

From: Douglas Wood & Associates, Inc.
1461 Higuera Street, Suite A
San Luis Obispo, CA 93401

Subject: Professional Consulting Services
Sphere of Influence Update and Municipal Services Review EIR
Nipomo Community Services District
Invoice #2

Date: 11/1/03

Total Due: \$3,116.00

Labor: \$3,100.00

Mileage: \$16.00 (40 miles @ \$.40/mile)

Project Phases	Budget	Amount Prev. Inv.	Amount Remaining	Amt. this Invoice
I. Research and Analysis	\$1,000.00	\$500.00	\$0.00	\$500.00
II. Document Review	\$2,800.00	\$800.00	\$1,000.00	\$1,000.00
III. Technical Support	\$3,000.00	\$0.00	\$1,500.00	\$1,500.00
IV. Meeting and Hearing Attendance	\$700.00	\$100.00	\$500.00	\$100.00
Total	\$7,500.00	\$1,400.00	\$3,000.00	\$3,100.00

20 Years of Excellence 1983 – 2003

Douglas Wood & Associates, Inc.

Land Use Planning / Governmental Relations / Environmental Analysis

INVOICE

To: San Luis Obispo Local Agency Formation Commission
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401
Attn: David Church

From: Douglas Wood & Associates, Inc.
1461 Higuera Street, Suite A
San Luis Obispo, CA 93401

Subject: Professional Consulting Services
Sphere of Influence Update and Municipal Services Review EIR
Nipomo Community Services District
Invoice #3

Date: 12/1/03

Total Due: \$2,716.00

Labor: \$2,700.00
Mileage: \$16.00 (40 miles @ \$.40/mile)

Project Phases	Budget	Amount Prev. Inv.	Amount Remaining	Amt. this Invoice
I. Research and Analysis	\$1,000.00	\$1,000.00	\$0.00	\$0.00
II. Document Review	\$2,800.00	\$1,800.00	\$0.00	\$1,000.00
III. Technical Support	\$3,000.00	\$1,500.00	\$0.00	\$1,500.00
IV. Meeting and Hearing Attendance	\$700.00	\$200.00	\$300.00	\$200.00
Total	\$7,500.00	\$4,500.00	\$300.00	\$2,700.00

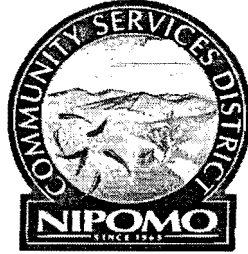
20 Years of Excellence 1983 – 2003

1461 Higuera Street, Suite A • San Luis Obispo, California 93401 • Phone (805) 544-1680 • Fax (805) 544-3067

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

June 12, 2003

Paul Hood
Executive Officer
Local Agency Formation Commission
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401

**SUBJECT: PROFESSIONAL CONSULTING SERVICES FOR SPHERE OF INFLUENCE
UPDATE OF NIPOMO COMMUNITY SERVICES DISTRICT EIR**

At their regular meeting held on June 11, 2003, the Board of Directors of the Nipomo Community Services District approved payment of consultant services for the matter of "Professional Consulting Services For Sphere of Influence Update of Nipomo Community Services District EIR". Payment is to be made on a "time and material" basis, not to exceed \$6,500 without the further approval of the District's Board of Directors.

Based on the LAFCO commission comments that Area 7 should be extended southerly to the edge of the bluff between Area 6 of Woodlands and Area 5 (Cal Cities area), the District requests that this area be included in the EIR study.

As provided in CEQA Guidelines §15082(c) the District requests a meeting to discuss and review the scope and content of environmental information.

Please submit billings from Doug Wood and Associates as they are received by LAFCO.

If you have any questions about this matter or if the District can be of any assistance, please contact me.

Very truly yours,

NIPOMO COMMUNITY SERVICES DISTRICT

Doug Jones
General Manager

cc: NCS D Board of Directors

SOI/LAFCO consulting

D-4) LAFCO REQUEST TO FUND SPHERE OF INFLUENCE CEQA STUDY

LAFCO is requesting NCSD to pay the CEQA costs of an outside review of LAFCO's program EIR in preparing the District's Sphere of Influence

The Board discussed the request from LAFCO for reimbursement for having their CEQA study prepared for the Sphere of Influence. LAFCO would do the EIR for the SOI and then have Douglas Wood and Associates review LAFCO's work. Director Wirsing asked about having Doug Wood and Associates perform the CEQA when they are also doing the environmental review for Maria Vista development.

The following members of the public spoke:

Ed Eby, District resident – stated that the District should reject the request from LAFCO.

Jim Kinninger, NCAC President – stated that he would like to see the NCSD Board make a stand on the Sphere of Influence.

Greg Nester, Nipomo developer - stated that he had several projects affected by the Sphere of Influence.

Director Trotter suggested that this Board should cooperate as much as possible. There is plenty of time to deal with the concerns that the audience has questioned.

Director Vierheilig agreed with Director Trotter.

Jon Seitz, District Legal Counsel explained that LAFCO staff is looking at several options:

Tiered EIR, full EIR, but have eliminated the possibility of a negative declaration.

LAFCO staff intends to process, with the help of the consultant, environmental review documents that they think are appropriate. The consultant is not going to draft the environmental document. LAFCO just wants some extra help. Any study of our outlying areas will be helpful to the NCSD.

Director Vierheilig stated that he wanted to ask LAFCO for their planned scope of work before the work is done.

The following members of the public spoke:

Ed Eby, NCSD resident – stated that LAFCO will do an EIR anyway. LAFCO will pay Wood & Assoc. anyway.

Jim Kinninger, NCAC President – stated that Paul Hood of LAFCO wanted the EIR to be bulletproof.

Jesse Hill, outside District – suggested that NCSD ask Paul Hood for the scope of work planned.

Vince McCarthy, NCSD resident – asked if LAFCO has delayed the results of the Sphere of Influence. [President Winn assured Mr. McCarthy that the vote is now scheduled for October/November.]

Director Blair stated that money is wasted for studies.

Director Wirsing stated that NCSD should be conscious of all the money being spent such as \$18,000 for an incorporation feasibility study, another \$7,500 for this study.

Upon motion of Director Vierheilig and seconded by Director Trotter, the Board authorized payment for the review of the District's Sphere of Influence EIR update in an amount not to exceed \$6,500 with contract based on time and materials with milestone payments. Any further costs must come back to the Board for approval. Vote Yes 4-1 with Director Blair voting no.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: DECEMBER 17, 2003

AGENDA ITEM

DECEMBER 17, 2003

INCORPORATION FEASIBILITY STUDY CONTINUANCE SOI REVIEW

ITEM

Correspondence from consultant, Michael Davis, on deferring final incorporation report and review LAFCo SOI Study

BACKGROUND

INCORPORATION FEASIBILITY STUDY CONTINUANCE

The District has received a letter from Mr. Davis suggesting that, due to the State budget situation, the final Nipomo Incorporation feasibility report be continued until the State clarifies their budget with respect to the Vehicle License Fees.

SPHERE OF INFLUENCE (SOI) REVIEW

In staff conversation with Mr. Davis, he indicated that they have had experience in reviewing Sphere of Influence for other cities and special districts. Attached is a memo from Mr. Davis about this item. The Board may wish to acquire his service to review LAFCo's proposed Sphere of Influence and Municipal Service Review for the District.

RECOMMENDATION

INCORPORATION FEASIBILITY STUDY CONTINUANCE

Staff recommends that your Honorable Board continue the Incorporation Feasibility Study until the State Budget matters are clarified.

SPHERE OF INFLUENCE (SOI) REVIEW

NCSD's Sphere of Influence

Staff recommends acquiring Mr. Davis' service to review the District's Sphere of Influence, as proposed by LAFCo.

