TO:	BOARD OF DIRECTORS
FROM:	BRUCE BUEL
DATE:	NOVEMBER 3, 2006



## AUDIT REPORT FOR FISCAL YEAR 2005-2006

#### ITEM

Audit Report for Fiscal Year 2005-2006

#### BACKGROUND

The District is required by law to have an independent audit performed annually on its financial statements. Carlos Reynoso, CPA, conducted the annual audit for the fiscal year ending June 30, 2006, in accordance with Generally Accepted Accounting Principles.

On September 19, 2006, Mr. Reynoso, CPA met with the Audit Committee (Director Vierheilig and Director Eby) and District Staff and reviewed the draft audit report in detail.

Mr. Reynoso will present the audit report (attached) to your Honorable Board and will answer any questions you may have regarding the audit.

## RECOMMENDATION

Upon completion of the presentation and public comments, a motion would be in order to accept and file the Audit Report for Fiscal Year 2005-2006.

## ATTACHMENT

Audit Report

T:documents\board matters\2006 board letters\audit report.doc

FROM: BRUCE BUEL

DATE: NOVEMBER 3, 2006



## RECEIVE WATERLINE INTERTIE PROJECT PRE-DESIGN TECHNICAL MEMORANDUM

## ITEM

Receive Waterline Intertie Project Pre-Design Technical Memorandum [Action to be requested at subsequent meeting].

## BACKGROUND

Attached under separate cover is a copy of the Draft WIP Pre-Design Technical Memorandum from Boyle Engineering. Mike Nunley from Boyle Engineering is scheduled to present the report to the Board at the Meeting.

The Design and Construction Committee is scheduled to preview the Technical Memorandum at its November 6, 2006, Meeting. Chairman Trotter, Director Eby and/or General Manager Buel should be able to forward any recommendations from the Committee to the Board at the Board Meeting.

#### RECOMMENDATION

Staff recommends that your Honorable Board review the Technical Memorandum and determine if you need more information prior to considering taking action at your November 22, 2006, Board Meeting.

## ATTACHMENT

WIP Pre-Design Technical Memorandum (under separate cover)

T:DOCUMENTS\BOARD MATTERS\2006 BOARD LETTERS\WIP PRE-DESIGN TECHNICAL MEMORANDUM.DOC

FROM: BRUCE BUEL

DATE: NOVEMBER 3, 2006

## INITIATE ACTIVATION OF PARKS AUTHORITY

**AGENDA ITEM** 

E-3

**NOVEMBER 8, 2006** 

## ITEM

Discuss process for activation of Parks Authority, preview concept for development of "Jim Miller" Park, and authorize negotiation of a Memorandum of Understanding (MOU) with County of San Luis Obispo regarding parks authority and "Jim Miller" Park [Recommend Approval].

## BACKGROUND

The Parks Committee on October 16, 2006, recommended that "the Board authorize negotiation of a Memorandum of Understanding (MOU) with the County regarding development and operation of the proposed neighborhood park and develop cost estimates for construction and operations." Attached is a copy of the parks authority activation process reviewed by the Committee. From staff's perspective, the District is ready to proceed with Step 1 of the process summary and to initiate negotiation of the MOU described in Step 3. Staff does not believe that it is possible to estimate either construction or operations costs until the County has agreed to a concept.

In regards to Step 1, a stakeholders group has developed a draft concept plan for the park and Supervisor Achadjian has held a community meeting to receive feedback on the proposal. Staff will display a copy of the plan at the Board meeting and seek feedback form the Board. It is staff's understanding that the County Planning Staff will refine the concept plan and present a revised version of the plan to the SLO County Board of Supervisors later this year or early 2007.

In regards to Step 3, staff believes that it would be prudent to have discussions with Supervisor Achadjian, County Planning, County Parks/General Services and SLO LAFCO prior to the Board of Supervisors discussion of the concept plan. When the Board of Supervisors officially blesses a concept plan, staff believes that it would be prudent to initiate negotiation of a formal MOU with the assistance of District Legal Counsel and County Counsel.

District Legal Counsel has determined that Property Tax proceeds can be used to pay for out of pocket costs related to activation of the Parks Authority.

