

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 42 - Years of Service 1965 - 2007

AGENDA

OCTOBER 24, 2007 9:00 A. M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

MICHAEL WINN, **PRESIDENT**
LARRY VIERHEILIG, **VICE PRESIDENT**
CLIFFORD TROTTER, **DIRECTOR**
ED EBY, **DIRECTOR**
JAMES HARRISON, **DIRECTOR**

PRINCIPAL STAFF

BRUCE BUEL, **GENERAL MANAGER**
LISA BOGNUDA, **ASSIST. GENERAL MANAGER**
DONNA JOHNSON, **BOARD SECRETARY**
JON SEITZ, **GENERAL COUNSEL**
DAN MIGLIAZZO, **UTILITY SUPERVISOR**

Mission Statement: The Nipomo Community Services District's mission is to provide the community with reliable, quality and cost-effective services.

Vision Statement: The Nipomo Community Services District's vision is to manage the resources and future growth of the community.

NOTE:

- All comments concerning any item on the agenda are to be directed to the Board President.
- Consistent with the Americans with Disabilities Act and California Government Code §54954.2 requests for disability related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires the modification or accommodation in order to participate at the below referenced public meeting by contacting the District General Manager or Assistant Administrator at 805-929-1133.
- District-prepared staff reports and documents are generally posted on the District's website {NCSD.CA.GOV} on the same date the agenda is posted.
- Items may be taken out of order. The Board typically breaks for lunch at approximately 12 noon and conducts closed session at that time, reconvening to public session at approximately 1:00 p. m.
- Please turn off any cell phone during the meeting, as a courtesy to others.

A. CALL TO ORDER AND FLAG SALUTE

NEXT RESOLUTION 2007-1046
NEXT ORDINANCE 2007-107

B. ROLL CALL

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) GREG BURNS OF MARLOWE AND COMPANY
Overview of Federal Funding Opportunities and Process

C-2) ASSISTANT GENERAL MANAGER LISA BOGNUDA
Presentation of Quarterly Financial Report

C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors Items of District & Community Interest

C-4) PUBLIC COMMENT ON ITEMS NOT ON AGENDA
Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction not on the Board's agenda or pending before the Board.
Public Comment is limited to three (3) minutes or otherwise at the discretion of the President.

**Nipomo Community Services District
REGULAR MEETING
AGENDA**

- D. 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 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.*
- D-1) APPROVE WARRANTS [RECOMMEND APPROVAL]
 - D-2) APPROVE BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Approve Minutes of October 10, 2007 Meeting
 - D-3) ACCEPT QUARTERLY FINANCIAL REPORT [RECOMMEND APPROVAL]
 - D-4) ACCEPT QUARTERLY INVESTMENT REPORT [RECOMMEND APPROVAL]
 - D-5) AWARD BID FOR SHOP OFFICE FURNISHINGS [ADOPT RESOLUTION]
 - D-6) ACCEPT HAANPAA WATER IMPROVEMENTS AT MESA ROAD AND EASY LANE
[RECOMMEND APPROVAL]
- E. ADMINISTRATIVE ITEMS
- E-1) REVIEW EDITS TO COMBINED WATER SYSTEM FINANCIAL PLAN AND DISCUSS MERGER OF TOWN AND BLACKLAKE WATER FUNDS [CONTINUE HEARING UNTIL NOVEMBER 14, 2007]
 - E-2) ACCEPT FY06-07 AUDIT [RECOMMEND APPROVAL]
 - E-3) FORWARD RECOMMENDATIONS TO RWQCB RE USE OF GUADALUPE DUNES' MITIGATION FUND [ADOPT RECOMMENDATION]
 - E-4) DISCUSS ARBORIST'S RECOMMENDATIONS FOR OFFICE LANDSCAPE [PROVIDE POLICY DIRECTION]
 - E-5) CONSIDER BOB RUSS REQUEST TO PAY FOR GEO-HYDROLOGIC REVIEW OF WATER SUPPLY AVAILABLE ON NIPOMO HILLS PROPERTY [AUTHORIZE EXECUTION OF AGREEMENT]
- F. MANAGER'S REPORT
- G. COMMITTEE REPORTS
- 1. SWPD&CC Meeting of 10/8/07
 - 2. FAPC Meeting of 10/9/07
 - 3. PCAS Meeting of 10/15/07
- H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