Board 2003/Incorp Study



MICHAEL DAVIS
JAMES D. WILLIAMS

December 11, 2003

Michael Winn, Chair and
Members of the Board of Directors
Nipomo Community Services District
148 South Wilson Street
Nipomo, CA 93444-0326

Dear Mr. Winn and Members of the Board:

This letter is a follow-up to my telephone conversation of last week with District representatives. Due to California's continuing budget crises and its impacts on funding for cities and counties, I recommend that you temporarily defer preparation of the Final Report on Nipomo incorporation feasibility.

As you know, a substantial portion (about 24%) of the municipal revenue were Nipomo to incorporate is derived from the so-called "car tax". The car tax is the vehicle license registration fee (i.e. VLF) that is paid annually to the State Department of Motor Vehicles by vehicle owners. For over sixty-five years this tax has been set by the State and a portion of the revenue (about 81% after administrative and other fee allocations) is split by cities and counties. City and County VLF receipts are distributed on a per capita basis. We recently completed a survey of the ten new cities that have incorporated since 1993 and found that their VLF revenue ranged from about 16% to 26% of their general fund revenue.

VLF revenue has become increasingly less dependable as a revenue source for cities and counties since the State began reducing the fee in 1998. This year Governor Davis increased the fee, then Governor Schwarzenegger reversed that action in his first gubernatorial act. As it stands today, the entire VLF allocation of local government revenue for fiscal year 2003-04 is "up in the air". According to today's legislative update of the League of California Cities, however, there are strong signs that the legislature and Governor wish to continue this funding source for local governments, but "at what level"?

Thus, we recommend that the Board direct that the Final Feasibility Report be deferred approximately six months, or until May 2004. We have concluded our research on all of the items and issues that have been brought to our attention by the Board and LAFCO staff, including comments made to the Board when the preliminary report was presented. Yet, VLF funding is so uncertain that a temporary deferral is the most prudent course of action. In the meantime, if the District wishes to continue ongoing discussions about incorporation, we will be pleased to assist in that effort in any way the Board deems appropriate.

Thank you.

Michael Davis

cc: Doug Jones
P. Hood

555 University Avenue, Suite 116, Sacramento, CA 95825 916.567.9510 TEL 916.567.9540 FAX
11150 Santa Monica Blvd., Suite 230, Los Angeles, CA 90025 310.473.1457 TEL 310.473.3962 FAX



MICHAEL DAVIS
JAMES D. WILLIAMS

MEMORANDUM

TO: Doug Jones, General Manager Nipomo Community Services District	FROM: Mike Davis
DATE: December 11, 2003	SUBJECT: Budget Status

Incorporation Feasibility:

The budget allocation for this project is \$18,000.00.

We have invoiced and the District has paid \$14,715.47 (includes \$1,575.47 for expenses) through submittal of the preliminary feasibility report. We incurred an additional \$1,855.00 on the project through November 30, 2003, for which we have just invoiced the District, for a grand total of \$ 16,570.47 to-date.

As you know, we have recommended that preparation of the Final Report be deferred until May 2004, by which time we hope and expect there will a resolution to the VLF matter. This will, unfortunately, create the need for additional analysis related to the revenue side of the feasibility analysis, the scope of which we are unable to fully assess at this time. I will advise and seek the District's authorization before incurring any additional services or expenses that would go beyond the original approved budget during this interregnum.

NCSD Sphere of Influence:

We briefly discussed this matter today on the phone. We encourage you and the Board to keep in mind that there is an important relationship between the NCSD sphere boundary and a potential Nipomo municipal boundary. The relationship absolutely applies to any area(s) to which a future Nipomo City would provide utility services. Additionally, in our view it is highly likely that changes to the NCSD sphere boundary now under consideration will influence LAFCO views on a reasonable boundary for a future City. Consequently it would be helpful for the District and LAFCO to carefully examine the nexus between future City and NCSD boundaries from a municipal service delivery perspective.

555 University Avenue, Suite 116, Sacramento, CA 95825 916.567.9510 TEL 916.567.9540 FAX
11150 Santa Monica Blvd., Suite 230, Los Angeles, CA 90025 310.473.1457 TEL 310.575.9739 FAX

Supplemental Budget:

As we are frequently engaged on sphere of influence matters, you and I discussed having us examine the NCS D sphere study as part of your District's review of LAFCO proposals and considerations. If we are to undertake this task, we would:

- Review the NCS D sphere proposal, the LAFCO analysis (report) and recommendations.
- Examine the sphere boundary assuming (1) a municipal entity in the future; (2) assumption of NCS D services by the municipality and (3) the ultimate desired municipal boundary including any relationships and impacts with other cities and the County.
- Consult with LAFCO staff, the NCS D Board of Directors and your legal counsel on our findings.
- Prepare a written analysis of findings that the Board and your legal counsel can use in preparing NCS D responses and testimony for LAFCO consideration.

These steps should add value and clarity to the ultimate proposal for a municipal boundary as well -- which is entirely the point.

We can undertake this work on a time/material basis under Section 8. Extra Work of the existing agreement, or a separate technical assistance agreement subject to whatever budget limit you establish. A precise budget is difficult to set now given what we don't know at this time. However, considering that some additional work will be needed on municipal revenues, a \$7,500 increase to the original budget should be enough for some assistance of the NCS D sphere and the Final Incorporation Feasibility report. Again, we would provide assistance on a time/material basis and the cost should be less.

Please let me know if and how you want to handle this item.

TO: BOARD OF DIRECTORS
 FROM: DOUG JONES
 DATE: DECEMBER 17, 2003



ELECTION OF OFFICERS
 BOARD OF DIRECTORS

ITEM

Election of Board President and Vice President

BACKGROUND

Paragraph 1.4 of the adopted by-laws of the Board of Directors requires the Board to elect a President and a Vice-President for the upcoming year at the last regular meeting of the calendar year. The term of office for the President and Vice-President shall commence January 1, 2004.

RECOMMENDATION

Staff recommends that the presiding President administer the election of the officers of the Board of Directors.

The following is the recommended procedure:

- Nominations taken for the President of the Board
- Vote taken for the President
- Nominations taken for the Vice President of the Board
- Vote taken for the Vice President

These officers will conduct the January 7, 2004, Board meeting. At that time, the President may appoint ad hoc committee members, as deemed necessary or advisable. (Section 9 of the Board By-Laws)

The following committees were established for the year 2003. These committees may be revised for appointment or reappointment in January for the year 2004.

These committees require one member and an alternate.

<u>Committees for 2003</u>	<u>Present Member</u>	<u>Present Alternate</u>
Nipomo Community Advisory Committee (Will include NCAC Water Committee)	Mike Winn	Judy Wirsing
Water Resources Advisory Committee	Doug Jones	Bob Blair
Chamber of Commerce	Judy Wirsing	Mike Winn

These committees require two (2) members.