#### RECOMMENDATION

Staff recommends that your Honorable Board discuss and edit the attached draft activation process, authorize staff to interact with the project stakeholders, and authorize staff to interact with SLO County and SLO LAFCO regarding activation of parks authority and development of the "Jim Miller" Park. Staff proposes to come back to your Honorable Board at a subsequent meeting for authorization to hire a design firm once a concept plan has been accepted by the Board of Supervisors.

## ATTACHMENT

DRAFT NCSD PARKS POWERS ACTIVATION PROCESS

T:documents\board matters\2006 board letters\Parks Authority Initiate.doc

## DRAFT NCSD PARKS POWERS ACTIVATION PROCESS

- 1. Define Project with Stakeholders (OTNA and Property Owners)
  - A. Pocket Park
  - B. Streetscape Improvements
- 2. Estimate Construction and Maintenance Costs for County and NCSD
- 3. Enter into MOU with County re:
  - A. Property Transfer
  - B. Construction Costs Paid by County
  - C. Construction Costs Paid by NCSD/Stakeholders
  - D. Process for NCSD to form Assessment District
  - E. CEQA Compliance
  - F. LAFCO Costs
- 4. Obtain Solid engineer's estimate of NCSD Costs
- 5. Establish Zone of Benefit Boundary
- 6. Negotiate Stakeholders Agreement re Allocation of Property Taxes & Assessments
- Submit Application to LAFCO conditioned upon CEQA Compliance & Successful Proposition 218 Vote
- 8. Publish Draft Engineer's Assessment Report
- 9. Complete CEQA Determination
  - A. Land Transfer
  - B. Improvements
  - C. Activating Power
- 10. Secure LAFCO Approval
- 11. Conduct Funding Election
- 12. Transfer Property
- 13. Construct Improvements
- 14. Implement Collection of Funding
- 15. Operate and Maintain

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FROM: BRUCE BUEL

DATE: NOVEMBER 3, 2006

## AUTHORIZE REQUEST FOR PROPOSAL FOR PARKS SURVEY

AGENDA ITEM

E-4

**NOVEMBER 8, 2006** 

## ITEM

Authorize Request for Proposal (RFP) for consultant to conduct parks survey and refer development of survey to Parks Committee [Recommend Approval].

## BACKGROUND

The Parks Committee on October 16, 2006, recommended that "the Board authorize conducting a new survey" to update the Parks Survey previously published by SLO County. In addition, several residents have agreed to assist the Committee in restructuring the questions in the survey.

Staff believes that the District should seek quotes from local research consultants to conduct a random sample phone-based survey of District residents as opposed to a mail-out survey of residents and/or property owners. Staff believes that a random sample survey with a 5% confidence interval (approximately 300 responses) would be more representative and less costly than the mail out method.

District Legal Counsel has determined that Property Tax proceeds can be used to pay for out of pocket costs related to activation of the Parks Authority.

#### RECOMMENDATION

Staff agrees with the Parks Committee that an updated survey would be useful in determining community support for parks development and in documenting the community's willingness to pay for parks services. Staff recommends that your Honorable Board authorize the Parks Committee to restructure the Parks Survey and then authorize staff to process an RFP for a random sample phone survey. Staff would bring back proposals from consultants for Board consideration at a subsequent Board Meeting.

## ATTACHMENT

DRAFT NCSD PARKS POWERS ACTIVATION PROCESS

T:documents\board matters\2006 board letters\Parks Survey 1.doc

FROM: BRUCE BUEL

DATE: NOVEMBER 3, 2006



## CREATE AD HOC BLACKLAKE COMMITTEE

## ITEM

Create ad hoc committee to discuss Blacklake water system issues with Blacklake Community [Recommend Approval].

## BACKGROUND

Your Honorable Board on October 25, 2006, set this agenda item so that a committee of the Board could be created to interact with the Blacklake Community regarding the Water Booster Station and the status of the Blacklake Water Fund.

#### RECOMMENDATION

Staff recommends that your Honorable Board create this Committee so that the President can appoint two Board Members to serve.

## ATTACHMENT

None.

T:DOCUMENTS\BOARD MATTERS\2006 BOARD LETTERS\BLACKLAKE AD HOC COMM.DOC

FROM: BRUCE BUEL

DATE: NOVEMBER 3, 2006



## CONSIDER REQUEST TO WAIVE LOOPING REQUIREMENT FOR TRACT 2658

## ITEM

Consider Pace Bros. request to waive waterline looping requirement for Tract 2658 – Grove Street west of South Oakglen Street [Recommend Approval].