**Nipomo Community Services District
REGULAR MEETING
AGENDA**

I. CLOSED SESSION ANNOUNCEMENTS

1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 SMVWCD VS NCSD SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSD CASE NO. CV 040877, MARIA VISTA VS. NCSD CASE NO. CV 061079, AND MARIA VISTA VS. LINDA VISTA FARMS, NCSD ET AL. CASE NO. CV 040150;
3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; MARIA VISTA ESTATES V. NCSD ET AL. (CASE NO. ND07-10362RR IN UNITED STATES BANKRUPTCY COURT, CENTRAL DISTRICT, NORTHERN DIVISION
4. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; NCSD VS. SLO COUNTY (CASE NO. CV 070066)
5. INITIATION OF LITIGATION PURSUANT TO SUBDIVISION (C) OF GOVERNMENT CODE SECTION 54956.95 (ONE POTENTIAL CASE)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

K. ADJOURN TO CLOSED SESSION


L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

ADJOURN

➤ **THE NEXT REGULAR BOARD MEETING IS NOVEMBER 14, 2007.
TENTATIVELY SCHEDULED ITEMS INCLUDE:**

- Water Conservation Program
- Miller Park Assessment Funding Report
- Combined Water System Financial Plan

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL 
DATE: OCTOBER 19, 2007



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.**

- D-1) APPROVE WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Approve Minutes of October 10, 2007 Meeting
- D-3) ACCEPT QUARTERLY FINANCIAL REPORT [RECOMMEND APPROVAL]
- D-4) ACCEPT QUARTERLY INVESTMENT REPORT [RECOMMEND APPROVAL]
- D-5) AWARD BID FOR SHOP OFFICE FURNISHINGS [ADOPT RESOLUTION]
- D-6) ACCEPT HAANPAA WATER IMPROVEMENTS AT MESA ROAD AND EASY LANE
[RECOMMEND APPROVAL]

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2007\CONSENT AGENDA\CONSENT 10-24-07.DOC

TO: BOARD OF DIRECTORS
 FROM: BRUCE BUEL
 DATE: OCTOBER 19, 2007

**AGENDA ITEM
 D-1
 OCTOBER 24, 2007**

HAND WRITTEN CHECKS

10-08-07	19655	E EBY	50.00
10-08-07	19656	C TROTTER	50.00
10-09-07	19657	L VIERHEILIG	50.00
10-09-07	19658	C TROTTER	50.00
10-10-07	19659	SLO COUNTY	61.00