<u>Committees for 2003</u>	<u>Present Members</u>	
Finance	Larry Vierheilig	Cliff Trotter
Water	Cliff Trotter	Bob Blair
High School	Larry Vierheilig	Bob Blair
Annexation Policy	Mike Winn	Judy Wirsing
Personnel	Cliff Trotter	Mike Winn
Flood Control	Mike Winn	Cliff Trotter
New Community Services	Larry Vierheilig	Judy Wirsing
City Incorporation	Mike Winn	Judy Wirsing

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: DECEMBER 17, 2003

**AGENDA ITEM
F
DECEMBER 17, 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) APPROVAL OF AUDIT PROPOSAL
Proposal for District annual audits
- F-3) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Minutes of November 5, 2003, Regular Board meeting
Minutes of November 19, 2003, Regular Board meeting
Minutes of December 3, 2003, Regular Board meeting

Bd2003\Consent - 121703.DOC

WARRANTS DECEMBER 17, 2003

**AGENDA ITEM
F-1
DECEMBER 17, 2003**

HAND WRITTEN CHECKS

18680	12-03-03	DEPT OF HEALTH SERV	105.00
18681	12-03-03	DEPT OF HEALTH SERV	60.00
18682	12-02-03	POSTMASTER	314.22
18683	12-09-03	MAX USA CORP	35.00

VOIDS-NONE

COMPUTER GENERATED CHECKS

8855	12/05/03	EMP01	EMPLOYMENT DEVELOP DEPT	457.11	.00	457.11	A31201	STATE INCOME TAX
8856	12/05/03	MID01	MIDSTATE BANK-PR TAX DEP	1539.93 454.70	.00 .00	1539.93 454.70	A31201 1A31201	FEDERAL INCOME TAX MEDICARE (FICA)
			Check Total.....:	1994.63	.00	1994.63		
8857	12/05/03	MID02	MIDSTATE BANK - DIRECT DP	14020.50	.00	14020.50	A31201	NET PAY DEDUCTION
8858	12/05/03	PER01	PERS RETIREMENT	2987.18 69.03	.00 .00	2987.18 69.03	A31201 1A31201	PERS PAYROLL REMITTANCE MILITARY SERVICE CR
			Check Total.....:	3056.21	.00	3056.21		
8859	12/05/03	SIM01	SIMMONS, DEBRA	150.00	.00	150.00	A31201	WAGE ASSIGNMENT
8860	12/05/03	STA01	STATE STREET GLOBAL	735.00	.00	735.00	A31201	DEFERRED COMP
008861	12/17/03	ADV01	ADVANTAGE ANSWERING PLUS	82.95	.00	82.95	57041	ANSWERING SERVICE
008862	12/17/03	BEA02	BEACON ELECTRIC SUPPLY	446.16	.00	446.16	604523-01	ELECT RELAYS LIFT STATION
008863	12/17/03	BLA01	BLAIR, ROBERT L	100.00	.00	100.00	121703	REG BD MEETING
008864	12/17/03	CAL09	CALIF CONSERVATION CORPS	1494.00	.00	1494.00	R23454	CREEK CLEAN UP
008865	12/17/03	CHR01	CHRISTIANSON CHEVROLET	60.10	.00	60.10	441	TRUCK PARTS
008866	12/17/03	COA02	COASTAL ROLLOFF	506.00	.00	506.00	22503	CREEK CLEAN UP
008867	12/17/03	COM01	COMPUTER NETWORK SERVICES	148.05	.00	148.05	13072	COMPUTER MAINTENANCE
008868	12/17/03	CRE01	CREEK ENVIRONMENTAL LABS	30.00 30.00 30.00	.00 .00 .00	30.00 30.00 30.00	K4659 K4687 K4779	BL WWTP LAB BL WWTP LAB BL WWTP LAB
			Check Total.....:	90.00	.00	90.00		
008869	12/17/03	CSD01	CALIF SPECIAL DIST ASSOC	2205.00	.00	2205.00	10140	2004 MEMBERSHIP DUES
008870	12/17/03	CUL02	CULLIGAN WATER CONDITION	16.55	.00	16.55	112503	DELIVERY
008871	12/17/03	DWI01	DWIGHT'S AUTOMOTIVE	50.00 40.00 40.00	.00 .00 .00	50.00 40.00 40.00	19794 19807 19812	SMOG INSP & TIRE REPAIR 9 SMOG INSP 96 FORD SMOG INSP 99 DODGE
			Check Total.....:	130.00	.00	130.00		
008872	12/17/03	FAR01	FARM SUPPLY COMPANY	202.44	.00	202.44	215824+	BL WWTP CITRIC ACID
008873	12/17/03	FAR02	FAR WEST EXPRESS	13.50	.00	13.50	E61452	MAILING BILLS
008874	12/17/03	FER01	FERGUSON ENTERPRISES INC	3045.90	.00	3045.90	574873	5 FIRE HYDRANT REPLACEMENT
008875	12/17/03	FGL01	FGL ENVIRONMENTAL	44.80 44.80 44.80 44.80	.00 .00 .00 .00	44.80 44.80 44.80 44.80	312023A 312025A 312331A 312332A	BL WWTP LAB NIPOMO WWTP LAB NIPOMO WWTP LAB BL WWTP LAB
			Check Total.....:	179.20	.00	179.20		
008876	12/17/03	GAR01	GARING TAYLOR & ASSOC	299.62 2630.44 71.99 216.50 51.50 609.25	.00 .00 .00 .00 .00 .00	299.62 2630.44 71.99 216.50 51.50 609.25	3846 3847 3848 3849 3850 3851	GENERAL DIST ENG TEFFT ST LIFT STN OLDE TOWNE PROJECT WOODLANDS - WELL AQUIFER DANA WELLS MARIA VISTA PLAN CHECK
			Check Total.....:	3879.30	.00	3879.30		

COMPUTER GENERATED CHECKS


008877	12/17/03	GEO01	GEO SOLUTIONS, INC.	637.10 540.50	.00 .00	637.10 540.50	4185 4215	BRACKEN LN COMPACTION TEST SOIL COMPACTION - SLIP TEST
			Check Total.....:	1177.60	.00	1177.60		
008878	12/17/03	GIL01	GLM, INC.	260.00 90.00	.00 .00	260.00 90.00	112803 112803BL	LANDSCAPE MAINT OFFICE LANDSCAPE MAINT BL
			Check Total.....:	350.00	.00	350.00		
008879	12/17/03	GOV02	GOVERNING MAGAZINE	16.00	.00	16.00	120103	GOVERNING MAGAZINE SUB
008880	12/17/03	GRO01	GROENIGER & CO	87.64	.00	87.64	77011T	MISC SUPPLIES
008881	12/17/03	JOB01	JOBS AVAILABLE INC	220.00	.00	220.00	325065	GENERAL MANAGER AD
008882	12/17/03	KIN01	KINKO'S	145.46	.00	145.46	333427	LYN ROAD ANNEX RETROFIT P
008883	12/17/03	MID05	MID STATE BANK PETTY CASH	8.00 90.70	.00 .00	8.00 90.70	A31212 A031212A	TIRE REPAIR MISC SUPPLIES
			Check Total.....:	98.70	.00	98.70		
008884	12/17/03	MIS01	MISSION UNIFORM SERVICE	254.92	.00	254.92	113003	UNIFORMS
008885	12/17/03	MJR01	M J ROSS CONSTRUCTION INC	26284.05 19500.00	.00 .00	26284.05 19500.00	4783 4784	OLD TOWN PROJECT BRACKEN LANE REPAIR
			Check Total.....:	45784.05	.00	45784.05		
008886	12/17/03	NIP01	NIPOMO ACE HARDWARE INC	236.42	.00	236.42	41821+	MISC SUPPLIES
008887	12/17/03	NIP03	NIPOMO SHELL	810.63	.00	810.63	174700	GASOLINE FOR TRUCKS
008888	12/17/03	NIP06	NIPOMO AUTO PARTS	258.51	.00	258.51	10813+	MISC SUPPLIES
008889	12/17/03	PAC01	SBC/MCI	45.43 82.16 59.83	.00 .00 .00	45.43 82.16 59.83	T1935887 T1935889 T1935890	LONG DISTANCE LONG DISTANCE LONG DISTANCE
			Check Total.....:	187.42	.00	187.42		
008890	12/17/03	PAD01	PADGETT-THOMPSON	179.00	.00	179.00	1314123	BASIC SUPERVISION SEMINAR
008891	12/17/03	PER05	PERFORMANCE METER, INC	7477.47	.00	7477.47	7010	30 METERS FOR KNOLLWOOD
008892	12/17/03	PGE01	P G & E	48720.50	.00	48720.50	112603	ELECTRICITY
008893	12/17/03	PLA01	PLATINUM PLUS FOR BUSINES	58.94 121.08 1304.44	.00 .00 .00	58.94 121.08 1304.44	102303 111903 A31212	TRAVEL PUBLICATIONS LAPTOP COMPUTER-FIELD CRE
			Check Total.....:	1484.46	.00	1484.46		
008894	12/17/03	PREG1	PRECISION JANITORIAL	275.00	.00	275.00	NOV 03	JANITOR SERVICE
008895	12/17/03	PRO01	PROTO DIE MANUFACTURING	295.00	.00	295.00	2837	PUMP DRILLED HOLE BRACKEN
008896	12/17/03	PUL01	PULITZER CENTRAL COAST NP	34.65 18.90	.00 .00	34.65 18.90	15973 159584	PUBLICATION UWMP PUBLICATION LANDSCAPE MAI
			Check Total.....:	53.55	.00	53.55		
008897	12/17/03	PWM01	PW MANN ELECTRIC INC	955.86	.00	955.86	3103	ELEC WORK AT TEFFT ST LIF
008898	12/17/03	QUI01	QUILL CORPORATION	119.61	.00	119.61	5202981	MISC SUPPLIES
008899	12/17/03	QUI03	QUINN RENTAL SERVICES	38.48	.00	38.48	2048447	MARKING PAINT
008900	12/17/03	RBA01	R BAKER, INC	90315.12	.00	90315.12	0311904	TEFFT ST LIFT STN
008901	12/17/03	SAN01	SANTA MARIA TIRE INC	641.60	.00	641.60	417918+	VEHICLE MAINT
008902	12/17/03	SLO02 SLO02	DIV OF ENVIRON HEALTH DIV OF ENVIRON HEALTH	1045.00 357.00	.00 .00	1045.00 357.00	30169 30333	BLWWTP CALARP SURCHARGE LAB TESTS
			Check Total.....:	1402.00	.00	1402.00		

