

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL
DATE: JANUARY 18, 2008



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 1/9/08 Meeting
- D-3) AWARD BID FOR CONSTRUCTION OF GRATES AROUND OFFICE TREES AND
AUTHORIZE EXECUTION OF AGREEMENT [RECOMMEND APPROVAL]
- D-4) RECEIVE REPORT FROM STRATEGIC PLAN WORKSHOP AND ORDER
IMPLEMENTATION OF RECOMMENDATIONS [RECOMMEND APPROVAL]
- D-5) ADOPT 2008 INVESTMENT POLICY [RECOMMEND APPROVAL]
- D-6) AMEND CONFLICT OF INTEREST CODE TO ADD DISTRICT ENGINEER AND
SUPERINTENDENT AS DESIGNATED POSITIONS [ADOPT RESOLUTION]
- D-7) AUTHORIZE CONTINUATION OF AUTOMATED CLEARINGHOUSE ORIGINATION
FOR DEBIT TRANSACTIONS FOR BILLING AND PAYROLL VIA RABOBANK
[RECOMMEND APPROVAL]

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TO: BOARD OF DIRECTORS
 FROM: BRUCE BUEL
 DATE: JANUARY 18, 2008

**AGENDA ITEM
 D-1
 JANUARY 23, 2008**

HAND WRITTEN CHECKS

01-04-08	19699	B PECK	935.59
01-07-08	19700	EMP DEV DEPT	276.62
01-14-08	19701	M WINN	50.00
01-14-08	19702	J HARRISON	50.00

**TOTAL COMPUTER
 CHECKS
 \$ 329,900.20**

VOID 14477

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
014521	01/16/08	EBY01	EBY, ED	100.00	.00	100.00	011608	ADJ MEETING 01-16-08
014522	01/16/08	HAR02	HARRISON, JAMES	100.00	.00	100.00	011608	ADJ MEETING 01-16-08
014523	01/16/08	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	011608	ADJ MEETING 01-16-08
014524	01/16/08	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	011608	ADJ MEETING 01-16-08
014525	01/16/08	WIN01	WINN, MICHAEL	100.00	.00	100.00	011608	ADJ MEETING 01-16-08
014526	01/23/08	ABA01	ABALONE COAST BACTERIOLOG	176.00	.00	176.00	08-3	TOWN WWTF LAB
				20.00	.00	20.00	2720	BL WWTF LAB
				176.00	.00	176.00	2721	TOWN WWTF LAB
				20.00	.00	20.00	2736	BL WWTF LAB
				80.00	.00	80.00	2737	WATER SAMPLES
				20.00	.00	20.00	2746	BL WWTF LAB
				20.00	.00	20.00	08-24	BL WWTF LAB
				20.00	.00	20.00	08-44	BL WWTF LAB
				114.40	.00	114.40	08-45	WATER SAMPLES
				176.00	.00	176.00	08-63	TOWN WWTF LAB
				20.00	.00	20.00	08-64	BL WWTF LAB
				20.00	.00	20.00	08-81	BL WWTF LAB
				20.00	.00	20.00	08-95	BL WWTF LAB
			Check Total.....:	882.40	.00	882.40		
014527	01/23/08	AME03	AMERI PRIDE	5.56	.00	5.56	F052378	UNIFORMS ETC
				528.44	.00	528.44	F052456	UNIFORMS ETC
				86.70	.00	86.70	F370379	UNIFORMS ETC
				81.29	.00	81.29	F376063	UNIFORMS ETC
				93.12	.00	93.12	F381746	UNIFORMS ETC
			Check Total.....:	795.11	.00	795.11		
014528	01/23/08	BRE02	BRENTAG PACIFIC INC.	608.60	.00	608.60	BPI749401	CHLORINE
				451.76	.00	451.76	BPI749402	CHLORINE
			Check Total.....:	1060.36	.00	1060.36		
014529	01/23/08	CAN02	CANNON ASSOCIATES	629.27	.00	629.27	42909	WATER LINE RELOCATION
				1449.88	.00	1449.88	42910	DRAINAGE IMP INSPECTIONS
				90.00	.00	90.00	43010	BL WELL #3 MAINT
				90.00	.00	90.00	43011	BL WELL #4 MAINT
				120.00	.00	120.00	43012	BL LFT STN MAINT
				1827.37	.00	1827.37	43015	NCSO WATER & SEWER MASTER
			Check Total.....:	4206.52	.00	4206.52		
014530	01/23/08	CAR04	CAR QUEST ARROYO GRANDE	160.22	.00	160.22	215543	SUPPLIES
014531	01/23/08	CBS01	CBSDCONSULTING	4489.10	.00	4489.10	161	BOARD PLANNING WORKSHOP 1
014532	01/23/08	COA01	COASTLINE EQUIPMENT	49731.82	.00	49731.82	2901673	TRACTOR BACKHOE
014533	01/23/08	CRO02	CROSBY & CINDRICH, CPAS	1185.00	.00	1185.00	18039	BL MERGER
014534	01/23/08	CUW01	CALIFORNIA URBAN WATER	2323.33	.00	2323.33	A80118	MEMBERSHIP DUES
014535	01/23/08	EBY01	EBY, ED	100.00	.00	100.00	012308	REG BD MEETING 012308
014536	01/23/08	FGL01	FGL ENVIRONMENTAL	226.00	.00	226.00	713293A	WATER SAMPLE
				86.00	.00	86.00	713803A	TOWN WWTF LAB
014536	01/23/08	FGL01	FGL ENVIRONMENTAL	212.00	.00	212.00	714100A	TOWN WWTF LAB
				56.00	.00	56.00	714305A	BL WWTF LAB
				212.00	.00	212.00	714306A	TOWN WWTF LAB
				223.00	.00	223.00	800025A	TOWN WWTF LAB
				81.00	.00	81.00	800026A	BL WWTF LAB
			Check Total.....:	1098.00	.00	1098.00		

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS JANUARY 18, 2008**

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Payment Information	
							Invoice #	Description
014537	01/23/08	FIR02	FIRST AMERICAN TITLE	5760.00	.00	5760.00	WIDOW LN	LEGAL DESCRIPTIONS WIDOW
014538	01/23/08	FLO02	FLO SYSTEMS, INC.	527.19	.00	527.19	F9257-7R6	2 AIR COMPRESSORS
014539	01/23/08	FUG01	FUGRO WEST, INC.	22483.21	.00	22483.21	6	SOUTHLAND WWTF DISCHARGE
014540	01/23/08	GAR01	GARING TAYLOR & ASSOC	420.00 320.00 2566.68	.00 .00 .00	420.00 320.00 2566.68	8378 A 8379 A 8380 A	MVE PCI TOWN WWTP WIDOW LANE
			Check Total.....:	3306.68	.00	3306.68		
014541	01/23/08	HAR02	HARRISON, JAMES	100.00	.00	100.00	012308	REG BD MEETING 012308
014542	01/23/08	MAR02	MARLOWE & COMPANY	4500.00	.00	4500.00	0826801	SERVICES FOR DECEMBER
014543	01/23/08	MCD01	McDONOUGH HOLLAND & ALLEN	266.76	.00	266.76	196907	LEGAL SERVICES
014544	01/23/08	MID05	MID STATE BANK PETTY CASH	102.68 8.67 41.00	.00 .00 .00	102.68 8.67 41.00	012308 012308A 012308B	SUPPLIES SUPPLIES POSTAGE
			Check Total.....:	152.35	.00	152.35		
014545	01/23/08	MOD01	MODULAR STRUCTUERS INTERN	101770.20	.00	101770.20	27375	SHOP UPGRADE
014546	01/23/08	NIP08	NIPOMO CSD	535.14	.00	535.14	011008	LANDSCAPE MAINT TRACT 240
014547	01/23/08	NUT01	NU TECH PEST MGMT	265.00	.00	265.00	65739	PEST CONTROL
014548	01/23/08	ONE01	1-800-CONFERENCE	360.07	.00	360.07	547123	CONFERENCE CALLS
014549	01/23/08	PWM01	PW MANN ELECTRIC INC	1579.79 442.43 236.25	.00 .00 .00	1579.79 442.43 236.25	7095 7096 7097	ELEC PANEL OLYMPIC WELL LFT STN MAINT TOWN WWTF MAINT
			Check Total.....:	2258.47	.00	2258.47		
014550	01/23/08	RBA01	R BAKER, INC	15974.66 17509.52 6254.58 9593.77 13966.63	.00 .00 .00 .00 .00	15974.66 17509.52 6254.58 9593.77 13966.63	07-122106 07-122107 07-122108 07-122109 07-122110	SOUTHLAND SLUDGE REMOVAL SOUTHLAND - CONCRETE WORK SHOP UPGRADE SOUTHLAND - CLEAN SEWER P SOUTHLAND WWTF UPGRADE
			Check Total.....:	63299.16	.00	63299.16		
014551	01/23/08	REL01	RELIABLE	27.54	.00	27.54	ZRD31501	SUPPLIES
014552	01/23/08	SAI01	SAIC	3418.75 17485.94 6278.13	.00 .00 .00	3418.75 17485.94 6278.13	505802 910015 922819	GRANT APPLICATION GENERAL CONSULTATION HYDROLOGIC MONITORING
			Check Total.....:	27182.82	.00	27182.82		
014553	01/23/08	SAN09	SAN LUIS MAILING SERVICE	44.04	.00	44.04	32587A	MAIL BILLS
014553	01/23/08	SAN09	SAN LUIS MAILING SERVICE	131.20 196.96 1359.13 92.91 125.35	.00 .00 .00 .00 .00	131.20 196.96 1359.13 92.91 125.35	32587B 32608A 32608B 32617A 32617B	POSTAGE FOR BILLS MAILING BILLS POSTAGE FOR BILLS MAIL SEWER NOTICES BL POSTAGE FOR NOTICES BL
			Check Total.....:	1949.59	.00	1949.59		
014554	01/23/08	SHI01	SHIPSEY & SEITZ, INC	12945.69	.00	12945.69	121507	LEGAL SERVICES
014555	01/23/08	TEC01	TECHNOFLO SYSTEMS	41.57	.00	41.57	1907	SUPPLIES
014556	01/23/08	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	012308	REG BD MEETING 012308
014557	01/23/08	VIC01	VICTOR BACKHOE, INC.	2504.38 1657.52 1831.46 1365.05 374.28 3063.40 3379.64	.00 .00 .00 .00 .00 .00 .00	2504.38 1657.52 1831.46 1365.05 374.28 3063.40 3379.64	2211 2212 2213 2214 2221 2222 2223	HYDRANT INSTALL COUNTY ROAD PROJECT COUNTY ROAD PROJECT WALKWAYS AT OFFICE BLDG HYDRANT INSTALL HYDRANT INSTALL HYDRANT INSTALL
			Check Total.....:	14175.73	.00	14175.73		
014558	01/23/08	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	012308	REG BD MEETING 012308
014559	01/23/08	WAL01	WALLACE GROUP	1072.97	.00	1072.97	24448	MILLER PARK FUNDING DISTR
014560	01/23/08	WIN01	WINN, MICHAEL	100.00	.00	100.00	012308	REG BD MEETING 012308
014561	01/23/08	XER01	XEROX CORPORATION	90.20	.00	90.20	30135292	COPIER MAINT

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 43 - Years of Service 1965 - 2008

MINUTES

JANUARY 9, 2008 AT 9AM

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

D2

BOARD of DIRECTORS

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

PRINCIPAL STAFF

BRUCE BUEL, **GENERAL MANAGER**
LISA BOGNUDA, **ASSIST. GENERAL MANAGER**
DONNA JOHNSON, **BOARD SECRETARY**
JON SEITZ, **GENERAL COUNSEL**
PETER SEVCIK, **DISTRICT ENGINEER**

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 9:00 a.m. and led the flag salute.

B. ROLL CALL & ACKNOWLEDGMENT OF 2008 OFFICERS

At Roll Call all Board members were present.