## BACKGROUND

Attached is a request from John Shoals, Agent for Pace Bros. Construction, for your Honorable Board to waive the requirement set forth in the District's Standard Specifications (attached) for developers to interconnect the end of new waterlines with another District Waterline, where possible. As set forth in the Specifications, this requirement can only be waived by the District in writing.

Your Honorable Board approved an Intent-to-Serve Letter for this subdivision on October 27, 2004. Attached is a site map showing the adjacent properties and a subdivision map showing the nine lots on the north side of Grove Street from South Oakglen to US 101. As referenced in Mr. Shoals' letter, neither the property owner to the South or the property owner to the North are willing to allow the Pace Bros to buy an easement and to construct the required main from Grove to Amado Street or Darby Lane respectively. The property owner to the South has submitted the attached letter confirming his unwillingness to cooperate and the General Manager has confirmed that neither property owner is willing to cooperate.

The purpose of the looping requirement is to eliminate dead end lines that will require flushing and special maintenance to avoid health hazards and to satisfy state and federal water quality regulations. It is highly likely that NCSD will ultimately be required to loop this line. When that future looping occurs, staff's preferred looping route would be northerly from Grove across APN 092-271-008 to the Vine Street Right-of-Way and then on to Darby Lane since Darby Lane is also a dead-end waterline. In order to facilitate that future main, staff believes that the Pace Bros. should dedicate an easement across their Lot 9 to the District, construct a main extension in that easement from a new valve cluster at the west end of Grove to the northern perimeter of Lot 9, and contribute sufficient funds to the District so that the District can construct the main from that point to the west end of the water main in Darby. Staff proposes that the developer pay 150% of the cost of the extension to the north of Lot 9 as determined by the plan check engineer so that funding will be available to pay for the extension when it is feasible for the District to construct it. The 50% overage is intended to address the District's risk related to changes in construction cost and inflation since it is unknown when the District will be able to proceed.

## RECOMMENDATION

Staff recommends that your Honorable Board approve the waiver conditioned upon the construction of the on-site improvements described above and the payment of the projected costs described above.

## ATTACHMENTS

- Request from Pace Bros to Waive Looping Requirement
- Excerpts from NCSD Standard Specifications
- Location Map
- Subdivision Plan
- Rejection Letter from Property Owner

October 31, 2006

Mr. Bruce Buell, General Manager Nipomo Community Services District 148 South Wilson Street Post Office Box 326 Nipomo, Ca 93444 - 0326 (805) 929-1133 Fax (805) 929-1932

## RE: Request for Exception to District's Requirement for Tract 2658 to install a Water Main Off-Site on an Adjacent Property (Oakglenn Estates, LLC; General Partner Dan Pace)

Per our recent conversations, we are hereby requesting an exception to the District's requirement that Tract 2568 install a looped water line from South Oakglenn and Grove Street. We are also asking that our request be placed on the Board's November 8, 2006 agenda. This request is based on the following:

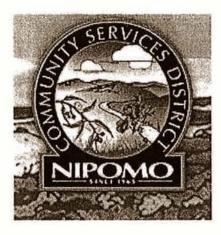
- 1. The requirement places an unfair burden on our project that similar projects in the area did not have to meet. Specifically, there are several existing non-looped water lines in the surrounding area.
- This requirement places a condition on property that we do not control making it infeasible to implement. We also question the legality of placing such a condition on our project.
- 3. Per your direction, we contacted the two adjacent landowners to inquire about their willingness to participate in installing the water line. Both owners have told us that they are not interested in granting us an easement over their property for the installation of a new water line. We have a rejection letter from Mr. Michael Wells (APN 092-272-007). We have also had three conversations with Mr. William H. Brown (APN 092-271-008) on this matter. He has also rejected our proposal. Due to health issues, he has been unable to provide us with a letter as this time.

We understand the importance of providing continuous water lines, and are willing to assist the District in accomplishing this goal. As we previously discussed, Mr. Pace is willing to provide a stub-out beyond the street pavement and thrust block at the end of Grove Street that would allow the District to complete a looped water line should it choose to pursue other means to acquire an easement over the adjoining properties.

If you have questions, I can be reached at (805) 710-1476.

Respectfully,

Pace Brothers Construction.