WARRANTS DECEMBER 17, 2003

AGENDA ITEM
F-1
DECEMBER 17, 2003
PAGE THREE

008903	12/17/03	SOU01	SOUTH COUNTY SANITARY	14.58	.00	14.58	501384	TRASH COLLECTION
008904	12/17/03	THE01	THE GAS COMPANY	4306.14	.00	4306.14	112603	SUNDALE GAS ENGINE 086192
008905	12/17/03	TRI01	TRI-STATE SEMINAR	858.30	.00	858.30	5924236	GM ADVERTISEMENT
008906	12/17/03	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	121703	REG BD MEETING
008907	12/17/03	TRO02	CLIFF TROTTER	163.44	.00	163.44	A31212	TRAVEL TO SAN JOSE
008908	12/17/03	VAL01	VALLEY SEPTIC SERVICE	479.70	.00	479.70	1374	JETTED SEWER LINES BL
				771.30	.00	771.30	1375	JETTED SEWER LINES BL
				1014.90	.00	1014.90	1376	JETTED SEWER LINES BL
			Check Total.....:	2265.90	.00	2265.90		
008909	12/17/03	VER01	VERIZON	29.55	.00	29.55	111903	3436061 BL PHONE
				30.71	.00	30.71	111903B	3432397 BL PHONE
			Check Total.....:	60.26	.00	60.26		
008910	12/17/03	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	121703	REG BD MEETING
008911	12/17/03	WIN01	WINN, MICHAEL	100.00	.00	100.00	121703	REG BD MEETING
008912	12/17/03	WIR02	WIRSING, JUDY	100.00	.00	100.00	121703	REG BD MEETING
008913	12/17/03	\C006	CANNON, TYSON	445.38	.00	445.38	000A31201	MQ CUSTOMER REFUND
008914	12/17/03	\H003	HANSEN, CARL L	15.75	.00	15.75	000A31201	MQ CUSTOMER REFUND
008915	12/17/03	\L004	LANGAN, NORRIS R	6.39	.00	6.39	000A31201	MQ CUSTOMER REFUND

TOTAL COMPUTER CHECKS \$243,133.74

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: DECEMBER 17, 2003

AGENDA ITEM
F
DECEMBER 17, 2003

APPROVAL OF AUDIT PROPOSAL

ITEM

Approval of audit proposal from Carlos J. Reynoso, CPA

BACKGROUND

The District is required by law to have an independent audit performed each fiscal year by a certified public accountant. Staff has requested that Mr. Reynoso, CPA submit a proposal to perform the District's audit for the next three years. Mr. Reynoso has prepared the audit in the past and staff has been very pleased with his work.

Mr. Reynoso, CPA's proposal is as follows:

Fiscal Year ending 6/30/04	\$4,525
Fiscal Year ending 6/30/05	\$4,625
Fiscal Year ending 6/30/06	\$4,725

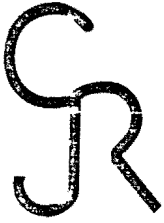
Mr. Reynoso would be available to meet with the audit committee before the audit starts to discuss any concerns they may have, meet with the audit committee after the field work is complete and also meet with them to present the draft of the audit report before the Board meeting. These services would be billed separately at \$125.00 per hour. In addition, telephone consultation during the year would be at no charge.

The fee for the Fiscal Year ending June 30, 2003 was \$3,750.00.

RECOMMENDATION

Staff recommends that your Honorable Board approve Carlos Reynoso, CPA's audit proposal for three years for the above stated amounts and authorize staff to execute the Audit Engagement Letter.

Board 2003\audit proposal.DOC



Carlos J. Reynoso
Certified Public Accountant

935 Riverside Ave., Suite 8 • P.O. Box 70
Paso Robles, California 93447-0070
(805) 238-9601 • Fax (805) 238-2406
E-mail: cjrepa@sbcglobal.net

December 1, 2003

RECEIVED

DEC 11 2003

Lisa Bognuda, CPA
Assistant Administrator
Nipomo Community Services District
P. O Box 326
Nipomo, California 93444

COMMUNITY
SERVICES DISTRICT

Dear Ms. Bognuda:

Thank you for your request for an audit proposal for the financial audit of Nipomo Community Services District for the years ended June 30, 2004, 2005, and 2006.

Services To Be Rendered

The audits shall be conducted in accordance with generally accepted auditing standards an Government Auditing Standards, issued by the Controller General of the United States and will include tests of the accounting records and other procedures I consider necessary to enable me to express an unqualified opinion that the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles.

It is a practice as a regular part of an audit engagement, to submit specific recommendations designed to strengthen internal controls and to improve the efficiency of accounting procedures. Such recommendations are developed during the course of my audit from my study and evaluation of the existing system, as well as from my audit tests.

I will not make a detailed audit of all transactions, such as would be necessary to disclose my defalcations or irregularities that may have occurred. However, my engagement will include tests of the system of internal control to the extent I consider necessary to make an evaluation of the system as required by generally accepted auditing standards.

Ms. Lisa Bognuda
December 1, 2003
Page Two

Peer Review

I received an unqualified opinion on my most recent (FYE March 31, 2002) Peer Review. There was no letter of comments. See copy attached.

Prior Auditing Experience

Some of the special district audits I have performed since July 1, 1991, are as follow:

- Nipomo Community Services District
- San Simeon Community Services District
- Independence Ranch Community Services District
- Cambria Community Healthcare District
- San Miguel Sanitary District
- Paso Robles Cemetery District
- Arroyo Grande Cemetery District
- Cayucos-Morro Bay Cemetery District
- San Miguel Cemetery District

Fee and Staffing

My fees for these audits will be based on my regular hourly rates (current hourly rates are Principal \$125, Senior Accountants \$55, Juniors \$35-\$45 and Clerical \$30). It is estimated that specific fee will not exceed \$4,525 for the year ended June 30, 2004. The fees for subsequent years would be as follow: June 30, 2005 \$4,625 and June 30, 2006 \$4,725. I am assuming there will be no federal funds received, additional funds created or substantial increase in the revenues of the District. I would be directly in charge of the fieldwork during the three years engagement.