C. PRESENTATIONS AND PUBLIC COMMENT

0:01:23

C-3) SORREL MARKS FROM THE CENTRAL COAST RWQCB

Sorrel Marks from the Central Coast Regional Water Quality Control Board gave an overview of the Draft On-Site Waste Management edits to Basin Plan. A summary of the proposed changes was handed to the Board. A copy is available for viewing in the District office. The Central Coast Water Board meeting will be May 9, 2008 at 8:30 a.m. It will include a public hearing to discuss the proposed changes.

The Board asked questions and Ms. Marks responded.

00:22:42

C-1) COMMANDER HASCALL FROM SLO COUNTY SHERIFF'S OFFICE

Commander Brian Hascall arrived at approx. 9:20 a.m. He provided the public with an update of the Sheriff's activities on the Nipomo Mesa.

He stated that there was a gang-related attempted murder on Ponderosa. Gang activity has increased. He asked the public to relate any suspicious activity to the Sheriff's Dept. Cmdr. Hascall also noted that there has been an increase in vehicle burglary. He asked that citizens report unusual noises, such a breaking glass in the middle of the night.

The Board thanked Cmdr. Hascall for the report.

00:25:53

C-4) DISTRICT ENGINEER PETER SEVCIK

District Engineer Peter Sevcik provided a summary of the District engineering activities for December. The Board had questions for Mr. Sevcik. The Board thanked Mr. Sevcik for his report.

00:42:36

C-5) DISTRICT WATER CONSERVATION SPECIALIST CELESTE WHITLOW

Celeste Whitlow, Water Conservation Specialist, presented a preview of the Water Conservation Workshops coming up in February 2008.

Feb 2 – Importance of Soil Building and Composting with presenter Hunter Frances.

Feb 9 – Native and Drought-tolerant Plants – with presenter Carol Bornstein

Feb 16 – Landscape Design with Drought-Tolerant Plants with presenter Celeste Whitlow

Feb 23 – Water-Efficient Landscape Irrigation - with presenter Joe Decker from Farm Supply.

She also stated that there are two water conservation workshops tentatively planned for May relating to water use inside the home and another on landscaping.

The Board thanked her for the report.

00:47:35

C-6) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors Items of District & Community Interest

Director Eby asked to have an agenda item scheduled for January 23rd to discuss a moratorium on Intent-to-Serve letters.

00:48:46

C-7) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

Ann Steele, resident of rural Arroyo Grande – stated her concern about the air-quality from activity on the Oceano Dunes. She played a video showing the massive particulates in the air possibly caused by the off-road vehicles at the Oceano Dunes. A copy of the video is available for viewing at the District office.

Nell Langford, PHD, resident of rural Arroyo Grande - asked the Board to put the air-quality issue on a future agenda and to invite the Air Pollution Control Board.

Pat Eby, NCS D resident – stated she is a member of a committee authorized by the Blacklake Association. The committee began as a way of protesting the equity surcharge proposed by the Board. She read a portion of a letter from Mr. Crosby (the District's auditor). She also asked the Board to form an ad hoc committee to communicate with the Blacklake community.

Bill Petrick, NCS D resident – stated he represented the Blacklake community on water and sewer issues. He stated his concerns about and asked questions about some expenditures on the Board agenda.

John Snyder, Nipomo resident – stated that there should be maximum public outreach on items considered by the District. He also stated that the way the agenda is scheduled is inconvenient to attend today and also next week. He also stated that the information for the Master Plan is not available to the public and should be made available.

Preston Holder, General Manager for Shea Homes, Trilogy Central Coast and President of the Central Coast Maintenance Association (Trilogy Central Coast Homeowner's Association) – commented on Item E-5 that will not be considered today. He stated that there needs to be more time to review the Water and Sewer Master Plan. The proposed plans to have a sewer treatment facility on Mesa Road will affect the entrance to the Trilogy Homes development.

Ken Whittle, NCS D resident – stated that the land owners near the Mesa Road property proposed for the sewer treatment facility need to be more informed of the District's intentions.

C-7) PUBLIC COMMENT ON ITEMS NOT ON AGENDA (CONTINUED)

Bruce Buel, General Manager, addressed some comments concerning Mesa Road. He stated that (1) the Water and Sewer Master Plan does not propose facilities on Mesa Road. The Plan acknowledges that the District is studying alternatives to discharge treated wastewater that will continue to be treated at the Southland Wastewater Treatment Facility. (2) The District is evaluating alternatives for disposal of treated wastewater. Options looked at included the Mesa Road area, the Blacklake Village and the Kaminaka property near Dawn Road. The Board authorized an appraisal of the Mesa Road property. There is no on-going negotiation with the property owner. The District needed a frame of reference as to the cost of the land if the District were going to discharge treated wastewater at any of the locations listed. The next Southland Wastewater Treatment Facility Update Committee meeting will be February 4, 2008, at 1:00 p.m. in the District Board room. The public is invited to attend and comment. Mr. Buel addressed the discharge and recharge concerns for disposal of wastewater. The District has engaged Fugro West to look into all the aspects of the disposal.

C-2) BATTALION CHIEF BILL FISHER OF CAL FIRE

Battalion Chief Bill Fisher arrived at approx. 10:15 a.m. He provided the public with an update of the activities of Cal Fire on the Nipomo Mesa. He stated that the Operation Santa Claus was very successful this year with the help of Mesa dunes Mobile Home Park. Some illegal businesses were closed on the DeGroot property for safety reasons. He provided the Board with a report of the emergency responses for December. A copy of the report is available for viewing in the District office. The Board thanked Battalion Chief Fisher for the report.

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES

Approve Minutes of 12/12/07 and 12/19/07 Meetings

D-3) ACCEPT DONNA MILLS RESIGNATION FROM PARKS CITIZENS ADVISORY SUB-COMMITTEE

D-5) APPROVE SANITARY SEWER OVERFLOW PREVENTION PROGRAM IMPLEMENTATION PLAN

**RESOLUTION NO. 2008-1058
 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
 NIPOMO COMMUNITY SERVICES DISTRICT
 APPROVING THE SEWER SYSTEM MANAGEMENT PLAN (SSMP)
 DEVELOPMENT PLAN AND SCHEDULE**

D-6) SET EDUCATIONAL TOUR MORRO BAY DESALINATION

February 6, 2008 10:00 A.M.

D-7) ADOPT RESOLUTION ACCEPTING THE USE OF NIMS/SEMS/ICS IN RESPONSE TO EMERGENCIES

**RESOLUTION NO. 2008-1059
 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
 NIPOMO COMMUNITY SERVICES DISTRICT
 ADOPTING THE USE OF THE NATIONAL INCIDENT
 MANAGEMENT SYSTEM (NIMS) IN RESPONSE TO EMERGENCIES**

D-8) SET OPERATIONS CENTER OPEN HOUSE

D-9) AWARD LOW BID FOR PURCHASE OF PICK UP TRUCK

D-10) AUTHORIZE PURCHASE OF TRAILER FOR UTILITY DEPARTMENT TRACTOR

01:18:14

Nipomo Community Services District
REGULAR MEETING
MINUTES

D. CONSENT AGENDA (CONTINUED)

D-13) AUTHORIZE ENROLLMENT IN CALIFORNIA URBAN WATER CONSERVATION COUNCIL

D-14) APPROVE 2008 BOARD MEETING SCHEDULE

D-15) AUTHORIZE TRANSMITTAL OF LETTER TO STATE OF CALIFORNIA EXPRESSING CONCERN OVER PROPOSAL TO BORROW LOCAL PROPERTY TAXES

D-16) ACCEPT RELOCATION OF THREE WATER MAINS AND FILE NOTICE OF COMPLETION FOR EACH PROJECT

The Board asked that Items D-4, D-11 and D-12 be pulled for separate consideration. There were questions about the Warrants and a few corrections to the Minutes for the December 12th and 19th meetings. There was one minor change in the resolution in D-7.

Upon motion by Director Vierheilig and seconded by Director Harrison, the Board unanimously approved Items D-1 thru D-3, D-5 thru D-10, and D-13 thru D-16. There was no public comment. Vote 5-0.

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

The Board took a break at 10:46a.m. and returned at 11:01 a.m.

01:53:58

E-9) AUTHORIZE RE-NOTICE OF BLACKLAKE SEWER USER FEE PROTEST HEARING

The Board considered this item at 11:07 a.m.

Bruce Buel, General Manager, recommended that the Board cancel the January 23, 2008 Blacklake Sewer Fund User Fee Hearing.

The following members of the public spoke:

Bill Petrick, NCSD resident – stated his understanding that the notice that was mailed out is no longer valid and the residents will receive a new one. President Winn answered yes.

Ian Wallace, NCSD resident – requested that the new notice be put in an envelope to look more official and not like junk mail.

Upon motion by Director Harrison and seconded by Director Vierheilig, the Board unanimously agreed to staff's recommendation to:

1. Cancel the January 23, 2008 Blacklake Sewer Fund User Fee Hearing.
2. Direct staff to discuss the Sub-Committee's concerns and bring back recommendations regarding potential edits to the Financial Plan at a subsequent Board Meeting.
3. Once the Board has reached closure on any potential edits to the Financial Plan, staff requests authority to re-notice the Protest Hearing.

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

VOTE 5-0.

01:56:57

D-4) AUTHORIZE EXECUTION OF AMENDMENT OF EXISTING AGREEMENT WITH THE REED GROUP TO PREPARE WATER SYSTEM FINANCIAL PLAN INCORPORATING THE PROPOSED SUPPLEMENTAL WATER PROJECTS AND AMEND FY07-08 BUDGET

At 11:10 a.m. the Board discussed Item D-4.

Bruce Buel, General Manager, explained that work proposed for The Reed Group. He stated that once the Capacity Charge is paid, the District cannot raise the charge but it can refund if desired. The Board wanted to know if the work would produce something meaningful and could the District be challenged over the proposed fees.

Jon Seitz, District Legal Counsel, explained that all charges can be challenged.

There was no public comment.

Upon motion by Director Eby and seconded by Director Trotter, the Board agreed to authorize the President to execute an amendment to the existing agreement with the Reed Group to add the attached Scope of Work and to increase the "not-to-exceed" expenditure limit by \$11,750 and to transfer the \$11,750 from the Town Water Fund Reserves into the Professional Services Line Item. Vote 4-1 with Director Harrison voting no.

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

02:08:30

D-11) AUTHORIZE EXECUTION OF AMENDMENT TO EXISTING AGREEMENT WITH BOYLE ENGINEERING TO EVALUATE SOLAR POWER AT SOUTHLAND WWTF

Bruce Buel, General Manager explained that the Board requested Boyle Engineering to provide a proposal to evaluate solar power alternatives for the Southland Wastewater Treatment Facility. Boyle has submitted the proposal for \$19,587.00. The Board discussed the matter.

The following members of the public spoke:

Bill Petrick, NCSD resident – stated that this project is an example of the unnecessary expenditures he spoke about earlier. He suggested that the Board look at the possible payback and if the study is worth the money spent.

Director Winn stated that he could not support the study.

Mike Nunley, Boyle Engineering, stated that the proposal was requested by the Southland Wastewater Treatment Facility Upgrade Project Committee.

Upon motion by Director Winn and seconded by Director Harrison, the Board agreed not to approve the proposal. Vote 5-0.

The Board thanked Boyle Engineering for the proposal.

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

E. ADMINISTRATIVE ITEMS

02:25:35
11:38 a.m.

E-1) REVIEW AND COMMENT ON DRAFT COUNTY RETROFIT PROGRAM PROPOSAL

Bruce Buel, General Manager, explained that the San Luis Obispo County draft water conservation ordinances will be considered by the SLO Board of Supervisors at the Board's January 15, 2008 meeting. The Board discussed the County's possible meaning of "new" water. The Board made several suggestions for changes to the ordinances. Upon motion by Director Vierheilg and seconded by Director Trotter, the Board agreed to authorize the President to support adoption of the proposed ordinances at the subsequent Board of Supervisor hearing(s) with the edits suggested by the Board. There was no public comment. Vote 5-0.

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

02:46:00
11:59 a.m.