**TOTAL COMPUTER
 CHECKS
 \$ 157,446.60**

VOIDED CHECKS

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
14138	10/19/07	EMP01	EMPLOYMENT DEVELOP DEPT	818.62	.00	818.62	A71015	STATE INCOME TAX
14139	10/19/07	MID01	MIDSTATE BANK-PR TAX DEP	3595.23	.00	3595.23	A71015	FEDERAL INCOME TAX
				337.10	.00	337.10	1A71015	FICA
				910.84	.00	910.84	2A71015	MEDICARE (FICA)
			Check Total.....:	4843.17	.00	4843.17		
14140	10/19/07	MID02	MIDSTATE BANK - DIRECT DP	26462.75	.00	26462.75	A71015	NET PAY
14141	10/19/07	PER01	PERS RETIREMENT	7807.11	.00	7807.11	A71015	PERS PAYROLL REMITTANCE
14142	10/19/07	SIM01	SIMMONS, DEBRA	150.00	.00	150.00	A71015	WAGE ASSIGNMENT
14143	10/19/07	STA01	STATE STREET GLOBAL	1180.00	.00	1180.00	A71015	457 DEFERRED COMP
014144	10/24/07	ABA01	ABALONE COAST BACTERIOLOG	80.00	.00	80.00	2141	WATER SAMPLES
				176.00	.00	176.00	2151	TOWN WWTF LAB
				80.00	.00	80.00	2189	WATER SAMPLES
				176.00	.00	176.00	2198	TOWN WWTF LAB
				115.20	.00	115.20	2203	WATER SAMPLES
			Check Total.....:	627.20	.00	627.20		
014145	10/24/07	ALX01	ALEXANDER'S CONTRACT SERV	2082.81	.00	2082.81	100607	METER READS
014146	10/24/07	AME03	AMERI PRIDE	91.69	.00	91.69	F300781	UNIFORMS ETC
				75.66	.00	75.66	F306505	UNIFORMS ETC
			Check Total.....:	167.35	.00	167.35		
014147	10/24/07	ATT01	AT&T/MCI	.05	.00	.05	T6969330	PHONE Y16-449-94
				44.94	.00	44.94	T7049465	PHONE 8059290161553
				143.46	.00	143.46	T7049467	PHONE 8059291133911
				122.67	.00	122.67	T7049468	PHONE 805 9291341672
			Check Total.....:	311.12	.00	311.12		
014148	10/24/07	BOG01	BOGNUDA, LISA	29.10	.00	29.10	101707	TRAVEL TO SLO AUDITOR
014149	10/24/07	BOY01	BOYLE ENGINEERING CORP	21135.60	.00	21135.60	048596	ALTERNATIVE WATER SUPPLY
				1228.50	.00	1228.50	048597	SOUTHLAND WWTF
				99.90	.00	99.90	048598	SALT REMOVAL ALLOWANCE PR
				680.40	.00	680.40	048599	PCI FOR TRACT 2523
				571.05	.00	571.05	048654	STANDARDS AND SPECS
				631.80	.00	631.80	048655	WILLOW RD REALIGNMENT
				145.80	.00	145.80	048656	PCI FOR CO 06-0117
				72.90	.00	72.90	048657	PCI FOR TRACT 2732
				756.00	.00	756.00	048658	PCI FOR TRACT 2652
				453.60	.00	453.60	048659	PCI FOR 092-261-006
				151.20	.00	151.20	048661	PCI FOR TRACT 2312 AND 26
				1185.30	.00	1185.30	048662	PCI FOR 092-130-044
			Check Total.....:	27112.05	.00	27112.05		
014150	10/24/07	BRE02	BRENNTAG PACIFIC INC.	314.06	.00	314.06	BPI722669	CHLORINE
				463.42	.00	463.42	BPI722670	CHLORINE
			Check Total.....:	777.48	.00	777.48		
014151	10/24/07	CAL14	CALIFORNA WATER	105.00	.00	105.00	101707A	TECHNICAL CERTIFICATION P
				120.00	.00	120.00	101707B	TECHNICAL CERTIFICATION A
				432.00	.00	432.00	11-1-07	MEMBERSHIP
			Check Total.....	657.00	.00	657.00		