In arriving at this estimate, it is my understanding that:

Your staff will assist me to the extent practicable in the completion of my engagement. They will provide us with supporting schedules and account analysis, and assist in locating supporting documents, as I deem necessary.

Ms. Lisa Bognuda
December 1, 2003
Page Three

If the above condition is not satisfactorily met and additional time is necessary to complete my audits, this matter will be brought to your attention in advance of the performance of the work. Additional services required would be billed at my regular hourly rates.

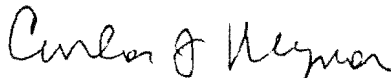
In addition, I would be available to meet with the audit committee before the audit starts to discuss any concerns they may have and also will meet with the audit committee after the field work is complete and also meet with them to present the draft of the audit report before the board meeting. I will bill these services separately at my billing rate \$ 125 per hour.

I would also be available for telephone consultation during the year at no charge.

I am pleased that you requested this renewed proposal, and I look forward to continue serving as auditor for Nipomo Community Services District.

If you have any questions regarding this proposal, please contact me. Thank you again for this opportunity to offer my services. If you agree with the terms of my engagement as described in the letter, please sign the enclosed copy and return it to me.

Sincerely,


Carlos J. Reynoso, C.P.A.

Board of Directors' Acceptance of Engagement

Signature and Title

Date



CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

409 E. Montecito Street, 3rd Floor, Santa Rafael, CA 93103, 805-761-7911, Fax 805-967-8913, www.mcgowan.com

Carlos J. Reynoso, CPA

We have reviewed the system of quality control for the accounting and auditing practice of Carlos J. Reynoso, CPA (the firm) in effect for the year ended March 31, 2002. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (AICPA). The design of the system and compliance with it are the responsibility of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with the system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Because our review was based on selective tests, it would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it.

Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Carlos J. Reynoso, CPA in effect for the year ended March 31, 2002, has been designed to meet the requirements of quality control standards for an accounting and auditing practice established by the AICPA and was being complied with during the year then ended to provide the firm with reasonable assurance of complying with professional standards.

McGowan Guntermann

August 26, 2002

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

DECEMBER 3, 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**
LISA BOGNUDA, **ASSISTANT ADMINISTRATOR**
DONNA JOHNSON, **BOARD SECRETARY**
JON SEITZ, **GENERAL COUNSEL**

The Nipomo Community Services District's mission is to provide the citizens of the District with quality, innovative, and cost-effective services through responsive and responsible local government to meet the changing needs of the community.

NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson. Consistent with the Americans with Disabilities Act, NCSD Board agendas and other writings will be made available to disabled persons in an appropriate alternate format. (If assistance is needed, please contact the District office at least one day before the meeting.)

A. CALL TO ORDER AND FLAG SALUTE

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

B. ROLL CALL

At Roll Call all members of the Board were present.

C. PUBLIC COMMENTS PERIOD

PUBLIC COMMENTS

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

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

The following member of the public spoke:

Erik Benham, Maria Vista developer – thanked Mr. Seitz for his letter and also asked about the procedure in obtaining the tapes of the meetings. He also asked about the plans sent to Jim Garing of Garing, Taylor and Associates.

C-1) SHERIFF LT. MARTIN BASTI, COMMANDER OF SOUTH COUNTY SHERIFF STATION

Sheriff Lt. Martin Basti, Commander of South County Sheriff Station, introduced himself to the Board. He would like to be on the first agenda of each month to update the public. He stated that the South Count jurisdiction covers 1,180 square miles.

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

D-1) URBAN WATER MANAGEMENT PLAN (UWMP) – PUBLIC HEARING

Resolution adopting the District Urban Water Management Plan

The following member of the public spoke:

Ed Eby, NCSD resident – read his letter to the Board containing concerns about the UWMP. (letter inserted into packet on file)

Upon motion of Director Trotter and seconded by Director Wirsing, the Board agreed to continue this Public Hearing to the December 17, 2003 meeting. Vote 5-0

D-2) REQUEST FOR SERVICE – CO 03-0301 (ROBINSON)

Request for water service for a commercial 12-bldg development on Sandydale & N. Frontage

The following members of the public spoke:

Bob Robinson, developer for project – stated that he is willing to connect to the District sewer line.

Glen Rider, EDA – stated that it is easier to design the project connecting to the sewer than to a septic system.

Upon motion of Director Blair and seconded by Director Vierheilig, the Board approved the Intent-to-Serve letter for Parcel Map CO 03-0301 with conditions in Board letter amended to include sewer service to the project. Vote 4-1 with Director Wirsing voting no

MINUTES SUBJECT TO BOARD APPROVAL

Copy of document found at www.NoNewWipTax.com

- D-3) REQUEST FOR SERVICE - TRACT 2595 (MARTIN/BAUR)
Request for water and sewer service for a 6-lot development on W. Price Street

The following members of the public spoke:

Fred Baur, owner/developer – explained his project to the Board.

Jim Kinninger, NCAC Chair – asked owner if he had brought his project to the Advisory Council. He also asked the Board to hold approval of the project until the developer could bring project to the Advisory Council.

President Winn questioned whether the density was in conformance with the County General Plan.

Upon motion of Director Blair and seconded by Director Vierheilig, the Board agreed to table this item to the January 14, 2004, meeting after the project goes before NCAC and when there could be some clarity on the density of the parcel. Vote 5-0

The Board took a break at 10:20 a.m. and came back into session at 10:32 a.m.

- D-4) REQUEST FOR SERVICE - TRACT 2603 (NEWDOLL)
Request for water and sewer service for a 48-lot development at 652 Story Street

The following members of the public spoke:

Bob Newdoll, Newdoll Construction and representative for the owner of the project – spoke with the Board about the project explaining that a General Plan amendment would be necessary to create 48 low-cost housing units.

Director Blair stated that he could not support even 40 units on this parcel.

Ed Eby, NCSD resident – stated that if the Board approves this project, the Board is certifying that there is a 20-year supply of water to serve this project.

Dennis Cajas, Story Street property owner – stated that he hoped to get his property subdivided to a greater density than the 4 lots for which it is zoned.

Erik Benham, Maria Vista developer – commented on his own project.

Bob Newdoll – stated that he hoped the owner could get the density change.

Jon Seitz, District Legal Counsel, clarified that staff is not denying approval of an Intent-to-Serve letter but is asking the Board for direction. Staff does not consider General Plan amendments. Judgement concerning the groundwater adjudication will be soon. Discussions about supplemental water will be forthcoming. Then the Board will be better informed about water availability. Staff recommends a continuance until the information is received.

Mr. Newdoll asked Mr. Seitz to read the highlighted portion of the agreement between NCSD and Mr. Cajas. [Mr. Seitz read that the property owner could subdivide into two or more parcels.]

President Winn commented that Nipomo needs affordable housing but that build-out was originally figured assuming Nipomo would take State Water. The property in question is zoned for 4 lots, not 48 lots.

Upon motion of Director Vierheilig and seconded by Director Trotter, the Board agreed to continue this item for 90 days. Vote 5-0 with Director Blair abstaining

E. OTHER BUSINESS

E-1) MOSS LANE PROPOSED ANNEXATION
Status Report

The Board reviewed the situation whereby 6 lots within the area of the Maria Vista development had been inadvertently omitted from the annexation of the area. LAFCo would like to see this area annexed into the District.

The following members of the public spoke:

Leopoldo Huitron, Moss Lane resident – stated that he has been a resident at Moss Lane since 1963. He also stated that he informed Mr. Benham by letter that he wanted to be a part of his project. He also stated that he wants to be a part of the City of Nipomo.

Erik Benham, developer of Maria Vista – stated that the property owners on Moss Lane never did want to be a part of the annexation. He also stated that he would like agendized the reimbursement issue and how the Dana Wells will be constructed.