# STANDARD SPECIFICATIONS FOR WATER AND SEWER SYSTEM IMPROVEMENTS

Nipomo Community Services District

## **Nipomo Community Services District**

Client Representative

Michael LeBrun, PE General Manager

Client Staff

Dan Migliazzo Utility Supervisor

## **Boyle Engineering Corporation**

Project Manager

Joshua Reynolds, PE

Principal-in-Charge Michael Nunley, PE

May 2006



1194 Pacific Street, Suite 204

San Luis Obispo, CA 93401

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#### WATER SYSTEM DESIGN CRITERIA

#### WATER DEMANDS

The water systems shall be designed based on the following domestic plus fire flow demands:

Domestic Demands	Description
Residential – Domestic	•
(3.2 persons per dwelling unit)	
Average Day	160 gpd per capita
Maximum Day	257% of average day demand
Peak Hour	515% of average day demand
Commercial (non-residential) and Industrial	Developer to submit design flows to District for review. Minimum shall be equivalent to five (5) residential connections per acre.

#### Fire Flow

The California Department of Forestry/ San Luis Obispo County Fire Department (CDF) shall determine the fire flow requirements.

#### PIPELINE SYSTEM DESIGN CRITERIA

The minimum pipe size for water mains shall be 8-inches in diameter. All line sizing shall be based on maximum day demand plus fire flow demand or peak hour demand, whichever is greater. Pipeline pressure losses will be calculated using the Hazen-Williams formula with C=130.

Minimum cover over the top of pipe shall be three feet below finish grade. The District may require more than this minimum cover if, in the opinion of the District, three feet is insufficient.

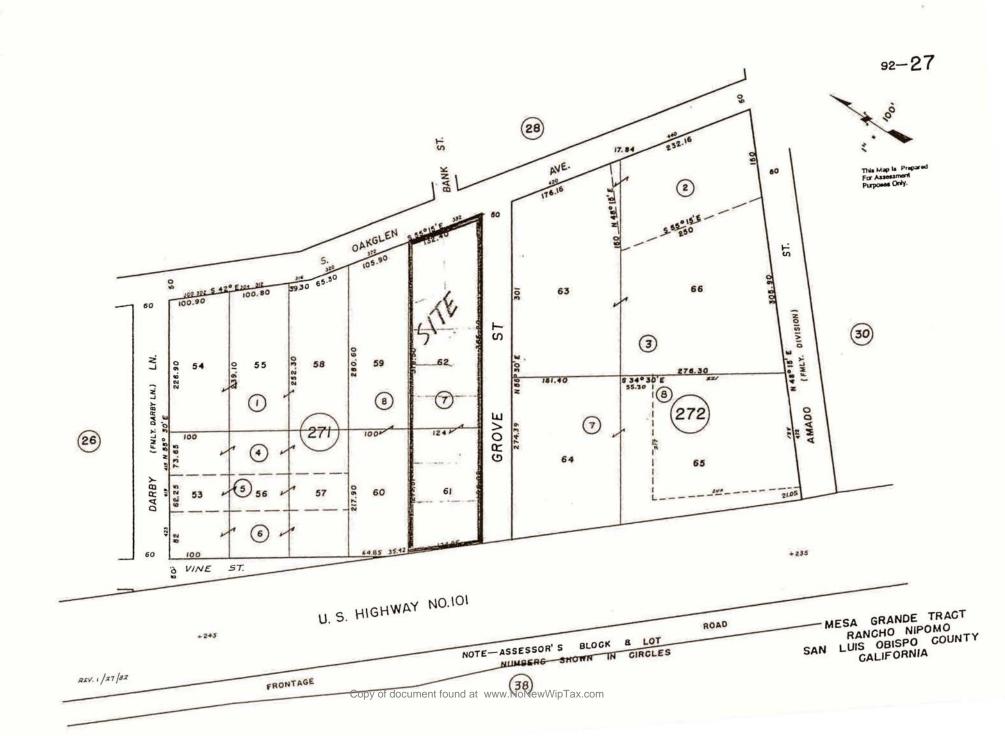
As a general rule, there shall be three valves on tees and four valves on crosses. On long blocks, intermediate valves should be installed so that not more than 500 feet of line will have to be shut off at any one time. Valves shall be joined to fittings by flanges. When water mains are in easements outside traveled streets, a valve shall be located at each end of the easement. The final determination of the number of valves and their locations shall be approved by the District.