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS OCTOBER 19, 2007**

**AGENDA ITEM
D-1
OCTOBER 24, 2007
PAGE TWO**

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
014152	10/24/07	CAN02	CANNON ASSOCIATES	2433.52	.00	2433.52	42314	WATER & SEWER MASTER PLAN
				373.72	.00	373.72	42315	WATER LINE RELOCATION FOR
				3020.43	.00	3020.43	42316	DRAINAGE IMP INSPECTIONS
			Check Total.....:	5827.67	.00	5827.67		
014153	10/24/07	CLE06	CLEVER DUCKS	632.17	.00	632.17	NCS0 079A	COMPUTER SUPPORT
014154	10/24/07	CRO02	CROSBY & CINDRICH, CPAS	4000.00	.00	4000.00	17542	AUDIT SERVICES
014155	10/24/07	CSD01	CALIF SPECIAL DIST ASSOC	50.00	.00	50.00	20943	WEBSITE AD
014156	10/24/07	DAV02	DAVE'S TREE SERVICE	500.00	.00	500.00	2085	REPORT ON EXISTING OFFICE
014157	10/24/07	DEP04	DEPT OF MOTOR VEHICLES	20.00	.00	20.00	CF9414SV	REGISTRATION OF TRAILER
014158	10/24/07	EBY01	EBY, ED	100.00	.00	100.00	102407	REG BD MEETING 102407
014159	10/24/07	FAR02	FAR WEST EXPRESS	26.50	.00	26.50	243507+	DELIVERY TO MAILING SERV
014160	10/24/07	FGL01	FGL ENVIRONMENTAL	97.00	.00	97.00	709642A	TOWN WWTF LAB
				56.00	.00	56.00	710458A	BL WWTF LAB
				212.00	.00	212.00	710460A	TOWN WWTF LAB
				36.00	.00	36.00	710461A	TOWN WWTF LAB
				81.00	.00	81.00	710761A	BL WWTF LAB
				36.00	.00	36.00	710763A	TOWN WWTF LAB
				187.00	.00	187.00	710764A	TOWN WWTF LAB
				61.00	.00	61.00	711084A	TOWN WWTF LAB
				223.00	.00	223.00	711085B	TOWN WWTF LAB
			Check Total.....:	989.00	.00	989.00		
014161	10/24/07	FUG01	FUGRO WEST, INC.	19286.05	.00	19286.05	3596-0003	TOWN WWTF DISCHARGE STUDY
014162	10/24/07	GAR01	GARING TAYLOR & ASSOC	835.19	.00	835.19	8149	BL POND LINER
014163	10/24/07	GAS02	GAS COMPANY, THE	89.13	.00	89.13	092707	GAS ENGINE 08619205712
014164	10/24/07	GRO01	GROENIGER & CO	1046.12	.00	1046.12	738824SM	SUPPLIES MALLAGH DRAINAGE
				675.68	.00	675.68	738827SM	SUPPLIES
				377.99	.00	377.99	742003SM	SUPPLIES
				346.09	.00	346.09	742166SM	SUPPLIES
				350.39	.00	350.39	742875SM	SUPPLIES
			Check Total.....:	2796.27	.00	2796.27		
014165	10/24/07	GRO02	GROUND UP	1800.00	.00	1800.00	142	POND LINER INSPECTION
014166	10/24/07	HAR02	HARRISON, JAMES	100.00	.00	100.00	102407	REG BD MEETING 102407
014167	10/24/07	IND02	INDEPENDENT ELEC SUPPLY	1203.37	.00	1203.37	27104	SUPPLIES
014168	10/24/07	JAC01	JACK'S REPAIR & SALES	3.44	.00	3.44	21305B	SUPPLIES
014169	10/24/07	KOE01	KOEHLER PLUMBING, INC	75.00	.00	75.00	801	BACK FLOW TEST TR 2409
014170	10/24/07	MID05	MID STATE BANK PETTY CASH	44.15	.00	44.15	101707A	OFFICE SUPPLIES
				19.21	.00	19.21	101707B	OPERATING SUPPLIES
				5.93	.00	5.93	101707C	POSTAGE
				17.00	.00	17.00	101707D	LICENSE FOR TRAILER
			Check Total.....:	86.29	.00	86.29		
014171	10/24/07	NIP01	NIPOMO ACE HARDWARE INC	343.10	.00	343.10	65036+	SUPPLIES
014172	10/24/07	NIP09	NIPOMO MARKET PLACE	1810.76	.00	1810.76	SEPT 07	SEPTEMBER FUEL
014173	10/24/07	NUT01	NU TECH PEST MGMT	265.00	.00	265.00	64238	PEST CONTROL
				49.00	.00	49.00	64239	PEST CONTROL
			Check Total.....:	314.00	.00	314.00		
014174	10/24/07	ONE01	1-800-CONFERENCE	86.68	.00	86.68	526974	CONFERENCE CALL
014175	10/24/07	POO01	POOR RICHARD'S PRESS	36.09	.00	36.09	132054	STOCK
014176	10/24/07	PWM01	PW MANN ELECTRIC INC	308.70	.00	308.70	070	OLYMPIC WELL REPAIR