Mary Louise Cavazos, Moss Lane resident – stated that she does not remember not wanting to be a part of the annexation and would like to receive services from NCSD.

Jesse Hill, District customer – stated that the Board should give these six property owners whatever break in the fees was possible.

Upon motion of Director Vierheilg and seconded by Director Trotter, the Board instructed staff to prepare an annexation agreement for the Moss Lane property owners. Vote 5-0 with Director Wirsing abstaining

E-2) RECONSIDERATION OF BOARD MEETING MINUTES
Minutes of October 8, 2003, Regular Board meeting
Minutes of October 16, 2003, Special Board meeting
Minutes of October 21, 2003, Study Session
Minutes of October 22, 2003, Regular Board meeting

At the last Board meeting the Board approved the minutes of the above listed meetings but it was unclear which changes were accepted. Upon motion of Director Vierheilg and seconded by Director Wirsing, the Board agreed to have President Winn go over the minutes for the above dates to clarify the appropriate changes. Vote 5-0

F. CONSENT AGENDA

F-1) WARRANTS [RECOMMEND APPROVAL]

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

G. MANAGER'S REPORT

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

G-1) SAN LUIS OBISPO COUNTY DRAFT PARK & RECREATION ELEMENT

H. COMMITTEE REPORTS

The Incorporation Committee (Directors Wirsing and Winn) will meet to discuss the questionnaires received.

I. DIRECTORS COMMENTS

Director Vierheilig would like to the Board to discuss a possible resolution concerning a moratorium on all zoning changes/density increases in the NCSD boundary. He would also like to consider a landscape ordinance addressing water conservation.

Director Blair reported that he attended the CSDA conference in Sacramento. The topics discussed included having a bond on the March ballot to backfill moneys previously raised by the auto license fee. The CSDA is considering buying a building in Sacramento.

Director Wirsing asked that the District agendize the Maria Vista development to inform the Board of the issues. [Staff will send Mr. Benham a letter asking for a list of specific concerns to agendize.

President Winn reported the following:

- a) Central Coast Greenhouse Growers Association meeting 12-4
- b) WRAC meeting 12-3 considering Housing Element Update Sludge Ordinance
- c) Resource Management System being presented to the Board of Supervisors
- d) Tour of drainage basins next week with staff
- e) Memorandum of Understanding with County still unresolved
- f) Increased density within District boundaries should be subject to supplemental water

There was no need to go into Closed Session

ADJOURN

President Winn adjourned the meeting at 12:20 p.m.

The next regular Board meeting will be December 17, 2003.

NIPOMO COMMUNITY SERVICES DISTRICT MINUTES

NOVEMBER 19, 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
LISA BOGNUDA, ASSISTANT ADMINISTRATOR
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL

The Nipomo Community Services District's mission is to provide the citizens of the District with quality, innovative, and cost-effective services through responsive and responsible local government to meet the changing needs of the community.

NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson. Consistent with the Americans with Disabilities Act, NCS D Board agendas and other writings will be made available to disabled persons in an appropriate alternate format. (If assistance is needed, please contact the District office at least one day before the meeting.)

A. CALL TO ORDER AND FLAG SALUTE

President Winn called the meeting to order at 9:04 a.m. and led the flag salute.

B. ROLL CALL

The following Board members were present: Directors Trotter, Wirsing and Winn
The following Board members were absent: Directors Vierheilig and Blair

B. PUBLIC COMMENTS PERIOD

PUBLIC COMMENTS

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

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

The following members of the public spoke:

Vince McCarthy, in District resident - asked for the availability of the preliminary Incorporation Report on the Internet.

Erik Benham, Maria Vista Estates representative - commented about the method to obtain copies of Board meeting. Also, he has not been able to contact Mr. Garing concerning his project. [Mr. Seitz stated that Mr. Benham could obtain tapes as specified in the District Code.] [Attached to these Minutes is a letter from Mr. Garing of Garing, Taylor and Associates.]

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

D-1) DISTRICT AUDIT REPORT FOR FY 2002-03

Carlos Reynoso, CPA, will review the annual audit report

Mr. Carlos Reynoso, CPA, reviewed the Annual Audit Report for FY 2002-2003. The Board discussed the report. There was no public comment. Director Trotter asked to have the Blacklake information broken down further. Director Wirsing asked to have the Miscellaneous Fund broken down further. Upon motion by Director Trotter and seconded by Director Wirsing, the Board unanimously agreed to accept and file the Audit Report for FY 2002-2003. Vote 3-0

D-2) SLO CO GROUNDWATER MONITORING PROGRAM - CHRISTINE FERRARA

Review County well monitoring program and desalination information

Ms. Christine Ferrara, SLO County Public Works Department, who manages the Facilities Division, gave a presentation regarding the status of groundwater and desalination. She introduced her colleague Mr. Frank Honeycut, new staff liaison to the WRAC.

GROUNDWATER

The County measures wells to gather data in April and October. Presently there is no active seawater intrusion monitoring program. Some well sites are difficult to access for various reasons. There are 117 wells in 91 locations. The last publication of the DWR (2003) reported monitoring status of groundwater. The last County hydrologic report was made in 1976.

MINUTES SUBJECT TO BOARD APPROVAL



*Civil Engineering
Surveying
Project Development*

November 19, 2003

Michael Winn, President
Nipomo Community Services District
Board of Directors
P O Box 326
Nipomo, Ca 93444

Subject: Tract 1802/1856; Eric Benham

Dear Mr. President,

It is my understanding that at the Board meeting of the 19th of November, Mr. Benham indicated that he had been having difficulty contacting me.

For the record, until today I have had no contact in the form of phone messages or any other contact from Mr. Benham or any of his engineers since the meeting of October 9th wherein this matter was extensively discussed. Today, I received a phone call from Mr. Michael Hodge of EDA requesting a meeting to discuss the realigned sewers and surge analysis for the Tract. Based upon his request, I set a meeting to discuss these matters for tomorrow, the 20th of November at 8:30 a.m.

If you have any questions, please contact me.

Very truly,

Jim Garing, P.E.
District Consulting Engineer

PC: Doug Jones

Admin/NCSD.doc

The following members of the public spoke:

Vince McCarthy, NCSD resident – thanked Ms. Ferrara for presenting this information. He asked questions concerning the input provided being reflected in this presentation.

Ed Eby, NCSD resident – suggested monitoring cluster of wells and averaging rather than picking just one in an area.

DESALINATION

Desalination is treating high TDS (hard) water to a potable stage.
The advantages and disadvantages to desal.

Advantages	Disadvantages
<ul style="list-style-type: none">• Requires a financial commitment• No water rights challenges• High quality water• Recharges groundwater	<ul style="list-style-type: none">• Energy intensive treatment process• Complex treatment• Coastal zone impacts• Operation and maintenance costs high• 40-50% briny residue remains

The following members of the public spoke:

Ed Eby, NCSD resident – asked about the costs
[The costs have many facets]

This was an information item only. There was no action taken.

The Board thanked Ms. Ferrara for her presentation.

D-3) REQUEST FOR SERVICE – CO 03-0301 (ROBINSON)

Request for water service for a commercial 12-bldg development on Sandydale & N. Frontage

Upon motion of Director Trotter and seconded by Director Wirsing, the Board unanimously agreed to table this item until a full Board was present to hear the matter. Vote 3-0

D-4) REQUEST FOR SERVICE - TRACT 2595 (MARTIN/BAUR)

Request for water and sewer service for a 6-lot development on W. Price Street

Upon motion of Director Trotter and seconded by Director Wirsing, the Board unanimously agreed to table this item until a full Board was present to hear the matter. Vote 3-0

The following members of the public spoke:

Robert Robinson, developer of CO 03-0301 – {realized he should have spoken during the last item.} asked the Board what would be acceptable to the Board. [The Board wants a full Board present to hear the matter.]