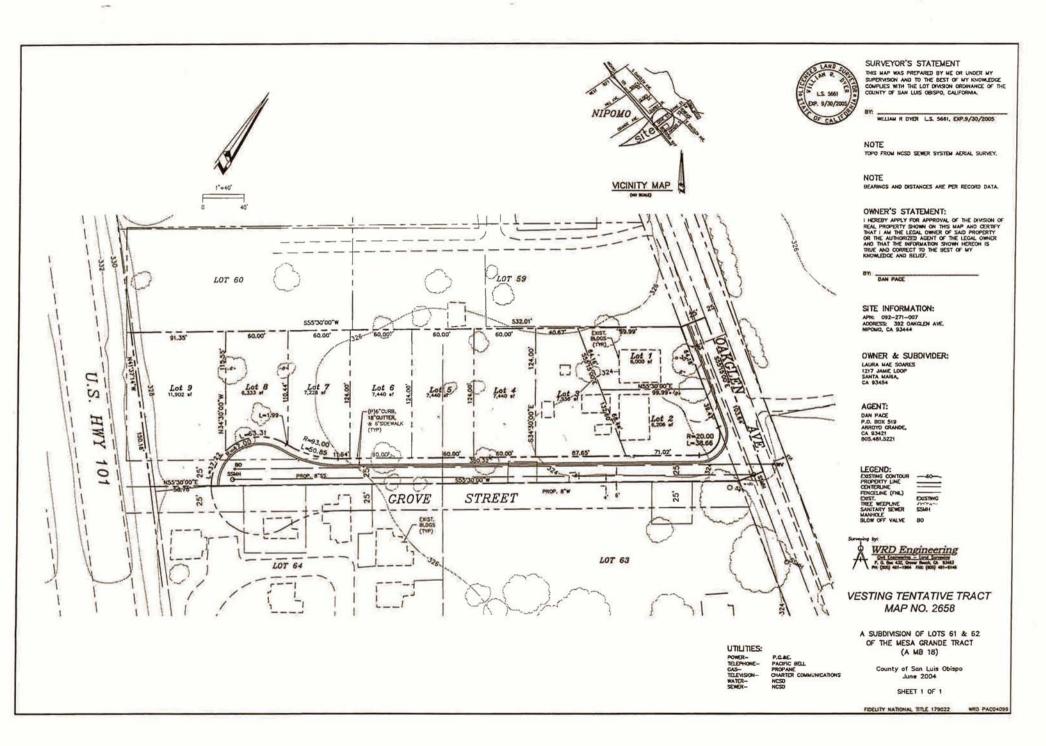
Combination air and vacuum release valves shall be installed at all high points in a line. The inlet to each valve shall be provided with a gate valve or corporation stop to provide a positive closure between the main pipeline and the air and vacuum release valve. The air and vacuum release valve vent shall be installed above ground in such a manner as to preclude backflow (see Standard Detail W-10).

Blowoffs shall be installed at ends of mains and low points.

Water system improvements shall have at least two connections to waterlines in different streets to form a looped water system. Non-looped systems will be permitted only with the written permission of the District.

Water pipelines shall be constructed of PVC pipe or, with the District's approval, ductile iron pipe. Fittings shall be ductile iron conforming to AWWA C-100 and cement mortar lined per AWWA C-104.