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS OCTOBER 19, 2007**

**AGENDA ITEM
D-1
OCTOBER 24, 2007
PAGE THREE**

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
014176	10/24/07	PWM01	PW MANN ELECTRIC INC	157.50	.00	157.50	7068	HONEY GROVE SFT STN MAINT
				236.25	.00	236.25	7072	OAKGLEN LFT STN REPAIR
				196.88	.00	196.88	7073	BL WOODGREEN LFT STN MAIN
				240.00	.00	240.00	7075	NEW MAINT' BLDG PLANNING
				Check Total.....:			1139.33	.00
014177	10/24/07	QUI01	QUILL CORPORATION	171.41	.00	171.41	1445599	SUPPLIES
				6.66	.00	6.66	1454980	SUPPLIES
				Check Total.....:			178.07	.00
014178	10/24/07	QUI03	QUINN RENTAL SERVICES	422.24	.00	422.24	1179815	SUPPLIES
014179	10/24/07	RAM01	RAMINHA CONSTRUCTION INC	10885.32	.00	10885.32	4438	BL POND LINER
014180	10/24/07	RUS01	RUSSCO	261.69	.00	261.69	18017	SUPPLIES
014181	10/24/07	SAN09	SAN LUIS MAILING SERVICE	44.97	.00	44.97	32265A	MAILING BILLS
				201.72	.00	201.72	32265B	POSTAGE FOR BILLS
				126.66	.00	126.66	32277A	MAILING BILLS
				584.12	.00	584.12	32277B	POSTAGE FOR BILLS
				Check Total.....:			957.47	.00
014182	10/24/07	SLO06	SAN LUIS OBISPO TAX COLL	920.30	.00	920.30	2007/08	PROPERTY TAX-SUNDALE PROP
				7.00	.00	7.00	2007/08B	PROPERTY TAX WELL SITE
				Check Total.....:			927.30	.00
014183	10/24/07	SOU05	SOUZA CONSTRUCTION INC	10494.00	.00	10494.00	93007	RELOCATE WATERLINE
014184	10/24/07	SPE01	SPECIAL DISTRICT RISK	3577.63	.00	3577.63	23874	W/C INSURANCE 2006-07 FIN
014185	10/24/07	SPM01	SP MAINTENANCE SERVICES	2068.00	.00	2068.00	20008	STREET SWEEPING GRP 1, 2,
				1832.00	.00	1832.00	20409	STREET SWEEPING GROUPS 1,
				Check Total.....:			3900.00	.00
014186	10/24/07	TGP01	TGP WEST, INC.	486.21	.00	486.21	4325	SUNDALE WELL MAINTENANCE
014187	10/24/07	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	102407	REG BD MEETING 102407
014188	10/24/07	UNI01	UNION ASPHALT, INC.	495.94	.00	495.94	291319	CLASS II BASE
014189	10/24/07	VAL01	VALLEY SEPTIC SERVICE	337.50	.00	337.50	4599	PUMPING WOODGREEN LFT STN
				1300.80	.00	1300.80	4605	JETTING JANUARY ETC
				1209.90	.00	1209.90	4607	JETTING BEVERLY ETC
				Check Total.....:			2848.20	.00
014190	10/24/07	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	102407	REG BD MEETING 102407
014191	10/24/07	WAL01	WALLACE GROUP	6536.73	.00	6536.73	23918	MILLER PARK FUNDING DISTR
014192	10/24/07	WIN01	WINN, MICHAEL	100.00	.00	100.00	102407	REG BD MEETING 102407

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 42 - Years of Service 1965 - 2007

MINUTES

OCTOBER 10, 2007 9:00 A. M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

D2

BOARD of DIRECTORS

MICHAEL WINN, **PRESIDENT**
LARRY VIERHEILIG, **VICE PRESIDENT**
CLIFFORD TROTTER, **DIRECTOR**
ED EBY, **DIRECTOR**
JAMES HARRISON, **DIRECTOR**

PRINCIPAL STAFF

BRUCE BUEL, **GENERAL MANAGER**
LISA BOGNUDA, **ASSIST. GENERAL MANAGER**
DONNA JOHNSON, **BOARD SECRETARY**
JON SEITZ, **GENERAL COUNSEL**
DAN MIGLIAZZO, **UTILITY SUPERVISOR**

Mission Statement: The Nipomo Community Services District's mission is to provide the community with reliable, quality and cost-effective services.

Vision Statement: The Nipomo Community Services District's vision is to manage the resources and future growth of the community.

00:00:00

A. CALL TO ORDER AND FLAG SALUTE

President Winn called the meeting to order at 9:01 a.m. and led the flag salute.

00:00:48

B. ROLL CALL

At Roll Call, all Board members were present.

00:00:55

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) NCSO WATER CONSERVATION COORDINATOR CELESTE WHITLOW

Celeste Whitlow gave an overview of the 2007 Nipomo Creek Clean-Up Event. She stated that the event went very well, even beyond expectation. There were 12 adults and 38 minors who participated. Rick Motley, NCSO maintenance crew stepped up to help and was very good at problem solving. Some things were taken to the transfer station. About two weeks before the event, a great deal of irrigation tape had been picked up by a community member. There was still more in the creek that was picked up at the event.

C-2) BATTALION CHIEF FISHER OF CAL FIRE

Battalion Chief Bill Fisher presented information concerning the activities of CAL FIRE on the Nipomo Mesa. A copy of the activity report is available for viewing in the District office. He stated that there was a fatal fire Saturday, October 6th. There were no sprinklers or smoke detectors in the house. The regulations may soon be changed for requirements of overhead sprinklers from 5000 sq. ft. to 1000 sq. ft. This is Fire Prevention Week.

Alisa Ann Rausch Burn Foundation Run will occur on Thursday, October 11, 2007. This event helps raise money for burn survivors and for fire prevention programs in the schools.