E-2) REVIEW AND COMMENT ON DRAFT 2007 NIPOMO MESA WATER AND SEWER UPDATES TO COUNTY RESOURCE SUMMARY REPORT

Bruce Buel, General Manager, explained that draft copies of San Luis Obispo County Staff's proposed Nipomo Mesa Water and Sewer Sections for the 2007 Annual Resource Summary Report will be presented to the SLO County Board of Supervisors at the Board's January 15, 2008 meeting. The Board discussed the report and made several suggestions for changes. Upon motion by Director Trotter and seconded by Director Vierheilg, the Board unanimously agreed to authorize President Winn to present the Board's corrections and positions on the report at the January 15, 2008 Board of Supervisors Hearing. There was no public comment. Vote 5-0.

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

02:58:52

ADJOURN

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

The remaining items will be heard at an adjourned meeting to be held on January 16, 2008.

D-12) RETAIN TUCKFIELD AND ASSOCIATES TO PREPARE NEW EQUITY EQUALIZATION STUDY RELATED TO MERGER OF THE BLACKLAKE AND TOWN WATER FUNDS [RECOMMEND APPROVAL]

The Board agreed to move this item to follow E-2

E-3) AUTHORIZE EXECUTION OF AMENDMENT TO EXISTING AGREEMENT WITH BOYLE ENGINEERING TO FINALIZE WATERLINE INTERTIE PROJECT ENGINEERING MEMORANDUM [RECOMMEND APPROVAL]

E-5) CONSIDER ADOPTION OF WATER AND SEWER MASTER PLAN [RECOMMEND APPROVAL]

**Nipomo Community Services District
REGULAR MEETING
MINUTES**

- E-6) INTRODUCE ORDINANCE AMENDING REIMBURSEMENT POLICY AND SET SECOND HEARING FOR 1/23/08 [RECOMMEND APPROVAL]
- E-7) RESTRUCTURE FINANCE, AUDIT AND PERSONNEL COMMITTEE; CONFIRM 2008 COMMITTEE ASSIGNMENTS AND CONFIRM 2008 BOARD MEMBER DELEGATIONS TO AGENCIES [RECOMMEND APPROVAL]
- E-8) CONSIDER PRESIDENT'S PROPOSAL TO SUSPEND PCAS MEETINGS UNTIL AFTER VOTE ON ACTIVATION OF PARKS AUTHORITY [RECOMMEND APPROVAL]

F. MANAGER'S REPORT

G. COMMITTEE REPORTS

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

I. CLOSED SESSION ANNOUNCEMENTS

- 1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 SMVWCD VS NCSA SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
- 2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSA CASE NO. CV 040877, MARIA VISTA VS. NCSA CASE NO. CV 061079, AND MARIA VISTA VS. LINDA VISTA FARMS, NCSA 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. NCSA 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; NCSA VS. SLO COUNTY (CASE NO. CV 070066)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

K. ADJOURN TO CLOSED SESSION

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

➤ **THE NEXT REGULAR BOARD MEETING IS JANUARY 23, 2008.**

TENTATIVELY SCHEDULED ITEMS INCLUDE:

- User Fee Rate Increase Hearings
- Capacity Charge Increase Hearing

THE NEXT SPECIAL MEETING IS SCHEDULED FOR JANUARY 30, 2008 AT 6:30PM AT THE FORUM AT NIPOMO HIGH SCHOOL TO DISCUSS EMERGENCY WATER SUPPLY REGULATIONS

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BBB*
DATE: JANUARY 18, 2008



**AWARD BID FOR CONSTRUCTION OF GRATES AROUND OFFICE TREES
AND AUTHORIZE EXECUTION OF AGREEMENT**

ITEM

Authorize award of bid for construction of grates around office trees and authorize Execution of Agreement [RECOMMEND APPROVAL].

BACKGROUND

Quotes for five 48"x72" iron tree grates (ADA compliant) were requested from six companies. Out of these, two were deemed as suitable for our project: South Bay Foundry and All About Play.

Suitability was judged on the following criteria:

- Ability to meet grate size requirements
- ADA compliancy
- Professionalism of sales staff

COMPARISON OF TWO QUOTES FOR TREE GRATES								
Vendor	Grates (Each)	Grates (Total)	Frames (Each)	Frames (Total)	Tax	Process, Handling	Freight	Total
All About Play	\$734.00	\$3,670.00	\$150.00	\$750.00	\$320.45	\$106.91	\$605.00	\$5,452.36
South Bay Foundry	\$650.00	\$3,250.00	\$145.00	\$725.00	\$288.19	\$0.00	\$200.00	\$4,463.19

South Bay Foundry's quote was the lowest. The South Bay Foundry staff were very knowledgeable and quickly provided the documentation required. The South Bay facilities are located in California. The time from order to delivery is about the same for both quotes: four to six weeks.

RECOMMENDATION:

Staff recommends purchase of the tree grates from South Bay Foundry.

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: JANUARY 15, 2008

**AGENDA ITEM
D-4
JAN. 23, 2008**

RECEIVE STRATEGIC PLAN WORKSHOP REPORT

ITEM

Receive report from strategic plan workshop and order implementation of recommendations [RECOMMEND ADOPTION].

BACKGROUND

Attached is a copy of Chuck Beesley's Draft Report from the November 30-December 1, 2007 Strategic Plan Workshop.

RECOMMENDATION

Staff recommends that your Honorable Board receive the draft report and order staff to implement.

ATTACHMENTS

- Draft Report

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2008\2007 Strategic Plan.DOC

NIPOMO COMMUNITY SERVICES DISTRICT

2007 STRATEGIC PLANNING WORKSHOP

REPORT

**CHARLES BEESLEY
SPECIAL DISTRICT CONSULTING**

January 8, 2008

NIPOMO COMMUNITY SERVICES DISTRICT

2007 STRATEGIC PLANNING WORKSHOP

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ATTACHMENTS

- A. Agenda
- B. List of Attendees
- C. Strategic Planning Process
- D. Budgeted Review & Expenditures by District
- E. County Land Use Planning
- F. Salt Management
- G. NCSD Preventive Maintenance Plan Implementation
- H. Statewide General Waste Discharge Requirements for Sanitary Sewer Systems
- I. NCSD Safety Program

NIPOMO COMMUNITY SERVICES DISTRICT

2007 STRATEGIC PLANNING WORKSHOP REPORT

INTRODUCTION

PROFESSIONAL SERVICES

The Nipomo Community Services District (District) conducted a one and a-half day Planning Workshop with the Board of Directors (Board) and Management of the District on November 30 and December 1, 2007, at the District's headquarters: 148 South Wilson Street, Nipomo, California. The District retained an outside Facilitator who conducted Pre-Workshop telephone interviews with the General Manager; prepared advance materials; facilitated the Workshop; and wrote this report. The purpose of the Workshop was to develop consensus on Board and Management priorities and action plans for the current year and foreseeable future. This report summarizes the discussions and agreements reached during the Workshop.

WORKSHOP FORMAT

The Workshop was conducted in accordance with the Ralph M. Brown Act (Attachment A). A total of 15 people were in attendance Friday and 10 people Saturday (Attachment B). President Mike Winn welcomed everyone and commented the Board was very satisfied with the 2006 Workshop and thought this Workshop format was a very productive approach to review important issues, receive outside reports, and determine Board and District priorities for the coming year. His comments were supported by the General Manager who reiterated his support for the Workshop and appreciation for the Board's willingness to spend the time and energy to devote to District business. The Facilitator then explained the Workshop format and Strategic Planning Process (Attachment C) and described his role: to listen and guide discussions, keep the group on time as the meeting progressed through the agenda, and to challenge their assumptions, if needed. He discussed the ground rules for the Workshop: to maintain open discussions and respond to disagreements.

The small number of participants allowed for continuous, open dialogue between themselves and the Facilitator. Key thoughts were recorded on a flip chart by the Facilitator and utilized to develop this report.

PRESENTATIONS

1. BUDGETED REVENUE & EXPENDITURES BY DISTRICT

Mr. Paavo Ogren, Assistant Public Works Director, County of San Louis Obispo gave a report on the County service areas (Attachment D). His presentation focused on the various County service areas and potential opportunities to transfer service area functions from the County to the District. These services included street lighting, collection systems, flood control and various county service areas. He indicated that the County was interested in an all-or-nothing approach to transferring services to the District. If the District was only interested in absorbing services that were fully funded there was no apparent benefit to the County to agree to such transfers. There were several other unresolved issues such as the allowable use of property taxes and reserves upon service transfers and potential complications associated with annexations. The District's primary concern was ensuring that any transfer of services was fully funded; otherwise there was the potential to have a negative impact on existing services.

There were no public comments.

2. COUNTY LAND USE PLANNING

Mr. Dana Lilley, Supervising Planner from the County gave a report on growth and long range planning for San Louis Obispo (Attachment E). He stated the County is conducting a General Plan Update which will incorporate Smart Growth components which is anticipated to be completed in two years. Key points of his presentation included:

- Managing growth that the County can afford, not unlimited growth.
- Affordable housing through a flexible policy to allow for extra densities.
- Mobile home park closures or conversion to another housing use such as condominiums.
- Preparation of a County-wide plan to identify where growth should occur.

The District's concern was what was its role in this planned development or Smart Growth? How can it mitigate the growth and development impacts to demand for District services? President Winn indicated he will take the District's concerns to the Board of Supervisors.

There were no public comments.

3. SALT MANAGEMENT

Mr. Mike Nunley, Boyle Associates, gave a presentation on the current waste water permit status at the Blacklake Treatment Plant (Attachment F).

ISSUE: The current Regional Water Quality Control Board (RWQCB) permit limits the amount of allowable salts in waste water discharged at Blacklake. Current discharge is exceeding this limit and there is reason to believe the District can expect even more permit restrictions in the near future. In essences, RWQCB does not want waster water discharged

if it will degrade existing water conditions whether to surface water or underground aquifers.

DISCUSSION: Participants acknowledged this is a complex issue that will take time to resolve. There are several factors involved which will influence District strategic decisions, goals and priorities for wastewater treatment at Blacklake, such as:

- Permit restrictions on total allowable salts in wastewater discharge.
- Different salt management strategies.
- Contributing factors to salt buildup.
- Unknown future permit restrictions and/or requirements.
- Technological improvements to removing salts which are being tested at Santa Clarita.
- Well-head treatment.
- Regulating self generating water softeners.
- Enhanced treatment of waste water.

There was no public comment.

4. NCSD PREVENTIVE MAINTENANCE PLAN IMPLEMENTATION

Mr. Peter Sevcik, NCSD District Engineer, briefed the Board on a proposed new software system to improve the District's preventive maintenance program (Attachment G). The current program is difficult to coordinate and monitor the different maintenance activities, leaving the District vulnerable to service and staffing problems. The goal is to change the current program from a response basis to a preventive basis through the implementation of new software which will allow improved managing, scheduling and tracking of maintenance. All maintenance activities will be linked to a GIS system and the accounting department to measure overall activity and effectiveness. District staff will be submitting a proposal to the Board at the February Board meeting.

There was no public comment.

5. STATEWIDE GENERAL WASTE DISCHARGE REQUIREMENTS FOR SANITARY SEWER SYSTEMS

Mr. Sevcik gave a presentation on the State's sewer system overflow discharge requirements as they impact the District (Attachment H). The waste discharge requirements prohibit the release of untreated or partially treated wastewater to waters of the United States or backing up into buildings and property due to system blockages. The District is in compliance with the basic requirements of the regulations and must now submit a Sewer Goals Statement for overall compliance in February 2008. Staff will submit a report to the Board in June 2008 on what needs to be done, and an implementation plan to meet these regulatory requirements.

There was no public comment.

6. NCS D SAFETY PROGRAM

Mr. Sevcik gave a presentation on the District's current safety program (Attachment I). He will be submitting a report for Board approval in the winter 2008. The proposed Safety Program includes important safety topics such as:

- Operational employee safety requirements.
- Illness and injury prevention.
- Safe work practices.
- Future safety programs

There was no public comment.

7. REVIEW 2006/07 PROGRESS

General Manager Buel briefed the Board on the progress or status of the 2006 Strategic Planning Workshop goals and objectives. He gave an itemized report on each of the identified Achievable Goals and Big Picture issues.

EXPECTATIONS

The Saturday portion of the Workshops began by developing a list of Board and management expectations for the workshop, what participants would like to discuss and resolve. The following items were identified.