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October 30, 2006

Scott Pace Oakglenn Estates, LLC P.O. Box 519 Arroyo Grande, CA 93421

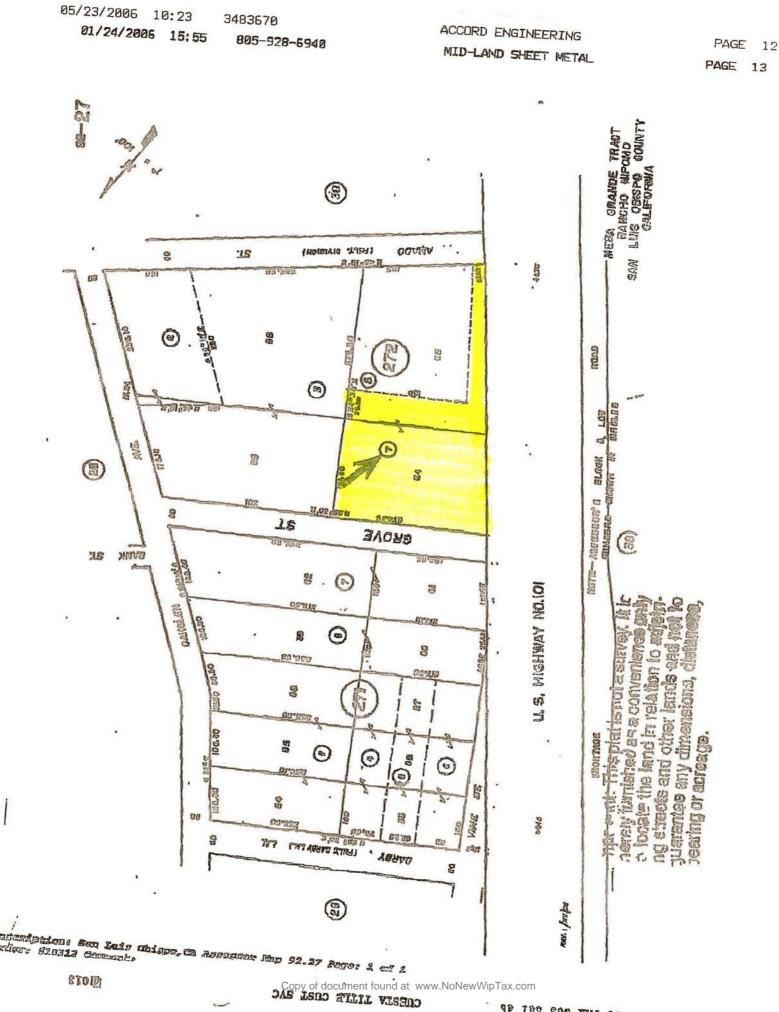
## RE: REQUEST FOR EASEMENT TO INSTALL A WATER LINE ACROSS MY PROPERTY, ASSESSOR'S PARCEL NO. 92-272-007; NIPOMO MESA GRANDE TRACT, PTN. LOTS 64 & 65

Dear Mr. Pace,

Thank you for meeting with me to discuss your project, and the Nipomo Community Services District's (NCSD) requirement for you to install a looped water main for your project on Grove Street (TR2658). It is my understanding that this condition will require you to install the water main across my property to connect to an existing line in Amado Street, and me to grant you an easement for the line. While I can see the potential benefit, I must decline your request because I am concerned that the location of the easement and water line will interfere with future plans for my property.

Sincerely,

Michael T. Wells



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PAGE 13

01/24/2008 15:09 FAX 805 541 46

FROM: BRUCE BUEL

DATE: NOV. 3, 2006



## MANAGER'S REPORT

## ITEM

Standing report to your Honorable Board Period covered by this report October. 20, 2006 through November 1, 2006

#### DISTRICT BUSINESS

#### Administrative

There were no applications submitted for the Foreman Position as of the October 27, 2006, deadline. Staff proposes to revisit this recruitment at the Board's December 13, 2006 Board Meeting.

Staff has received an administrative draft of the Salary Survey from Koff and Associates. Staff has arranged for Koff to present a revised draft to the Board on November 15, 2006.

Staff has been coordinating with the County regarding publicity for the County's Flood Preparedness Forum to be held at 7pm on Thursday November 16, 2006 (See attached memo).

Staff replaced the United States flag at the office and arranged for cleaning the gutters at the office.

Staff has ordered the digital image software system and is preparing to digitize select files for permanent digital storage in lieu of paper copies.

#### Safety Program

No injury reports during the period.

#### Project Activity

Oral Summary to be provided at Board Meeting.

#### **Field Activity**

No Report

#### **Conservation Program Activities**

Tim Bolinger has completed the Demonstration Area and staff is compiling a presentation for the Board.

#### RECOMMENDATION

Staff seeks direction and input from your Honorable Board.

#### ATTACHMENTS

Memo regarding Flood Preparedness

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2006\MANAGERS REPORT061108.DOC

## NIPOMO COMMUNITY SERVICES DISTRICT



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

## **MEMORANDUM – Flood Preparedness Forum**

TO: BRUCE BUEL, GENERAL MANAGER

FROM: MADONNA DUNBAR, CONSERVATION/COMPLIANCE SPECIALIST

DATE: NOVEMBER 1, 2006

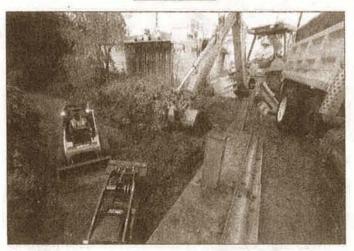
RE: UPDATE ON FLOOD PREPAREDNESS FORUM

On Thurs. November 16, 2006 from 7-10 PM in the District Boardroom, there will be a community Flood Preparedness Forum for Nipomo area residents. The District is providing the meeting space for the forum, which was proposed, and is being organized by, Mr. Herb Kandel.