The Board asked him some questions about flow restrictions. Mr. Buel added that the proposed emergency water shortage ordinance is on the District website on Item E-2 for further information about the ordinance. The Board thanked Battalion Chief Fisher for his presentation.

MINUTES SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
REGULAR MEETING
MINUTES

C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST

Receive Announcements from Directors Items of District & Community Interest

Director Harrison

Chamber of Commerce Day in the Park (October Festival) will occur on October 13, 2007. The Rotary Club will be barbequing tri tips.

Nipomo Incorporation Committee for Education (NICE) will have a booth at the festival. There will be a workshop for NICE October 20th 9:00 a.m. to 12:00 p.m. at Blacklake.

Director Vierheilig

Nipomo Dunes Collaborative – October 11, 2007, 9:00 a.m. - strategy meeting to be held at the Dunes Center in preparation of Friday meeting with the Regional Water Quality Control Board and staff regarding fate of \$7,000,000 from the Guadalupe oil spill.

Director Winn

County Staff will discuss new septic changes in workshop to be held October 19, 2007, 1:00 to 3:00 p.m. in the new chambers.

Chamber of Commerce luncheon, will occur on Wednesday, Oct. 31, 2007 at Blacklake

C-4) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

The following members of the public spoke:

Pat Eby, NCS D resident (Blacklake) thanked the staff and directors for work on the proposed merger. She asked the Board for more time for the committee to investigate the information further.

President Winn asked Ms. Eby to submit her proposal by October 24, 2007.

Ms. Eby also stated that there was an editorial in the newspaper today (Oct. 10, 2007) concerning local entities from Oceano, Arroyo Grande, and Grover Beach working together to build a desalination plant. Perhaps Nipomo could participate.

Bruce Buel, General Manager, answered that there have been meetings concerning this subject and there are more to come. Item E-1 in today's agenda will discuss this also.

00:21:02

CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES

Approve Minutes of September 26, 2007 Meeting

D-3) REVISE GENERAL MANAGER'S EMPLOYMENT AGREEMENT TO INCREASE COMPENSATION

D-4) BOARD MEETING AND OFFICE SCHEDULE – NOVEMBER AND DECEMBER

D-5) ACCEPT BLACKLAKE POND #3 LINER REPLACEMENT PROJECT AND ISSUE NOTICE OF COMPLETION

The Board asked some questions about the Warrants.

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

YES VOTES	NO VOTES	ABSENT
Directors Eby, Vierheilig, Trotter, Harrison, and Winn	None	None

E. ADMINISTRATIVE ITEMS

00:24:47

E-1) RECEIVE BOYLE TECHNICAL MEMORANDUM REGARDING DEVELOPMENT OF A DESALINATION PROJECT FOR SUPPLEMENTAL WATER SUPPLY

Bruce Buel, General Manager, introduced the item. He also introduced Mr. Mike Nunley, Mr. Malcom McEwen, and Ernie Kartinen.

MINUTES SUBJECT TO BOARD APPROVAL

E-1) RECEIVE BOYLE TECHNICAL MEMORANDUM REGARDING DEVELOPMENT OF A DESALINATION PROJECT FOR SUPPLEMENTAL WATER SUPPLY (continued)

Mike Nunley, Boyle Engineering project manager for the desalination project, explained the progress of the development of the research for the report.

Malcolm McEwen, Boyle Engineering, reviewed the slide presentation (copy available for viewing in District office) and answered questions from the Board.

The following member of the public spoke:

Ian Wallace, NCS D resident (Blacklake) – asked that since brackish water is less expensive to treat with reverse osmosis than salt water, has the engineer looked at using the brackish lakes.

Mr. McEwen answered that the supplemental water supply that NCS D must obtain needs to be outside the Nipomo Mesa groundwater area.

The Board discussed the presentation.

Brackish water taken from west of the NMMA must not adversely affect the NMMA users. It was asked where the fresh water/sea water interfaces.

Ernie Kartinen, Boyle Engineering Bakersfield – stated that if you draw aquifer fresh water in then sea water will come in.

Mr. McEwen, when asked about the test plant, stated that the test plant would probably become a part of the final plant.

The energy side of desalination would be large. An energy source could be built sooner than the desalination plant and be utilized.

Mr. Buel suggested that the Board read the text of Assembly Bill 946 (included in the Manager's Report portion of the packet) that enables the District to do off-site mitigation and the CSD law that establishes latent powers.