Fred Baur, developer of Tract 2595 – explained the project to the Board. He said it would be an arts and crafts bungalow style.

E. OTHER BUSINESS

None

NIPOMO COMMUNITY SERVICES DISTRICT
MINUTES
NOVEMBER 19, 2003
PAGE THREE

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 October 8, 2003, Regular Board meeting
 - Minutes of October 16, 2003, Special Board meeting
 - Minutes of October 21, 2003, Study Session
 - Minutes of October 22, 2003, Regular Board meeting
 - Minutes of November 5, 2003, Regular Board meeting

Upon motion of Director Trotter and seconded by Director Wirsing, the Board approved the Minutes for the October 16, 2003 meeting as amended. {Surge tests to be changed to surge analysis.} Vote 3-0

G. **MANAGER'S REPORT**

NO REPORT

H. **COMMITTEE REPORTS**

NO REPORT

I. **DIRECTORS COMMENTS**

- I-1) Director Vierheilg-Moratorium on all zoning changes/density increases in NCSO boundary
This item was tabled until Director Vierheilg could be present.

Director Wirsing asked how the City Incorporation Committee would compile the information received on the questionnaires. [President Winn said the questionnaires have not yet been compiled.] Ms. Wirsing also asked that an item be placed on the agenda – a hypothetical rate structure for current rate payers and annexed rate payers with regards to the purchase of supplemental water from Santa Maria and broken down to what the rates would be, using the very close numbers that are under consideration and to include the cost of infrastructure and where realistically we would obtain the funds to finance the cost along with the timetable of establishing the funds. She also would like it to cover a five-year graph of what this means to our community. [Mr. Seitz explained that a rate study would be necessary to give more accurate information. No financial commitment will be made until the Board is fully apprised of the situation.]

Director Trotter explained that a Memorandum of Understanding is being compiled before a contract is signed (an agreement that will lead to a contract). That is when the public is informed and the analysis is made; and if the numbers are unacceptable, the contract will not be signed.
President Winn

- a) asked staff to inform the Board in main rate structure principles sometime soon specifically telling how it is usually done and focusing on what Board principles and policies guide the process because it is not simply numbers. It is important for the Board to know how the Board's part shapes the foundations for what other firms may create.
- b) He asked staff to agendize the NCSO working with the County on groundwater mapping and to include some of the funding to get this done.
- c) WRAC met two weeks ago. A Resource Management System Report was distributed. The report is seriously flawed. The report is meant to be adopted next month by the Board of Supervisors.
- d) He asked that an Audit committee be formed to review the audit process in the future.

NIPOMO COMMUNITY SERVICES DISTRICT
MINUTES
NOVEMBER 19, 2003
PAGE FOUR

- e) Pacific Institute issued a report which demonstrates that California does have enough water currently for its use. What is failing is the proper understanding of the value of water and for the need to conserve water.
- f) County Planning issued building permits was given for 2 barns on Cherokee Place. NCSD needs to keep a heads up on the future of this property.
- g) 5th District Court of Appeals case summary indicated a ruling in San Joaquin Raptor vs. University of California. Urban Water Management Plans and other basic plans that are adopted by public utilities must be treated as primary source documents for planners in the area and they cannot second-guess those and refuse to accept them. It heightens the importance of the reports.

Director Trotter commented that Dan Migliazzo's report of the year in review was a good one. The sprinkler system at Knollwood was changed to drip after he mentioned it to the foreman.

There is no need to go into Closed Session.

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.
- C. ANTICIPATED LITIGATION, ONE CASE GC §54958.9

ADJOURN

President Winn adjourned the meeting at 11:12 a.m.

The next regular Board meeting will be December 3, 2003.

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

NOVEMBER 5, 2003

REGULAR MEETING 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

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

STAFF

DOUG JONES, GENERAL MANAGER
LISA BOGNUDA, ASSISTANT ADMINISTRATOR
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL

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A. CALL TO ORDER AND FLAG SALUTE

President Winn called the meeting to order at 9:04 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call, all Board members were present.

C. PUBLIC COMMENTS PERIOD

PUBLIC COMMENTS

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

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

The following members of the public spoke:

Robert Hill, Land Conservancy of San Luis Obispo – thanked the Board for NCSD support for Creek Clean-Up project.

Guy Murray, NCSD resident – urged the Board to continue incorporation efforts and suggested that the Board look at other communities such as Carmel Valley that have been through the incorporation process.

Herb Kandel, NCAC Creek Committee Chair and liaison to the Watershed Organization and NCSD resident – also thanked the Board for the support of the Creek Clean-Up project. He also stated that the final draft of the County's Drainage Study would be presented in a public meeting at the next NCAC meeting. A special meeting may be set for this subject.

Erik Benham, Trincon Inc., Maria Vista project – asked the Board to consider changing the by-laws to keep the tapes of the Board meetings longer than 90 days, perhaps even seven years. [Mr. Seitz informed the public that the Brown Act requires agencies to save tapes for 30 days. This District is more liberal in that it saves tapes for 90 days.] He also asked about the method to reimburse his project in connection with the proposed annexation.

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

D-1) COUNTY SERVICE AREA NO. 1 – PROPOSED ANNEXATION Paavo Ogren, SLO Co. Public Works Department

Mr. Paavo Ogren from San Luis Obispo County Public Works Department presented information to the Board concerning the proposed annexation of CSA 1 into the Nipomo Community Services District. Handouts were given to the Board and the public showing CSA 1 thru 1F and FCZ 16 (Flood Control Zone) revenue and expenditures by District and by function for fiscal year 2002/2003. Mr. Ogren explained the information in detail and answered questions from the Board.

Paul Hood, Executive Officer of LAFCo – discussed the LAFCo steps and stated that the Sphere of Influence must be in place before annexation could occur.

Lisa Bognuda, NCSD staff – stated that if the State takes the property taxes in a tax shift, there might not be sufficient money to fund the services for the areas annexed.

Mr. Ogren stated that the ERAF tax shift was not effective in helping the State budget. Upon motion of Director Wirsing and seconded by Director Vierheilig, the Board, with a vote of 5-0, unanimously agreed to direct staff as follows:

1. Encourage the Assistant Administrator, Lisa Bognuda, to continue talking with Mr. Ogren to get a comfortable familiarity with the real numbers and how to proceed.

MINUTES SUBJECT TO BOARD APPROVAL

Copy of document found at www.NoNewWpTax.com

2. Have staff schedule a Study Session which would involve a tour of the sites with some notification to the neighbors to provide opinions about what is needed in each area studied.
3. Have staff come back to the Board with a schedule of how they would like to see to proceed in the future.
4. Complete an assessment of the facilities

The Board took a short break at 10:38 a.m.

D-2) URBAN WATER MANAGEMENT PLAN
Review Final Draft of the District's Urban Water Management Plan

The UWMP is required by the State for water purveyors that serve over 3,000 customers. The Board discussed the final draft of the Urban Water Management Plan and made suggestions for changes.

Page 5 – 3.3 Chlorides should be 500 mg/l not 45

Page 9 should say why the graph for nitrates was not included.

The following member of the public spoke:

Ed Eby, NCS D resident – stated (re: Table 3 Page 5) that he questions the capability of maintaining a sustained amount of pumpage from the Church Well.

Upon motion of Director Blair and seconded by Director Winn, the Board unanimously accepted the Urban Water Management Plan with the changes as suggested to be ready for advertisement to approve the Plan at a December Board meeting. Vote 5-0

D-3) REQUEST FOR SERVICE – CO 03-0301 (ROBINSON)
Request for water service for a commercial 12-bldg. development at Sandydale & N. Frontage Rd.