- Hear from the County on Nipomo issues.
- Look within the District to see what can be done better.
- Review items of concern outside the District boundaries.
- Develop a prioritized list of what the District does over the next five years.
- Review last year's progress results.
- Assess whether last year's goals are still relevant.
- Ensure there is sufficient dialogue.
- Review last year's goals to see if they are on track, derailed or no longer applicable.
- Compare the current Board vision to the community's vision.
- Review the District's strengths, weaknesses, challenges and opportunities.
- Review lessons learned from last year and look at what we could have done differently.
- Discuss funding for parks.
- Hear the presentation on District maintenance and management.
- Hear the presentation on the District's safety program.
- Develop a vision of where the District needs to be.
- Hear the report on sewer overflow regulations; this will be a major issue next year.
- Receive an update on regulations affecting the District's on-site waste treatment system.
- Receive an understandable document for public review and Board adoption.
- Improve the District's public announcement efforts.
- Develop a way to encourage the media to attend the Board meetings and/or generate more news releases.

- Ensure the Board takes the budget into consideration when developing new programs and/or priorities.
- Discuss the impacts of the rising costs of power to District operations.

After some discussion and suggestions, the above list was narrowed to the following 15 Issues for Workshop discussion.

1. Look within the District, retain what we do well and look to see what can be done better.
2. Review items of concern outside the District boundaries.
3. Compare the current Board vision to the community's vision.
4. Conduct an environmental scan of the District's strengths, weaknesses, opportunities and threats or concerns.
5. Review lessons learned from last year and look at what we could have done differently.
6. Discuss funding for parks.
7. Hear the presentation on District maintenance and management.
8. Hear the presentation on the District's safety program.
9. Hear the report on sewer overflow regulations; this will be a major issue next year.
10. Receive an update on regulations affecting the District's on-site waste treatment system.
11. Improve the District's public announcement efforts.
12. Develop a way to encourage the media to attend the Board meetings and/or generate more news releases.
13. Discuss the impacts of the rising costs of power to District operations.
14. An upgrading of the Blackwater Treatment Plant.
15. Discuss Friday's presentations.

ISSUES

The above 15 items were then narrowed down to eight related issues for Workshop review in order of importance as follows:

1. The Board versus the community's vision (3).
2. Items of concern outside the District's borders (2, 10)
3. District lessons learned and performance review (items 1, 5, 7).
4. Funding for parks (6).
5. Media interactions (11, 12).
6. Rising power costs (13).
7. Blacklake treatment upgrades (14).
8. County presentations (15).

The remainder of the day focused on the above Issues after a brief discussion on the District's current Mission and Vision Statements which are described below.

MISSION STATEMENT

The District's current Mission Statement is: "To provide the community with reliable, quality, and cost effective services."

VISION STATEMENT

The District's current Vision Statement is: "To manage the resources and future growth of the community."

1. BOARD VERSUS COMMUNITY VISION

- A. ISSUE: There is not enough water to provide residents and too much of a water demand on sewer treatment operations.

DISCUSSION: Residents with regenerative water softeners impact everyone in the mesa by overloading the wastewater treatment facility with effluent high in salts. The District needs to develop a facility sized for the needs of the overall District, one which is capable of expansion to coincide with the growth of the community. The undermining question is who should pay for the expansion: existing customers or new customers at the time they hook up for sewer services. Current water supply is also impacted by salt water intrusion.

Participants recognized the District should take the lead role in developing a strategy to respond to community growth and increased demand for services. Before doing so, the District must first determine who pays for the costs of facility expansion. The District has a technical group meeting with other water agencies to explore cost efficiencies and potential partnerships. Other considerations included:

- The District needs to develop independent contact with the Rural Water Company.
- The District pushed for an in lieu fee as a developer fee for supplemental water on the theory that developers were drawing water from the underground water basin.
- The District could potentially pipe in water from the State.

Participants expressed that at best, the District may influence local community growth. On the other hand, it can exercise control over its water delivery capabilities. The core function of the District's strategy is to deliver good, clean water to all of its customers. At present, the District's treated water is not always acceptable to homeowners, who in turn install self generating water softeners which in turn lead to a build up in salts at the sewer treatment plant, exceeding State effluent requirements.

District options to deliver reliable, quality water include the following:

- 1) Build a desalination plant.
- 2) Purchase water from the Bartelson Ranch.
- 3) Purchase State water within their jurisdiction.
- 4) Pursue the waterline inter-tie project.

It was noted that the Board and Supplemental Water Project Committee were already working on the above and would report to the Board at the December 12, 2007 meeting.

AGREEMENT: As most of the above items are already being researched and explored, it was felt worthwhile for the General Manager to explore item 2 above, the purchase of water from the Bartelson Ranch.

B. ISSUE: The District is inextricably linked with local growth and demand for increased water delivery.

DISCUSSION: This growth comes in many forms, the proliferation of small community (pocket) parks, landscape medians, commercial growth and support trails. However, the pressure to increase water delivery comes not from new growth but growth that has already been approved. It was recognized the District can help to manage this growth by the following actions:

- Developing positive, supportive relations with County staff.
- Increasing public education efforts.
- Being prepared to litigate water practices outside the District which affect District water supply and delivery.
- Developing good relations with other water delivery agencies.
- Developing a policy for everyone outside the District such as “do no harm” for farmers.
- Find a more effective way to interact with local, private water districts.

AGREEMENT: Participants agreed the District was doing a lot already through the Water Resources Group and other activities. In response to the question “what else could the do” the following the following actions were recommended...

- Restrain street lighting.
- Restrain the expansion of sewer services.
- Restrain commercial growth.
- Remind the cities to take more control of South County growth.
- Explore building relations with the Building Industry Association (BIA) and local realtors.
- Prepare the public for the coming sticker shock of anticipated large rate increases to expand water deliver capabilities which may require passage of a local bond. It is important to communicate the relevant facts and hard costs associated with increased service demand.
- Develop a more effective public outreach program. Information should be submitted to the local media with the goal of presenting information in a non-polarizing fashion, based on relevant facts.
- Continue to emphasize water conservation through its Public Information program.

2. ITEMS OF CONCERN OUTSIDE THE DISTRICT’S BORDERS

ISSUE: The State Water Resources Control Board (SWRCB) proposed regulations in 2005 regarding septic systems which state that if a septic system needs to be upgraded and/or replaced at a cost of \$35K or more, the property owner must hook up to an existing sewer system. These draft regulations were withdrawn in March 2006.

DISCUSSION: In consideration of this proposed regulation, the District was considering “red tagging” properties that were identified as being out of compliance and requiring them to hook up to a sewer service. In November 2007 the Regional Water Quality Control Board (RWQCB) proposed a new set of regulations, all responsibilities to enforce septic systems to hook up will be enforced by the County, not the District. Nevertheless, the District recently adopted an ordinance that upon a change of property title in the so-called prohibition zone (impaired areas and orphaned sites), septic systems must be abandoned and sealed, and the property must hook up to sewer service.

AGREEMENT: The District will eventually have to deal with the issue of septic system conversion to sewer hookup. It is in the best interest of the District to stay abreast of proposed septic system regulations and the role of local agencies such as the County and District. What is important for property owners and local agencies is the development of consistent, enforceable standards within the County and Basin, irrespective of political boundaries.

3. DISTRICT LESSONS LEARNED AND PERFORMANCE REVIEW

ISSUE: The District needs to look at what it does well, learn from past lessons and retain a sound fiscal policy for future projects and budget management.

DISCUSSION: Participants expressed that the District was too quick to act on the Supplemental Water Project. It didn’t explore all of its options and in hindsight probably spent more on the Project than it should have. Participants thought the Canon Study was under-scoped and overlooked the bigger picture of what the District was trying to accomplish. As a result of this lesson, the District did a better job at the Southland Waste Water Treatment Project. To complicate matters, participants felt there is a public perception that the District conducts too many studies before making project decisions. It was also thought District made the mistake of over-educating the public rather than simply presenting them with the relevant facts and seemingly unpopular news in a timely fashion. Participants also agreed the District needs to develop some thresholds or guidelines for staff/consultant decisions and interactions to address issues such as:

- Inadequate scoping of the study.
- Late changes to projects.
- Ensuring the big picture is taken into consideration before approving projects.
- Monitoring project follow-through on consultant’s work.

Although there are no formal guidelines, it was noted that the General Manager utilizes a strategic planning process to monitor projects and report back to the Board for approval and/or change orders. The General Manager noted that projects are often very complex, making the decision process for weighing up options and subsequent project approval difficult and oftentimes lengthy. He thought the process could be expedited if the Board first selected the preferred project approach or method they wanted to pursue followed by a comparison of costs before making a final decision. The Waterline Inter-tie Project was cited as a good example of the process and is a good case study of what was being recommended.

AGREEMENT: The District will compile adequate information, make a timely decision, and educate the public on their decisions. The General Manager will develop approval guidelines for approval at the June 2008 Board meeting.

4. FUNDING FOR PARKS

ISSUE: The Board does not have a coherent philosophy on the use and/or expenditure of property taxes.

DISCUSSION: There is a community need for local neighborhood (pocket) parks but it would be difficult to fully fund them with the current allocation of property taxes. The District might be able to get public support through an assessment for maintenance and operating costs but the park development costs appear to be prohibitive for needed public support. At present, the only source of District funds that could be allocated to parks would be a portion of the local property taxes collected by the District. The District has approximately \$1.6M of local property taxes in reserves which will grow by approximately \$400K per year after debt service (C.O.P.s) is paid. By law, property tax expenditures are limited to publicly approved services. The District would need to get property owner approval to use assessment proceeds for park development and/or maintenance. Before asking the public for such support the Board should establish its overall priorities between water and wastewater versus a new service like parks. The District's current philosophy regarding property tax reserves is to use them for one time events. This approach ensures the District can pay as it goes for projects without incurring long term, potentially escalating costs. A comparison of current services, reserve allocation and estimated funding needs is itemized below.

<u>Item</u>	<u>\$ Reserves Amount Sufficient?</u>	<u>Current Service</u>	<u>M&O Funding</u>	<u>Capital Development Costs</u>
1	\$4M, N	Water	Y	\$100M, N
2	\$5M, N	Wastewater	Y	\$12M (Southland WWTF)
3	0	Parks	N*	0.5M
4	Y	Solid Waste	Y	Y
5	\$50K, N	Lighting	Y	N
6	Y	Landscape maintenance	Y	Y
7	Y	Drainage	Y	Y

* There is potential for supplemental funding from the County or Rotary Club
Y= Yes, sufficient funds, N= No, insufficient funds

The above table indicates most services are fully funded for maintenance and operations but not for large scale capital projects. The District recognizes these reserve deficiencies and steadily builds up reserve accounts through annual reserve allocations. These annual contributions will provide sufficient funds for all capital expenditures with the exception of supplemental water facility improvements. Supplemental water facility improvements will more than likely require a bond or similar funding mechanism. Regardless, participants

thought the community would support parks although they were unsure whether the District should expand services to include parks when current services are not all fully funded, now or for the foreseeable future.

AGREEMENT: The General Manager will submit an Assessment Report to the Board in the winter 2008. The Board intends to submit a ballot to property owners in late summer or early fall of 2008. If the District gets a negative vote from the property owners the Board will discontinue District efforts to fund parks.

5. MEDIA INTERACTIONS

ISSUE: The District does not appear to be receiving adequate media coverage. The local community seems to be getting most of their information about the District second hand rather than direct from the District.

DISCUSSION: There is no local reporter regularly following District activities and issues. The public seems to get misleading or negative information about the District, resulting in public or media attacks on the District and community distrust of the District. Participants thought a proactive community outreach program informing the public what the District was doing and how well it was performing services was needed at this point in time. The goal of a community outreach program would be to provide accurate, factual, non controversial information in the newspapers, perhaps in a current events column. Other options included a weekly guest column by a member of the Board, perhaps having Board meetings on community cable television, Board attendance at civic and/or social groups as liaisons to the District; developing a quarterly newspaper and/or inserting the latest news to on the District's website.