The Board requested that staff continue talks with South San Luis Obispo Sanitation District for sharing technology.

The Board took a break at 10:10 a.m. and returned at 10:25 a.m.

E-2) RECEIVE DRAFT EMERGENCY WATER SHORTAGE REGULATIONS, EDIT DRAFT AND CREATE STANDING COMMITTEE TO DEVELOP REVISIONS

Bruce Buel, General Manager, explained the premise for creating Emergency Water Shortage Regulations. The District has retained SAIC to look at groundwater levels for participation in the Nipomo Mesa Area Technical Group. SAIC has published potential triggers for the Board to consider related to the severity of the water supply emergency and four conservation programs designed to achieve the desired demand reduction.

Jon Seitz, District Legal Counsel, described how and why the ordinance was developed. The Board discussed the draft and made suggestions for some changes.

The Board took a short break at 11:50 a.m. to have some additional information copied for distribution to the Board and the public. The Board reconvened at 11:55 a.m.

Mr. Seitz presented additional wording in the Water Shortage Conservation Trigger Points for the different stages of water emergency. (A copy is available for viewing in the District office.)

The Board continued to discuss the draft ordinance.

The taping started over at 00:00:00

Nipomo Community Services District
REGULAR MEETING
MINUTES

E-2) RECEIVE DRAFT EMERGENCY WATER SHORTAGE REGULATIONS, EDIT DRAFT AND CREATE STANDING COMMITTEE TO DEVELOP REVISIONS (continued)

The following member of the public spoke:

Bill Nelson, NCSD resident – stated that the City of New York puts a lien on the property when the owner is not paying the bills. He asked if the District could do that also.

He also suggested that NMMA and NMCA be spelled out in the ordinance.

SAIC letter defines groundwater in storage above sea level as GWS.

Upon motion by Director Trotter and seconded by Director Eby, the Board agreed to convert the Ad Hoc Water Conservation Committee to a Standing Committee with Mike Winn and Larry Vierheilg as members. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Trotter, Eby, Vierheilg, Harrison, and Winn	None	None

02:37:45

I. CLOSED SESSION ANNOUNCEMENTS

Jon Seitz, District Legal Counsel, announced the following items to be discussed in Closed Session. There was no public comment.

1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 SMWCD VS NCSD SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSD CASE NO. CV 040877, MARIA VISTA VS. NCSD CASE NO. CV 061079, AND MARIA VISTA VS. LINDA VISTA FARMS, NCSD ET AL. CASE NO. CV 040150;
3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; MARIA VISTA ESTATES V. NCSD ET AL. (CASE NO. ND07-10362RR IN UNITED STATES BANKRUPTCY COURT, CENTRAL DISTRICT, NORTHERN DIVISION
4. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; NCSD VS. SLO COUNTY (CASE NO. CV 070066)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

K. ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 1:12 p.m.

00:02:19

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 2:00 p.m. Director Trotter left the meeting.

Jon Seitz, District Legal Counsel, announced out of Closed Session that the Board heard updates on the items listed above. There was no reportable action.

Nipomo Community Services District
REGULAR MEETING
MINUTES

00:03:18

E-3) RECEIVE DRAFT WATER CONSERVATION PROGRAM, EDIT DRAFT AND SET DATE FOR PUBLIC HEARING

Bruce Buel, General Manager introduced Celeste Whitlow to present the draft Water Conservation Program.

Celeste Whitlow, NCS D Water Conservation Specialist, reviewed the slide presentation of the Water Conservation Program. She showed why the District's customers should conserve water and demonstrated ways in which to accomplish this.

The Board reviewed the Water Conservation Programs policy issues.

Jon Seitz, District Legal Counsel, stated that the District needs to set a goal.

The Board considered the questions posed in the October 10th Board letter.

1. Should NCS D implement a Water Conservation Program with a goal of reducing overall consumption by 15% (not each account) within three years?

Upon motion by Director Vierheilig and seconded by Director Harrison, the Board agreed that NCS D should implement a Water Conservation Program with a goal of reducing overall consumption by 15% (not each account) within three years. Vote 3-1 with Director Eby voting no.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilig, Harrison, and Winn	Director Eby	Director Trotter

2. Should NCS D adopt a policy that Water Conservation savings shall be credited only to ratepayers within District Boundaries, not to serve annexations from outside or land use changes inside the District boundaries?