The objective for the forum is to provide time for representatives from the County Department of Public Works and the American Red Cross to discuss the preparations and actions which have been taken regarding flood abatement. In addition, if time permits, the Land Conservancy will present information on the Nipomo Creek Watershed Management Plan.

Staff will discuss the NCSD community cleanup efforts as our part of the flood preparations, and re-emphasize that the County is the responsible party for flood control inside and outside the District.

## NIPOMO



Staff file

A San Luis Obispo County public works crew uses a loader, dump truck and two small tractors to remove dirt and silt from a creek culvert passing under South Thompson Road at West Tefft Street in Nipomo earlier this year.

## Officials prepare Nipomo Creek for rain

BY RANDI BLOCK

With the rainy season right around the corner, local agencies are taking special notice of the flood-prone residential and commercial areas lining Nipomo Creek in Olde Towne.

Officials with the San Luis Obispo County Public Works Department, the Land Conservancy of San Luis Obispo County and the Nipomo Community Services District (NCSD) have been working to clear the culverts of trash and discarded appliances so water will flow smoothly through town once the rains hit.

"Now we're in pretty good shape down there," said Madonna Dunbar, a NCSD conservation specialist.

Despite the frequent cleanups and attempts at informing residents of dangers associated with illegal dumping, there are still problems in the creek.

They have prompted the California Department Fish and Game to forward a complaint to the county District Attorney's Office, likely this week,

See NIPOMO / A8

SHERING STREET, SHERING

SM Times 10/27/06

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## NIPOMO:

Continued from page A1

said Troy Swauger, spokesman for the department.

· Crews from the county Public Works Department are finishing up their annual fall cleanings at the creek to make sure nothing is blocking the culverts, said Glen Priddy, deputy director of Public Works.

There are also early plans for bigger projects to improve the culverts, road crossings and bridges in downtown, which will hopefully be completed next summer, Priddy added.

"We take a special interest in Nipomo where there's been problems in the past," Priddy said. "We're doing everything we can do to prevent flooding."

The county only has jurisdiction and legal access over the portions of the creek around infrastructure, such as roads or bridges, so those are the areas that its crews focused on cleaning, Priddy said.

To supplement the county's efforts, the NCSD led a local creek clean-up about a month ago with 30 resident volunteers. More than two and a half tons of garbage was collected in three hours, most of which was

appliances, Dunbar said.

"What the volunteers did there is a huge benefit," said Herb Kandel, a trustee with the Land Conservancy. "It won't create clogs and additional erosions and water pollution problems."

Dunbar said it's difficult to keep the creek maintained consistently because residents are continually dumping trash, including both household garbage and appliances and yard wastë, into the creek bed.

An inspector with state Fish and Game recently investigated a report of dumping and found cement, fill dirt and tree branches in the Nipomo Creek, Swauger said.

The matter was referred to the to district attorney. Because it's an ongoing investigation, Swauger said he couldn't release any specific information about the property owner who was found in violation.

Calls to Chief Deputy District Attorney Stephen Brown were not returned Thursday.

With all of the silt and trash removed, officials are optimistic there won't be major flooding this year, but only time and Mother Nature's activity over the next few months will tell.

"If we get 10 inches of rain in a week, that might be trouble," Dunbar said. "But if we get 10 inches in a month, it's a different story (and we'd be OK)."

Randi Block can be reached at rblock@santamariatimes.com.

If you want to go

The Land Conservancy of San Luis Obispo is holding a flood-prevention program Nov. 16 for the public to learn about the recently completed Nipomo Creek Watershed Management Plan and issues of flooding near Nipomo Creek.

Officials from the Nipomo Community Services District will also be on hand to explain their role in preventing flooding in the creek. Staff from the San Luis Obispo County Public Works Department will be discussing recently completed projects designed to maintain existing culverts, and \$1.8 million of road improvements planned to help flooding in the area. The meeting will be at 7 p.m. in the NCSD's board room, 148 5.

Wilson St.