AGREEMENT: The staff will check with the current website provider to determine how feasible it would be to include current District activities/events or operational/capital projects. The District's Community Outreach person will also develop a quarterly newsletter for distribution.

6. RISING POWER COSTS

ISSUE: The District's power consumption (gas, electricity) with the current facilities is relatively constant. In contrast, the price of gas and electricity continues to escalate and long range forecasts indicate this problem will not abate.

DISCUSSION: Power consumption cost increases will play a greater role in long range planning. The District needs to develop strategies to account for these costs and/or develop methodologies to offset these cost increases. Suggestions included:

- Purchasing the most efficient equipment at time of replacement.
- Developing an offsite substitute power source.
- Developing an onsite photovoltaic power source at the Southland Waste Water Treatment Facility.

Participants thought some of these strategies such as Southland could be incorporated within the near future with an 8-12 year cost payback. The District anticipates a water shortage in the near future (2-3 years) from the local aquifer due to overconsumption and limited ability to recharge the aquifer.

AGREEMENT: The General Manager will submit a proposed for future projects for the June 2008 Board meeting. He will also submit a plan for full power operation at the Southland Project by March 2008.

7. BLACKLAKE TREATMENT UPGRADES

ISSUE: The Waste Water Treatment Facility (WWTF) operations effluent consistently violates State effluent requirements on allowable dissolved salts.

DISCUSSION: Effluent requirements are mandated by the State and enforced by the RWQCB. Participants expressed that as long as the District is making reasonable progress to "fix" the problems through upgrades and/or replacements the RWQCB will probably not fine them. However, in the long run other effluent requirements mandate that plant operations must be upgraded to stay in compliance. Problems are exacerbated by local homeowners with regenerative water softeners. These water softeners treat potable water coming into the homes but have a downside of producing unwanted salts in the effluent going into the WWTF, resulting in effluent discharge violations. The average household discharges approximately 120 lbs of salt per month into the District's wastewater collection system. If the RWQCB issues fines, the entire Blacklake Fund will more than likely be responsible for the fine. District options to offset these potential fines include: providing rebates or incentives to homeowners if they upgrade their water softeners or abandon them, or pre-treating the well water before distributing potable water to homeowners. Because the District's reserve fund for the Blacklake Homeowners Association is expected to be depleted by the end of 2008, neither of these options are considered to be viable at this point in time. As a result, participants thought the following actions were needed:

- 1) Conduct legal research to verify if an ordinance prohibiting the use of regenerative water softeners is needed.
- 2) Conduct a Blacklake community survey to determine how many homeowners have these regenerative water softeners.
- 3) If an ordinance is determined to be necessary, adopt such an ordinance prohibiting the use of such water softeners.
- 4) Notify affected homeowners of the proposed ordinance and the proposed impact to homeowners.
- 5) Notify homeowners of the latest salt measurement results by the District.
- 6) Notify homeowners of the potential fines by RWQCB for the use of water softeners and current effluent violations.
- 7) Take out the existing water softeners.

AGREEMENT: The General Manager will write a letter to affected homeowners for mailing by April 1, 2008. The Board expressed that it wants more presentations on the RWQCB's regional discharge requirements including salt discharge with the goal of developing a

District Salt Management Plan. The Board would like to see how the District could utilize supplemental water to eliminate the need for water softeners.

8. COUNTY PRESENTATIONS

ISSUE: The District is not getting its full share of property taxes from the County.

DISCUSSION: Participants expressed concern that four prior District annexations from the County resulted in no property tax increment agreements. The County gained by transferring property to the District and was unwilling to share the property taxes with the District to offset the increased jurisdiction and long term service demands.

AGREEMENT: The District Board will conduct informal discussions with the Board of Supervisors to determine if there is room for an agreement to pass through incremental property tax agreements. The Board President, Mike Winn will approach Supervisor Kocho on this matter.

SUMMARY

The Facilitator reviewed the initial list of expectations to determine if there was anything overlooked. Participants indicated they were very satisfied with the presentations and that they were relevant to the Workshop. They also expressed the identified issues reviewed and discussed were worthwhile and the Workshop was an effective follow-up to the 2006 Workshop, useful as both a Board and management tool for establishing priorities and monitoring District activities and performance for the coming year.

NIPOMO COMMUNITY SERVICES DISTRICT

PLANNING WORKSHOP

Blacklake Community Center
498 Colonial Place
Nipomo, CA 93444

November 30-December1, 2007

AGENDA

Friday November 30

<u>Time</u>	<u>Item</u>	<u>Description</u>	<u>Person</u>
1:00 PM	1	Welcome and introductions	Board President, GM
1:05	2	Workshop format and process	Facilitator
1:10	3	Board and staff expectations	“ “
1:30	4	Outside presentations	??
3:00	5	BREAK	
3:15	6	Review 2006/07 Progress	General Manager
4:00	7	Identify Planning or Strategic issues for 2008	Facilitator
5:00	8	Adjourn	Board President

Saturday December 1

<u>Time</u>	<u>Item</u>	<u>Description</u>	<u>Person</u>
8:30 AM	9	Identify priorities	Facilitator
9:00	10	Develop action plans	“ “
10:30	11	BREAK	
10:45	12	Continue developing action plans	“ “
12:00 PM	13	Lunch	
12:30	14	Continue developing action plans	“ “
3:00	15	BREAK	
3:15	16	Finalize action plans, clarify agreements	“ “
4:15	17	Review Board and staff expectations	
4:30	18	Closing statements, Adjourn	Board President, GM
4:40	19	Post Workshop review	Board President, GM, Facilitator

LIST OF ATTENDEES

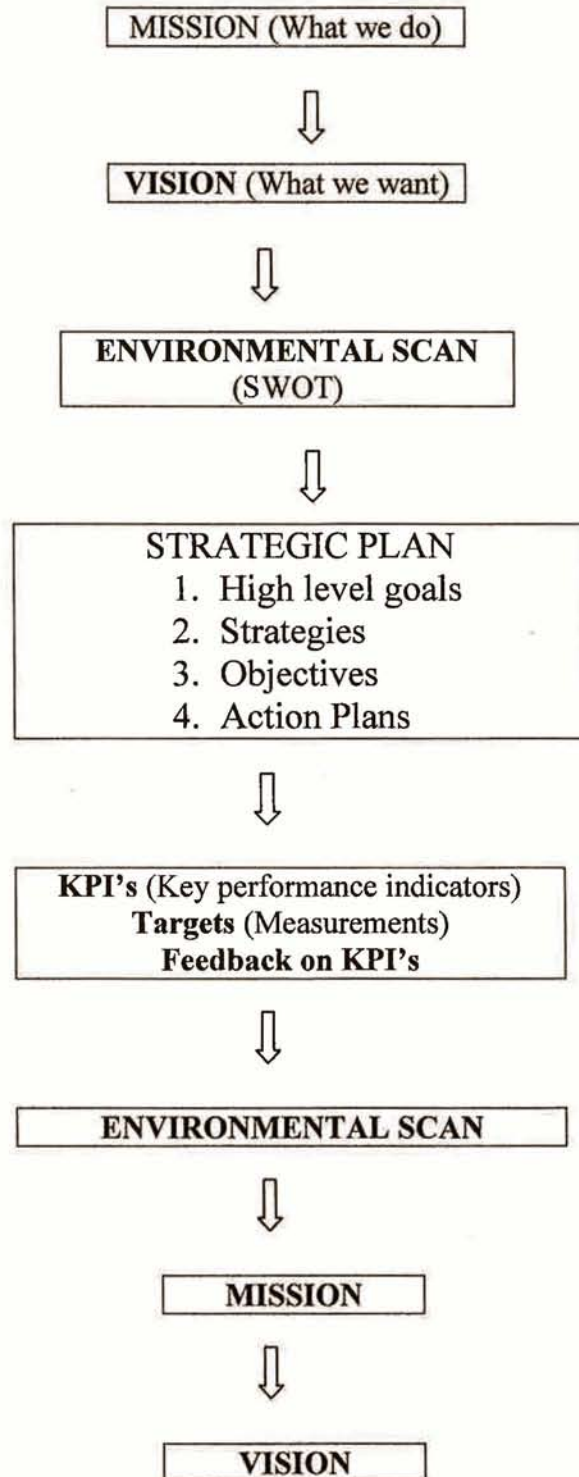
Friday November 30, 2007

Mike Winn, President
Larry Vierheilig, Vice President
Cliff Trotter, Director
Ed Eby, Director
Jim Harrison, Director
Bruce Buel, General Manager
Lisa Bognuda, Assistant Administrator
Peter Sevcik, District Engineer
Jon Seitz, General Counsel
Mike Nunley, Boyle Associates
Paavo Ogren, Assistant Public Works Director, San Louis Obispo County
Straith Zenarto, Planning Department, San Louis Obispo County
Dana Lilley, Supervising Planner, Long Range Planner, San Louis Obispo County
Two members of the public

Saturday, December 1, 2007

Mike Winn, President
Larry Vierheilig, Vice President
Cliff Trotter, Director
Ed Eby, Director
Jim Harrison, Director
Bruce Buel, General Manager
Lisa Bognuda, Assistant Administrator
Dan Migliazzo, Utilities Supervisor
Peter Sevcik, District Engineer
One member of the public

STRATEGIC PLANNING PROCESS



CSA 1 - 1F, FCZ 16
2007/08 Budgeted Revenue and Expenditures by District

	Nipomo Lighting										
	District	CSA 1	CSA 1A	CSA 1B	CSA 1C	CSA 1D	CSA 1F	FCZ #16	Total		
Total Equity @ 6/30/07	346,959	444,037	263,596	49,648	50,983	145,218	365,687	67,608	1,733,736		
07/08 Budgeted Revenues:											
Property Taxes	31,004	7,619	31,362	18,324	7,502	30,689	0	0	126,500		
Service Charges	1,809	55,730 (1)	76,380 (2)	0	0	0	21,978 (3)	34,983 (4)	190,880		
Interest	12,875	3,172	3,444	1,125	923	3,289	808	2,000	27,636		
Other	0	0	0	0	0	0	0	2,000	2,000		
Total Revenues	B-1 45,688	B-2 66,521	B-3 111,186	B-4 19,449	B-5 8,425	B-6 33,978	B-7 22,786	B-8 38,983	347,016		
07/08 Budgeted Expenditures:											
Operations & Maintenance	17,232	35,239	48,907	7,969	6,168	7,604	5,720	37,888	166,727		
Utilities	0	4,993	5,459	1,620	1,134	1,890	0	0	15,096		
Contract Services	0	41,068	80,306	0	0	0	19,969	0	141,343		
Accounting & Administration	0	5,113	6,352	2,100	1,471	1,363	2,148	4,400	22,947		
Capital Outlays	20,000 (5)	0	0	0	0	0	0	0	20,000		
Total Expenditures	B-1 17,232	B-2 86,413	B-3 141,024	B-4 11,689	B-5 8,773	B-6 10,857	B-7 27,837	B-8 42,288	366,113		
Surplus (Shortfall)	28,456	(19,892)	(29,838)	7,760	(348)	23,121	(5,051)	(3,305)	(19,097)		
Budgeted Total Equity @ 6/30/08	375,415	424,145	233,758	57,408	50,635	168,339	360,636	64,303	1,714,639		

- (1) - A service charge of \$354 is established for sewer, waste disposal, drainage and lighting services.
A service charge of \$68.40 is established for lighting services for Tract 1690.
- (2) - A service charge of \$288 is established for sewer, waste disposal, drainage and lighting services.
A service charge of \$84 is established for parkway facilities maintenance services.
- (3) - A service charge of \$333 is established for sewer and waste disposal services.
- (4) - For FCZ 16A, a service charge of \$16 is established for drainage basin maintenance.
For FCZ 16B, a service charge varying from \$41 to \$1,162 is established for drainage basin maintenance.
- (5) - Purchase of 30 new lights