Upon motion by Director Vierheilig and seconded by Director Eby, the Board agreed that NCS D adopt a policy that Water Conservation savings shall be credited only to ratepayers within District Boundaries, not to serve annexations from outside or land use changes inside the District boundaries. Vote 4-0

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Vierheilig, Eby, and Winn	None	Director Trotter

3. Should NCS D take a leadership role in proactively encouraging NMMA Purveyors and Well Users to achieve a 15% use reduction?

Upon motion by Director Harrison and seconded by Director Vierheilig, the Board agreed that NCS D should take a leadership role in proactively encouraging NMMA Purveyors and Well Users to achieve a 15% use reduction

YES VOTES	NO VOTES	ABSENT
Directors Vierheilig, Eby, Harrison, and Winn	None	Director Trotter

4. Should NCS D adopt a three-tier inclining block rate structure for all residential customers (single family and multiple-family) to encourage conservation?

The Board agreed to continue consideration of this question.

5. Should NCS D adopt a rate design that rewards frugal users for continuing to conserve water?

Upon motion by Director Vierheilig and seconded by Director Eby, the Board agreed that NCS D should adopt a rate design that rewards frugal users for continuing to conserve water. Vote 3-1 with Director Harrison voting no.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilig, Eby, and Winn	Director Harrison	Director Trotter

MINUTES SUBJECT TO BOARD APPROVAL

E-3) RECEIVE DRAFT WATER CONSERVATION PROGRAM, EDIT DRAFT AND SET DATE FOR PUBLIC HEARING (continued)

- 6. Which of the Optional Programs should NCSD implement if the CORE WC PROGRAM is implemented?

Upon motion by Director Eby and seconded by Director Harrison, the Board agreed that NCSD should implement the portions of the Non-Core Water Conservation Program that executes a High Efficiency Clothes Washer Rebate program, the Indoor Plumbing (Non-Toilet) Retrofit Program, and the Irrigation Efficiency Equipment Program which offers the best return for funds invested along a series of pilot programs starting with the xeriscape/turf replacement and ET-Controller Rebate Measures. Vote 4-0.

YES VOTES	NO VOTES	ABSENT
Directors Eby, Harrison, Vierheilig, and Winn	None	Director Trotter

- 7. What process should NCSD follow to track the success of the adopted WC Program?

Upon motion by Director Eby and seconded by Director Harrison, the Board agreed that NCSD should evaluate the Program twice per year – once in Spring when the District reviews the April 1 Water Storage Calculation and once in Fall after the peak summer-use period. Each review should evaluate the change in consumption per connection for the prior 12 month period along with details on program implementation. Vote 4-0.

YES VOTES	NO VOTES	ABSENT
Directors Eby, Harrison, Vierheilig, and Winn	None	Director Trotter

The Board set a hearing date of November 14, 2007, for implementation of the Water Conservation Program.

The Board asked Ms. Whitlow to use specific demographics to represent the Nipomo area in multi-tier rate structures.

01:58:04

F. MANAGER'S REPORT

Bruce Buel, General Manager, added the following to the Manager's Report in the packet. An appeal of the Nipomo Community Park Mitigated Negative Declaration has been prepared to be submitted to the County on October 11, 2007. Any suggestions will be appreciated by early Thursday.

The Board asked questions about the report. Mr. Buel explained. When asked about the Utility Superintendent, Mr. Buel explained that the filing deadline is November 28, 2007. He will be advertising at the American Water Works Association conference Nov. 22nd.

02:06:12

G. COMMITTEE REPORTS

Supplemental Water Design Committee scheduled October 15, 2007.

Director Vierheilig

Finance, Audit, and Personnel Committee meeting was October 9, 2007. Draft audit report looked good. New format takes some getting used to.

**Nipomo Community Services District
REGULAR MEETING
MINUTES**

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Eby

Asked about the hearing October 24th with Holanda as a result of appeal. Mr. Buel stated that the appeal hearing is yet to be scheduled.

Director Winn

Planning Commission will be meeting October 11, 2007. Some confusion in the agenda and staff report for affordable housing and EIR for inclusionary housing.

Director Harrison

Asked about a possible requirement for a meter for secondary units on a parcel.

ADJOURN

President Winn adjourned the meeting at 4:15 p.m.

➤ **THE NEXT REGULAR BOARD MEETING IS OCTOBER 24, 2007.
TENTATIVELY SCHEDULED ITEMS INCLUDE:**

- FY06-07 Audit
- Combined Water System Financial Plan