The Board discussed the request for service for a 12-building development on Sandydale. There was no public comment. Upon motion of Director Trotter and seconded by Director Wirsing, the Board agreed to table this item until a representative for the project can attend a meeting to discuss the development with the Board. Vote 5-0

E. OTHER BUSINESS

E-1) REVIEW NCS D MISSION STATEMENT

The Board thanked staff for including the existing mission statement as requested and asked that it be included in future Board packets as a reminder. There was no public comment.

E-2) CSDA SUPPORT FOR A BALLOT INITIATIVE
California Special District Assoc. is requesting financial support for a ballot initiative

The Board discussed the possible contribution to help pay for a ballot initiative for the November 2004 ballot. There was no public comment. Upon motion of Director Blair and seconded by Director Wirsing, the Board unanimously agreed to contribute \$1,000 from the property tax fund for the initiative process and directed staff to send a transmittal letter stating the purpose of the contribution. Vote 5-0

MINUTES SUBJECT TO BOARD APPROVAL

- 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.*

The following items were pulled from the Consent Agenda for discussion: F-1, F-2 and F-5. Upon motion of Director Blair and seconded by Director Vierheilg, the Board approved Items F-3 and F-4. There was no public comment. Vote 5-0

F-1) WARRANTS [RECOMMEND APPROVAL]

Director Wirsing asked for clarification of two items on the warrants list. She also asked about the total added to the bottom of the warrants. The secretary stated that is was a mistake and should not have been there. She also suggested keeping the copy business within our County. Upon motion of Director Vierheilg and seconded by Director Wirsing, the Board unanimously approved F-1 as amended. (Remove the totals on page two.)
Vote 5-0

F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]

Minutes of October 8, 2003, Regular Board meeting
Minutes of October 16, 2003, Special Board meeting
Minutes of October 21, 2003, Study Session
Minutes of October 22, 2003, Regular Board meeting

Director Trotter is not satisfied with the quality of the Minutes and asked to table the approval until the secretary receives direction for changes. Upon motion of Director Vierheilg and seconded by Director Trotter, the Board agreed to table approval of the Minutes to a future meeting. Vote 4-1 with Director Blair voting no

F-3) ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS

TRACT 2325 – KNOLLWOOD (MARTIN-FARRELL)
Acceptance of water improvements for Tract 2325 on Blacklake Canyon Road

**RESOLUTION NO. 2003-285
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING THE WATER IMPROVEMENTS
FOR TRACT 2325 (KNOLLWOOD)**

F-4) ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS D990051D NIPOMO BAY APARTMENTS (NIPOMO SAN LUIS BAY LIMITED, A LIMITED PARTNERSHIP)

Acceptance of water and sewer improvements for D990051D on Grande and Blume

**RESOLUTION NO. 2003-286
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING THE WATER AND SEWER IMPROVEMENTS
FOR D990051D NIPOMO BAY APARTMENTS
(NIPOMO SAN LUIS BAY LIMITED, A LIMITED PARTNERSHIP)**

F-5) ACCEPTANCE OF GENERAL MANAGER ADVERTISEMENT AND TIMELINE

Approve the timeline as amended by Director Trotter. A background check should be added in April. Mr. Jones' retirement date will be August 6, 2004. Vote 4-1 with Director Blair voting no

MINUTES SUBJECT TO BOARD APPROVAL

G. MANAGER'S REPORT

Doug Jones, District General Manager, informed the Board that the lifeline rates for water could be changed to conserve water.

H. COMMITTEE REPORTS

Director Vierheilg would like the Finance Committee to meet.

Director Wirsing stated that the meeting with LAFCo and the Incorporation Committee was a positive experience.

I. DIRECTORS COMMENTS

Director Blair stated his disappointment that the Harley Davidson Co. chose not to come to Nipomo. He also explained about the CDF fees increase (SB 1049)

Director Vierheilg – stated that he has jury duty Nov. 18

Director Wirsing – asked if WalMart has purchased the Swap Meet.

President Winn – stated that he also liked the meeting at LAFCo. He also stated that he would be meeting with Lisa about the numbers for the incorporation.

Mr. Seitz announced the need to go into Closed Session to discuss the following items.
There was no public comment on items on the Closed Session agenda.

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 Closed Session and had no reportable action.

ADJOURN

President Winn adjourned the meeting at 12:25 p.m.

The next regular Board meeting will be November 19, 2003.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES *DJ*
DATE: DECEMBER 17, 2003

AGENDA ITEM

DECEMBER 17, 2003

MANAGER'S REPORT

G-1) LAFCO, MUNICIPAL SERVICE REVIEW / SOI CEQA REPORTS REVIEW PERIOD

The Local Agency Formation Commission (LAFCo) has put out a draft of the Environmental Impact Report for the District's Sphere of Influence and the Municipal Service Review. Any comments on the documents should be delivered to LAFCo before February 9, 2004.

Board 2003/MGR report 121703

LAFCO • The Local Agency Formation Commission
Serving the Area of San Luis Obispo County

TO: Interested Party
FROM: Paul Hood, LAFCO Executive Officer

DATE: December 9, 2003

SUBJECT: **Release of the Public Review Draft Sphere of Influence Update and Program Environmental Impact Report for the Nipomo Community Services District-SCH# - 2003071047**

COMMISSIONERS

CAROLYN MOFFATT, Chair
Special District Member

SHIRLEY BIANCHI, Vice Chair
County Member

WENDY SCALISE
City Member

BARBARA MANN
Special District Member

DUANE PICANCO
City Member

RICHARD ROBERTS
Public Member

MICHAEL P. RYAN
County Member

ALTERNATES

KATCHO ACHADJIAN
County Member

STAN GUSTAFSON
Special District Member

TOM MURRAY
Public Member

ALLEN SETTLE
City Member

STAFF

PAUL L. HOOD
Executive Officer

RAY BIERING
Legal Counsel

DAVID CHURCH
LAFCO Analyst

LEAHA K. MAGEE
Clerk to the Commission


The San Luis Obispo Local Agency Formation Commission (LAFCO) has prepared the Public Review Draft of the Sphere of Influence Update/Municipal Service Review and Program Environmental Impact Report for the Nipomo Community Services District. Both of these documents are enclosed for your review and comment. A compact disc (CD) containing the documents and color graphics is also included for your convenience. A 60 day public comment period begins on Wednesday, December 10, 2003, and ends on Monday, February 9, 2004. Please send your comments to:

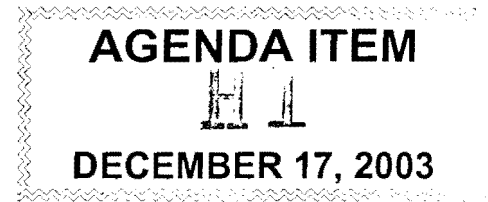
David Church, Analyst
LAFCO
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401

Responses due by: February 9, 2004

Public Hearings/Documents. The Local Agency Formation Commission (LAFCO) of San Luis Obispo conducts meetings the third week of each month at 9:00 A.M. in the Board of Supervisors Chambers located in San Luis Obispo. The documents and other related materials are available at the LAFCO office on 1042 Pacific Street, Suite A, San Luis Obispo, at the LAFCO website WWW.SLOLAFCO.COM, or at the Nipomo CSD's office. The Documents can also be downloaded from LAFCO's website and copies can be reviewed at the local library. If you have any questions or need assistance, please call us at 805-788-5795.

1042 Pacific Street, Suite A • San Luis Obispo, California 93401
Phone: 805.781.5795 Fax: 805.788.2072
www.slolafco.com

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: DECEMBER 17, 2003



INCORPORATION COMMITTEE- CONTACT WOODLANDS ABOUT CITYHOOD

ITEM

Review approach to Woodlands concerning cityhood.

BACKGROUND

Incorporation Committee

Approach the Woodland's project about being in the proposed City of Nipomo. US Post Office may have limited space to serve the Woodlands area.

RECOMMENDATION

Staff requests direction.

Board 2003/Woodlands