CSA 1 - 1F, FCZ 16
2007/08 Budgeted Revenue and Expenditures by Function

	<u>General (G)</u>	<u>Wastewater (W)</u>	<u>Drainage (D)</u>	<u>Lighting (Li)</u>	<u>Landscape (La)</u>	<u>Total</u>
Total Equity @ 6/30/07						1,733,736
07/08 Budgeted Revenues:						
Property Taxes	126,500 <i>a</i>	0	0	0	0	126,500
Service Charges	0	139,770 <i>f</i>	34,982 <i>k</i>	3,040 <i>n</i>	8,148 <i>p</i>	185,940
Interest	27,636 <i>b</i>	0	0	0	0	27,636
Other	<u>6,939</u> <i>c</i>	<u>0</u> <i>g</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,939</u>
Total Revenues	<u>161,075</u>	<u>139,770</u>	<u>34,982</u>	<u>3,040</u>	<u>8,148</u>	<u>347,015</u>
07/08 Budgeted Expenditures:						
Operations & Maintenance	16,011 <i>d</i>	47,737 <i>h</i>	76,128 <i>l</i>	0	0	139,876
Utilities	0	30,220 <i>i</i>	0	51,695 <i>o</i>	0	81,915
Contract Services	0	114,486 <i>j</i>	0	0	6,888 <i>q</i>	121,374
Accounting & Administration	22,947 <i>e</i>	0	0	0	0	22,947
Capital Outlays	<u>0</u>	<u>0</u> (<i>s</i>)	<u>0</u> <i>m</i>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>38,958</u>	<u>192,443</u>	<u>76,128</u>	<u>51,695</u>	<u>6,888</u>	<u>366,112</u>
Surplus (Shortfall)	122,117	(52,673)	(41,146)	(48,655)	1,260	(19,097)
						<u>1,714,639</u>

SLO_nipomo_resi.xls

Location/Area	Project Name	Size (sf)	# Uni	Prices	SubType	Developer	Status	Entered/Updated
Ave. de Amigos	Loma Vista	1235 each	22	N/A	Twnhse	Keenan Carter Group	Completed	11/1/06
E of Hwy 101, S. Oakglen Av	Christmas Tree Farm	N/A	18	N/A	SFU	Holloways	Approved	3/5/07
Black Lake Cyn Dr.	Knollwood@Black Lake	2556-3650	50	\$700-800	SFU	Martin Farrell	In Construction	11/9/06
NE of Thompson/Chestnut	Oak Leaf Estates(Ph. II)	1459-1928	151	\$490s-up	SFU	Carriage Homes	In Construction	11/1/06
Pomeroy/Camino Caballo	Nipomo Oaks	N/A	N/A	N/A	SFU	Kaminaka/Nester	Pre-App	11/9/06
Nipomo Mesa	The Villas	2,460-3,014	40	\$690s-up	SFU	Woodlands Ventures	In Construction	10/23/07
Nipomo Mesa	Trilogy Central Coast	1,671-3,694	1320	\$500 - \$1m	SFU	Shea Holmes	In Construction	10/23/07
Mesa/Osage	N/A	N/A	16	N/A	SFU	George Newman	Approved	11/1/06
Via Concha Way/Willow Road			16		SFU	Ken Craig	Approved	10/22/07
700s E. Tefft St.	N/A	N/A	16		SFU	N/A	Pending	11/1/06
Tejas/W. Tefft	Mesa View Ests (Ph. III)	2395-2488	28	669	SFU	Newdoll Homes	In Construction	11/2/06
Live Oak Ridge	Vista Roble Ph.2	N/A	18	N/A	SFU	Greg Nester	In Construction	11/1/06
Nipomo Mesa	Monarch Ridge	1600	N/A	N/A	SFU		Approved	10/23/07
600s E. Tefft	Flatley Mixed Use	1,018-2,644	22	N/A	MFU	Flatley Homes	In Construction	11/7/05
Thompson/Chestnut	Chestnut Villas	1,155-4,931	16	N/A	Condos	Nester/Bergman	Approved	11/9/06
170 S Frontage	Nipomo Commons	1200 each	51	N/A	Condos	(Shapiro)	Approved	11/1/06
600s E. Tefft	Flatley Mixed Use	N/A	N/A	N/A	Commercial	Flatley Homes	In Construction	11/7/05
Bt 101 & Pomeroy Rd.	Nipomo Oaks	N/A	N/A	N/A	Commercial	Kaminaka/Nester	Pre-App	11/9/06
	Peoples' Self-Help		8	400	Affrd hsg		In Construction	10/22/07
750 Grande St.	Cider Village	908-1,058	52	N/A	Affrd hsg	Global Premier	Approved	10/23/07
Ave. de Amigos/Grande	Vista Grande	1,348-1635	18	N/A	MFU	Peikart Group	Pre-App	9-Nov
Juniper St.	N/A	N/A	4	N/A	SFU	Mid-State Properties	Pre-App	9-Nov
Ave. de Amigos	N/A	1189-1330	15	N/A	MFU	Mike Allshouse	Pre-App	9-Nov
359 S. Frontage	Vista Colina Village	N/A	9	N/A	MFU	Vista Colina Village LLC	Pre-App	9-Nov
Hill Street/S. Frontage	Nipomo Oaks	1,352 to 1,584	24	N/A	MFU	Cary Geihs	Approved	9-Nov
Butterfly Lane	Butterfly Ct. LLC	1600	8	N/A	MFU	Greg Nester	Approved	9-Nov
Hill Street	Eucalyptus Gardens	964-1127	81	N/A	Affrd hsg	Global Premier	Pre-App	9-Nov
Willow/Albert	Oakview Dev.	N/A	6	N/A	SFU	Ron Chappell	Approved	9-Nov
Willow/Guadalupe	Avila Ventures	N/A	7	N/A	SFU	Rob Anderson	Approved	9-Nov
Eucalyptus/Illinois	Ramos	N/A	7	N/A	SFU	John Ramos	Pre-App	9-Nov

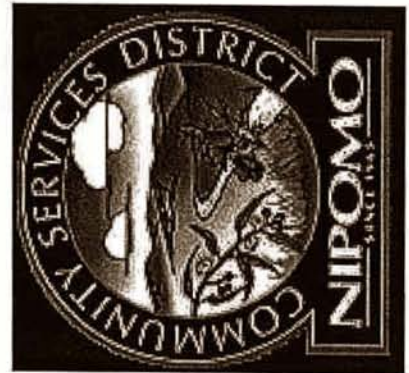
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Location/Area	Project Name	Sq# Ft#	Specific	Developer	Status	Entered/Updated
Juniper/Mary	Nipomo Town Square	17508	Gen. Ofc.	George Newman	Approved	10/22/07
Juniper/Mary	Nipomo Town Square	42857	Gen. Ofc.	George Newman	Approved	10/22/07
170 S Frontage	Nipomo Commons	12000	Gen. Ofc.	(Shapiro)	Approved	11/1/06
Nipomo Mesa	Hotel	N/A	Hotel	Woodlands Ventures	Approved	10/23/07
	BlackLake Golf Resort	N/A	Hotel	Rob Rossi	Pending	10/22/07
Juniper/Mary	Nipomo Town Square	128,162	fc. (assisted)	George Newman	Approved	10/22/07
Thompson/Chestnut	Chestnut Villas	9050	N/A	Nester/Bergman	Approved	11/9/06
Tefft Street and Mary Avenue	The Village at Nipomo	37948	Retail	E.F. Moore and Co.	Approved	10/22/07
NWC Frontage & Grande	Nipomo Retail Center	64500	Retail	King Ventures	Approved	11/1/06
Juniper/Mary	Nipomo Town Square	79641	Retail	George Newman	Approved	10/22/07
Juniper/Mary	Nipomo Town Square	52783	Retail	George Newman	Approved	10/22/07
170 S Frontage	Nipomo Commons	44000	Retail	(Shapiro)	Approved	11/1/06
Nipomo Mesa	Village Center	140000	Retail	Woodlands Ventures	Approved	10/23/07
Nipomo Mesa	Business Park	N/A	Retail	Woodlands Ventures	Approved	10/23/07
Nipomo Mesa	Monarch Club	31000	Retail	Shea Holmes	In Construction	10/22/07
Hill St.	Marinai	71-unit	Hotel	Rob Marinai	Approved	

Salt Management

NCSD Strategic Planning Workshop

November 30, 2007



Presentation Overview

- What we know
- └ What we don't know
- └ Options



What we know

- RWQCB has high interest in regulating salts
- WDR's often contain salt limits
 - Black Lake WWTF has salt limits
 - Southland WWTF has receiving water limits
 - Salt management typically required as well



What we know (Cont.)

- Monthly monitoring reports indicate salt violations occur at Black Lake
- RWQCB has ability to fine dischargers for violations
- Brine from self-regenerating water softeners (SRWS) contains remarkable salt concentrations
 - Examples: Santa Clarita, Paso Robles



What we don't know

- Salt contributions or significance of brine discharge from SRWS in causing violations
- Number of SRWS in either Black Lake or Town division
- Future permit conditions at either Black Lake or Southland WWTF
- Deep aquifer (receiving water) conditions at Southland site



Salt Management Options

- Wellhead treatment
- Regulating self-regenerating water softeners
- Enhanced treatment at WWTFs

- Goals must be community-based
 - Proposition 218



NCSD Preventative Maintenance Plan Implementation

Presentation to NCSD Board of Directors
December 1, 2007

Preventative Maintenance Plan Review

- Currently operate on a responsive basis
- Difficult to assess overall service performance
- Could result in being understaffed to maintain operations in the event of a serious problem or series of problems

Benefits of Proactive Preventative Maintenance Plan

- Minimize likelihood of problems occurring
- Problems are generally less severe
- More staff available when problems occur
- Potential to minimize additional staff cost
- Measure performance
- Compare programs to industry standards
- Required by regulatory agencies

Elements of Successful Preventative Maintenance Program

Documentation of all tasks and procedures:

- Establishes standards and methodologies
- Helps with training new staff
- Simplifies regulatory compliance
- Retains standard methodologies in case of staff change

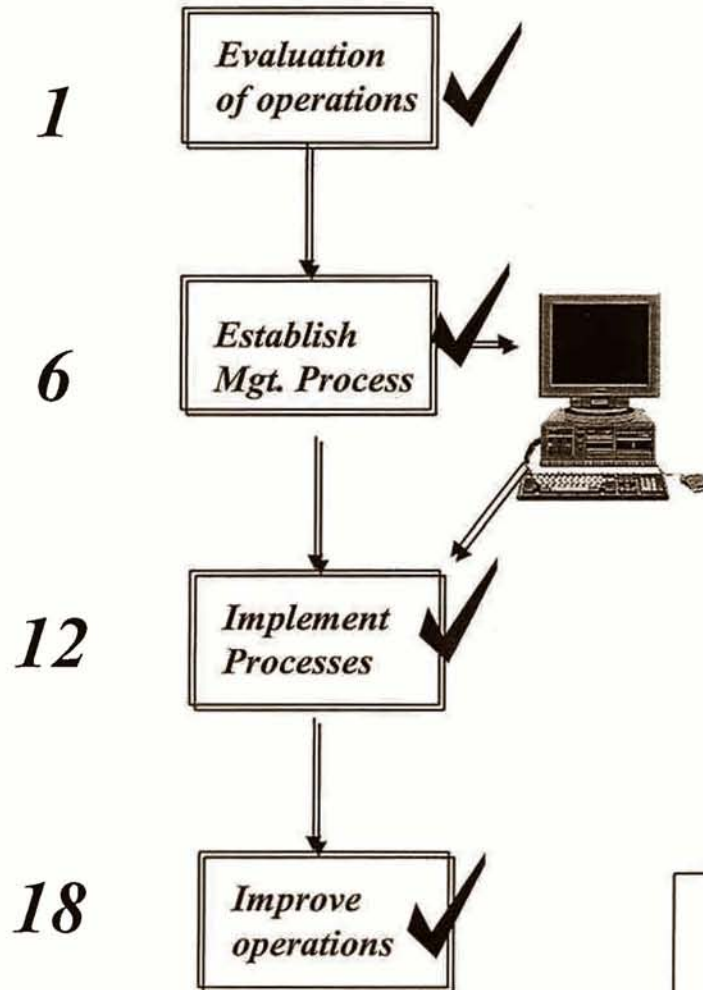
Elements of Successful Preventative Maintenance Program

Need appropriate software for:

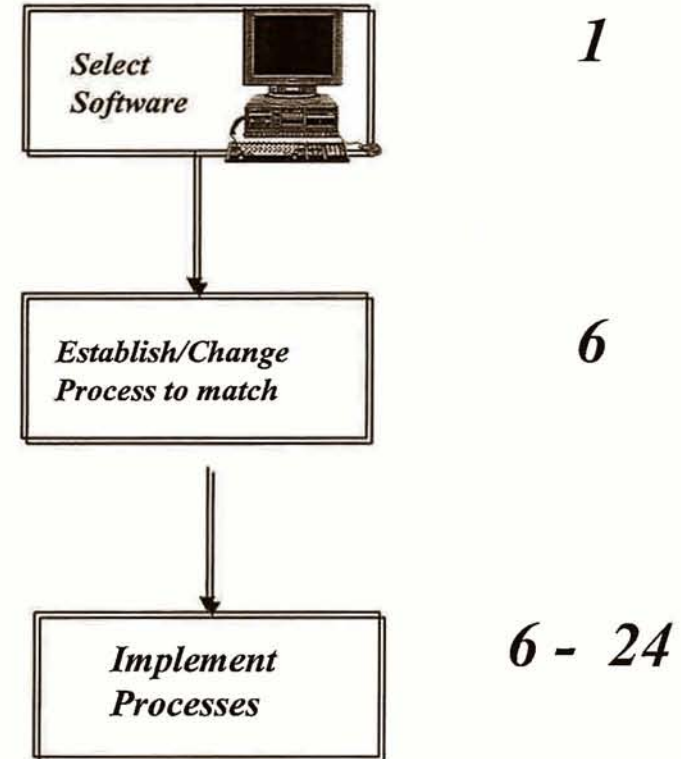
- Managing
- Scheduling
- Tracking
- Link to GIS and accounting system

Implementing a Systems Approach to a PMP

Suggested Approach

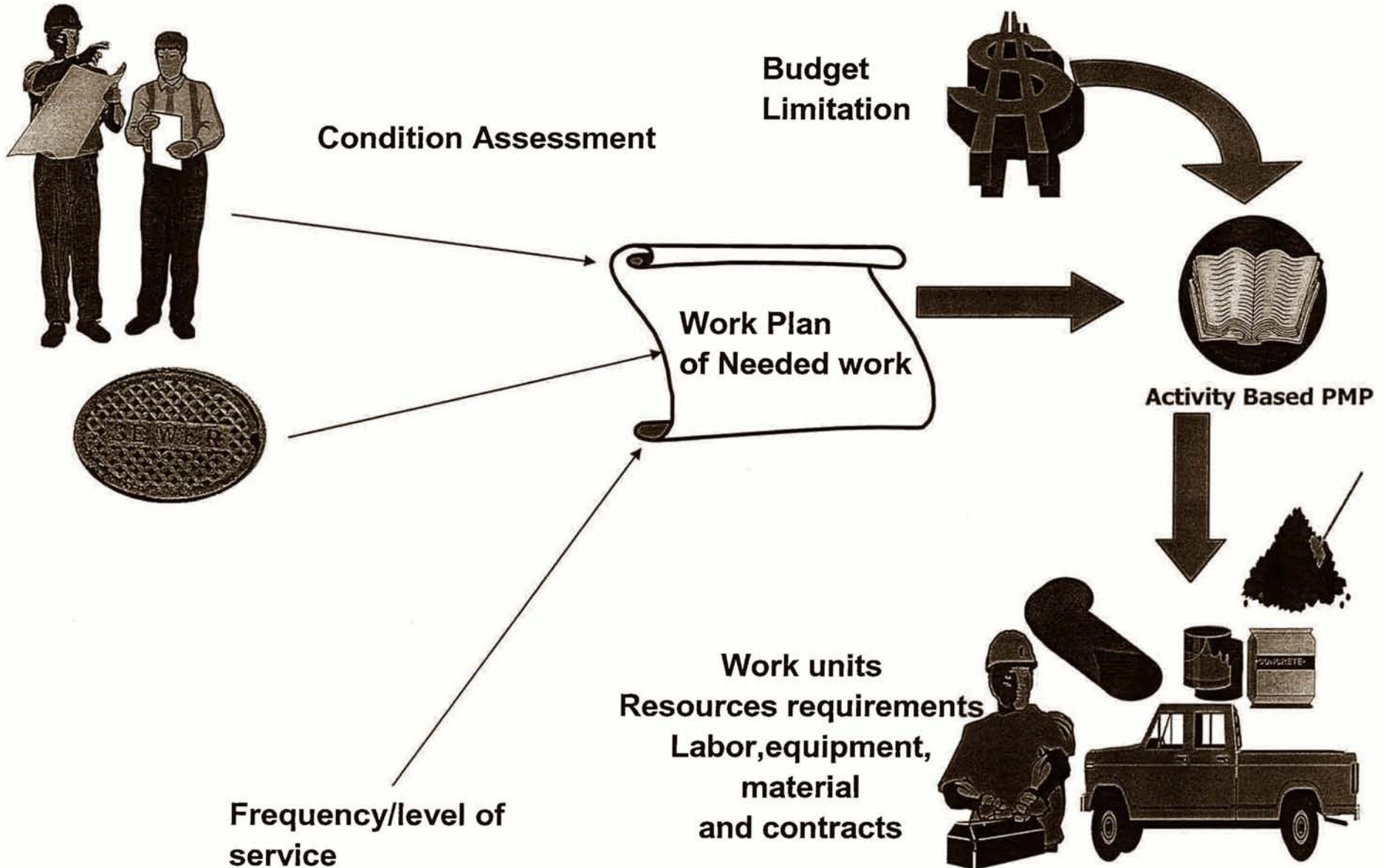


Typical Approach



Utilize technology to assist,
not direct, operations

Preventative Maintenance Plan Implementation



Sample Activity Guideline

ACTIVITY GUIDELINE													October 20, 2004		
MAINTENANCE MANAGEMENT SYSTEM															
<i>WORK ACTIVITY</i>						HIGH VELOCITY CLEANING						<i>PROGRAM CODE</i>		2 2.202	
<i>DESCRIPTION OF WORK</i>															
All work associated with the routine cleaning of sanitary sewer lines using high pressure water jetting to remove solid materials such as sand, grease, rocks, rags, paper and other foreign materials. Work is performed to insure uninterrupted flow and to eliminate blockages that may create problems for users.															
<i>PLANNING CRITERIA</i>		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC		
		X	X	X	X	X	X	X	X	X	X	X	X		
Work is scheduled primarily by routine maintenance. Also created by in-house and outside service requests.															
<i>RESOURCE REQUIREMENTS</i>				<i>WORK METHOD</i>						<i>CHECK POINTS</i>					
<i>Personnel</i>		<i>Quantity</i>		<ol style="list-style-type: none"> 1. Receive work orders from supervisor. 2. Pre-planning morning meeting. 3. Conduct pre-trip vehicle and equipment inspection. 4. Load all necessary equipment and materials. 5. Proceed to the job site. 6. Set up Vactor and traffic control at downstream manhole. 7. Insert hose with proper nozzle attached into manhole pointed upstream. 8. Secure hose with shoe or bumblebee. 9. Insert channel shovel. 10. Proceed with cleaning operation to upstream manhole at appropriate PSI according to nozzle type and location. 11. Upon reaching upstream manhole, pull back to downstream manhole at appropriate pace for effective cleaning. 12. Remove debris from channel. 13. Repeat steps 10-12 as necessary. 14. Clean up work area. 15. Remove traffic control. 16. Travel to next site. 17. At end of day return to yard. 18. Clean and refuel vehicles. 19. Leadworker completes paperwork. 						<ul style="list-style-type: none"> -Wear proper PPE. -Bring 36" traffic cones for high volume traffic setups. -Refer to WATCH manual for proper traffic control procedures. -Reset counter. -Document work done 					
LW	1														
MW 2	0-3														
<i>Equipment</i>		<i>Quantity</i>													
Utility Truck	1														
Vactor	1														
Arrowboard	0-1														
<i>Materials</i>		<i>Quantity</i>													
Water	As needed														
<i>FEATURE INVENTORY ITEM- UNITS</i>				<i>EFFECTIVE</i>				<i>SUPERCEDES</i>							
2,000,400 - Main Line- FT															
<i>AVG. DAILY PRODUCTIONUNITS</i>				<i>APPROVAL</i>											
2,500-6,000 - FT															

Describe the Work to be Performed

List Work Criteria and Considerations

List the Required Resources

Indicate the Results Expected

Sample Work Status Report

Fiscal Year 2007

September - September

	Inventory Qty	Labor Days		Accomplishment		Total Cost		Unit per Hour		Unit Cost		YTD Labor Days		YTD Accomplishment	
		Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual		
CATEGORY: 110.22 - SEWER MAIN															
201 BALL	Feet	1	0	378		\$494	\$0	66.67		\$1.31		2	1	1,181	502
202 HIGH VELOCITY CLEANING	Feet	49	73	135,009	201,127	\$40,184	\$54,162	343.75	344.10	\$0.30	\$0.27	153	186	421,903	511,282
203 POWER RODDING	Feet	8	29	21,601	23,796	\$4,901	\$15,002	318.75	101.91	\$0.23	\$0.63	26	86	67,504	95,587
204 HAND RODDING	Feet	3	3	1,620	652	\$1,824	\$1,601	62.50	29.64	\$1.13	\$2.46	10	9	5,063	2,419
Category Total:		62	105			\$47,402	\$70,765					192	283	495,652	609,790
Fiscal Year Total:		62	105			47402	70765					192	283		

Preventative Maintenance Plan Implementation

Success can occur, but it takes

- ✓ **Time**
- ✓ **Involvement**
- ✓ **Training and Guidance**
- ✓ **Flexibility**



**And it never
ends!**

Questions?

Statewide General Waste Discharge Requirements for Sanitary Sewer Systems

Presentation to NCSD Board of Directors
December 1, 2007

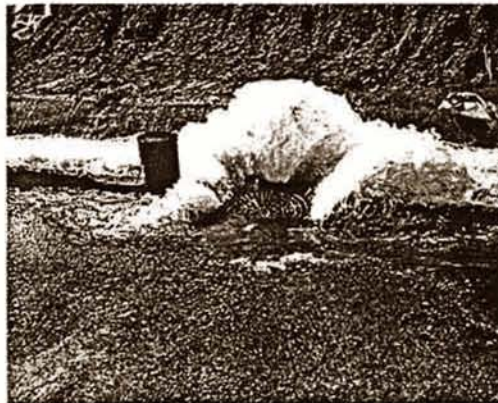
Basic Definition

Sanitary Sewer Overflow (SSO)

- Releases of untreated or partially treated wastewater to waters of the United States
- Releases of untreated or partially treated wastewater that do not reach waters of the United States
- Wastewater backups into buildings and on private property that are caused by blockages in the publicly owned portion of the sanitary sewer system

General Waste Discharge Requirements (WDR)

- WDR – Prohibits SSO's
- The Basic Requirements of the WDR
 - Application - Done
 - On-line reporting of Sewer System Overflows - Done
 - Development of a Sewer System Management Plan - Need to Develop



Sewer System Management Plan

- Sewer System Management Plan (SSMP) components
- Phased implementation timeframe

SSMP Components

- Plan and Schedule
- Goals
- Organization
- Legal Authority
- Overflow Emergency Response Plan
- Operation and Maintenance Plan
- FOG Control Program

SSMP Components

(continued)

- Design and Performance Standards
- System Capacity Assurance Plan
- Monitoring, Measurement, and Program Modifications
- SSMP Program Audits
- Communication Program
- Final Certification

SSMP

Final Certification

- SSMP and program to implement SSMP must be certified in compliance with GWDR by District Board at a public meeting
- Program must be internally audited every two years
- Program must be updated at least every five years

SSMP Implementation Schedule

Task	Population 2,500 to 10,000
Plan and Schedule	2/02/08
Goals Organization	5/02/08
Emer. Resp. Plan Legal Authority O&M Plan FOG Plan	11/02/09
Design and Perfor. Standards System Capacity Plan Final SSMP and Certification	5/02/10

Fiscal Impact

- Compliance with the GWDR, particularly the SSMP, will involve investment of resources
- NCSD will need to carefully review our resource needs and include it in our budget planning

NCSD Safety Program

**Presentation to NCSD Board of Directors
December 1, 2007**

Safety Program Review

Safety Program Requirements for all District Employees:

- IIPP – Injury & Illness Prevention Program
- Code of Safe Work Practices
- EAP – Emergency Action Plan
- SIMS/NEMS/ICS
- Fire Extinguisher
- First Aid and CPR

Safety Program Review

Safety Program Requirements for all District Operations Employees:

- HazCom
- PPE
- Hotwork Permit
- Heat Stress
- Confined Space
- Haz Waste
- Bloodborne Pathogen

Safety Program Review

Safety Program Requirements for all District Operations Employees Continued:

- Lockout Tagout
- Respiratory Protection
- Hearing Conservation
- Trenching & Shoring
- Fall Protection
- Traffic

Illness and Injury Prevention Program

IIPP ELEMENTS

- Responsibilities
- Compliance
- Communication
- Hazard Identification & Evaluation
- Injury/Illness Investigation
- Correction of Hazards
- Training

Safe Work Practices Handbook

Safe Practices – All Employees

- General Safety
- Driving Safety
- Fire Safety
- Housekeeping
- Office Safety
- Slips, Trips and Falls

Safe Work Practices Handbook


Safe Practices – Utility Operations

- Personal Protective Equipment
- Electrical Safety
- Excavation, Maintenance and Plant Operations
- Guarding
- Hand Tools
- Ladder Safety
- Power Tools and Equipment

Future Safety Program Action Items

- SDRMA PreventionLink web based training
- Quarterly Safety Inspections
- Quarterly Safety Training – All employees
- Monthly Safety Training – Operations Employees
- Development of hazard specific safety programs and training

Questions?

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL 
DATE: JANUARY 23, 2008

**AGENDA ITEM
D-5
JANUARY 23, 2008**

ADOPT 2008 INVESTMENT POLICY

ITEM

Adopt 2008 Investment Policy

BACKGROUND

The California Government Code Section 53646 (2) requires local government entities adopt an annual investment policy.

GC§ 53646(2) reads as follows:

In the case of any other local agency, the treasurer or chief fiscal officer of the local agency shall annually render to the legislative body of that local agency and any oversight committee of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting. Any change in the policy shall also be considered by the legislative body of the local agency at a public meeting.

Staff does not propose any changes to the Investment Policy.

RECOMMENDATION

Staff recommends that the Board approve Resolution 2008-invest adopting the Year 2008 District Investment Policy.

ATTACHMENTS

Resolution and Investment Policy

t:\documents\board matters\board meetings\board letter 2008\investment policy.doc

RESOLUTION NO. 2008-INVESTMENT POLICY

**A RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE YEAR 2008 DISTRICT INVESTMENT POLICY**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("District") believes that public funds should, so far as is reasonably possible, be invested in financial institutions to produce revenue for the District rather than to remain idle, and

WHEREAS, from time to time there are District funds which for varying periods of time will not be required for immediate use by the District, and which will, therefore, be available for the purpose of investing in financial institutions with the objectives of safety, liquidity, yield and compliance with state and federal laws and policies.

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

1. The District hereby adopted the Investment Policy attached hereto as Exhibit "A" as the District's Investment Policy;
2. The District General Manager shall act as Treasurer/Finance Officer of the District and is authorized to invest and re-invest funds in accordance with the Investment Policy for the succeeding twelve (12) month period or until such time as the delegation of authority is revoked.

PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services District this 23th day of January, 2008 on the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Michael Winn, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
District Legal Counsel

**RESOLUTION 2008-INVESTMENT POLICY
EXHIBIT A**

**YEAR 2008 INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT**

1. INTRODUCTION

The purpose of this written *Investment Policy* is to establish the guidelines for the prudent investment of Nipomo Community Services District funds (herein referred to as District's funds). The objectives of this policy are safety, liquidity, yield, and compliance with state and federal laws and policies.

District funds are to be managed with a high degree of care and prudence. Though all investments contain a degree of risk, the proper concern for prudence, maintenance of high level of ethical standards and proper delegation of authority reduces the potential for any realized loss.

This policy establishes the standards under which the District's Finance Officer will conduct business with financial institutions with regard to the investment process.

2. FINANCE OFFICER

The Board of Directors appoints the General Manager as the District Finance Officer and Treasurer. The District's Assistant General Manager shall serve as the District's Finance Officer and Treasurer in the absence of the District's General Manager.

3. SCOPE

The District investment portfolio shall consist of money held in a sinking fund of, or surplus money in, the District's treasury not required for the immediate necessities of the District. The District's investment portfolio shall be invested in accordance with this policy.

4. OBJECTIVES

The primary objectives are safety, liquidity, yield, and compliance.

A. SAFETY

The investment portfolio shall be managed in a manner that ensures the preservation of capital. The objective is to minimize credit risk and interest rate risk.

B. LIQUIDITY

The investment portfolio shall remain sufficiently liquid to meet all operating requirements. This shall be accomplished by structuring the investment portfolio so that investments mature concurrent with cash needs.

C. YIELD

Yield shall be a consideration only after the requirements of safety and liquidity have been met.

D. COMPLIANCE

This Investment Policy is written to be in compliance with California and Federal law.

**RESOLUTION 2008-INVESTMENT POLICY
EXHIBIT A**

**YEAR 2008 INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT**

5. STANDARDS OF CARE

A. PRUDENCE

The Finance Officer will manage the portfolio pursuant to the "Prudent Investor Standard." When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds in the District's investment portfolio, the Finance Officer shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District.

B. DISCLOSURES

Finance Officer shall disclose any material interest in financial institutions with which he/she conducts the District business.

6. INVESTMENTS AUTHORITY

A. PERMITTED INVESTMENTS

The District Finance Officer is authorized to invest in the following institutions:

1. County pooled funds (California Government Code § 61730)
2. The Local Agency Investment Fund created by the California State Treasury (California Government Code § 16429.1)
3. One or more FDIC insured Banks and/or Savings and Loan Associations that are designated as District depositories by resolution of the Board of Directors (California Government Code § 61737.02).
4. Such other financial institutions or securities that may be designated by the Board of Directors from time to time in compliance with California and Federal law.

B. PROHIBITED INVESTMENTS

The District's Finance Officer shall not invest in:

1. Inverse floaters, range notes or interest only strips that are derived from a pool of mortgages.
2. Any security that could result in a zero interest accrual if held to maturity.
3. A state or federal credit union, if a member of the District's Board of Directors or an administrative officer also serves on the Board of Directors, or any committee appointed by the Board of Directors, or the credit committee or supervisory committee, of the state or federal credit union.

C. DIVERSIFIED INVESTMENTS

Investments, other than investments referenced in paragraphs A (1) and (2) above, will be diversified to avoid losses that may be associated with any one investment.

**RESOLUTION 2008-INVESTMENT POLICY
EXHIBIT A**

**YEAR 2008 INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT**

7. REPORTS

A. MONTHLY REPORT

Finance Officer/Treasurer shall make monthly reports to the Board of investments made or retired during the preceding month.

B. QUARTERLY REPORT

Finance Officer shall file a quarterly report that identifies the District's investments and their compliance with the District's Investment Policy. The quarterly report must be filed with the District's auditor and considered by the District's Board of Directors within thirty (30) days after the end of each quarter (i.e., by May 1, August 1, November 1, and February 1) (California Government Code § 53646). Required elements of the quarterly report are as follows:

1. Type of Investment
2. Institution
3. Date of Maturity (if applicable)
4. Amount of deposit or cost of the security
5. Current market value of securities with maturity in excess of twelve months (if applicable)
6. Rate of Interest
7. Statement relating the report to the Statement of Investment Policy
8. Statement of the District's ability to meet cash flow requirements for the next six months.
9. Accrued Interest (if applicable)

C. ANNUAL REPORT

Prior to February 1, of each year, the Finance Officer shall file and submit an annual report to the District's auditor and Board of Directors which will contain the same information required in the quarterly report.

The annual report will include a recommendation to the Board of Directors to either:

1. Readopt the District's then current annual Investment Policy; or
2. Amend the District's then current Investment Policy.

D. LIMITED QUARTERLY REPORT

If the District has placed all of its investments in the Local Agency Investment Fund (LAIF), created by California Government Code § 16429.1, or in Federal Deposit Insurance Corporation, insured accounts in a bank or savings and loan association, in a County investment pool, or any combination of these, the Finance Officer may submit to the Board of Directors, and the auditor of the District the most recent statement or statements received by the District from these institutions in lieu of the information required in paragraph 7.B, above. This special reporting policy does not relieve the Finance Officer of the obligation to prepare an annual investment report as identified in paragraph 7.C, above.

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: JANUARY 18, 2008

**AGENDA ITEM
D-6
JAN. 23, 2008**

**AMEND CONFLICT OF INTEREST CODE TO ADD DISTRICT ENGINEER AND
SUPERINTENDENT AS DESIGNATED POSITIONS**

ITEM

Amend Conflict of Interest Code to add District Engineer and Superintendent as designated positions [RECOMMEND ADOPTION].

BACKGROUND

The Political Reform Act ("PRA") requires state and local government agencies to adopt and promulgate a Conflict of Interest Code and designate positions that are required to file Statements of Economic Interests (Form 700) with the County Clerk's Office through the District's Secretary. A Conflict of Interest Code must contain the following three (3) basic components:

1. Language incorporating the Fair Political Practices Commission ("FPPC") Regulations, or the basic provisions required in Government Code Section 87302.
2. A list of the designated positions that make and/or participate in making governmental decisions.
3. Disclosure categories specifying financial interests that designated positions must disclose.

District Resolution No. 2006-977 that was adopted on May 10, 2006, incorporated by reference the FPPC's standard model code.

The Form 700 contains the following Schedules (reporting categories):

- Schedule A-1: Investments (less than 10% ownership)
- Schedule A-2: Investments (greater than 10% ownership)
- Schedule B: Real Property
- Schedule C: Income & Business Positions (other than loans, gifts and travel)
- Schedule D: Income – Loans
- Schedule E: Income – Gifts
- Schedule F: Income – Travel Payments

With the hiring of the District Engineer and Utility Superintendent, Staff conducted a review of the District's Conflict Code to determine what revisions, if any, are needed to make the District's Code consistent with current job titles, positions and classifications.

As a result of that review, Staff recommends the following:

The District's Engineer and the District's Utility Superintendent, because of their job description and the potential for conflict of interest, file Form 700 Statements, however with the categories being limited to Schedules "B" and "C" as reflected in the revised Exhibit "B", attached hereto.

The District Board of Directors, General Manager and District Legal Counsel are required to disclose in all categories. Additionally, the District has designated the Assistant General Manager, who, in the absence of the General Manager, is the designated General Manager, file in all categories.

RECOMMENDATION

After Staff presentation, Director comment and public comment, Staff recommends that the Board of Directors adopt the attached Resolution to amend Exhibit "B" to the District's Conflict of Interest Code.

ATTACHMENTS

Resolution with Exhibit "A" and "B"

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2008-CONFLICT OF INTEREST**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
REVISING DISTRICT'S FORM 700
REPORTING POSITIONS AND REPORTING CATEGORIES**

WHEREAS, the Nipomo Community Services District (herein "District") Board of Directors (herein "Board") is a local governmental agency formed and authorized to provide services within its jurisdiction, pursuant to Section 61000 et seq. of the California Government Code; and

WHEREAS, pursuant to District Resolution 2006-977, the District Board of Directors adopted Regulation 18730 by reference as the District's Conflict of Interest Code; and

WHEREAS, the District Board of Directors desires to adopt a new listing of reporting positions and reporting categories to be incorporated as part of the District's Conflict of Interest Code;

NOW, THEREFORE, the Board of Directors of the Nipomo Community Services District does hereby resolve, declare, determine and order as follows:

Exhibit "A", attached hereto, is hereby incorporated by this reference and is adopted as Exhibit "B" to the District's Conflict of Interest Code.

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

AYES:
NOES:
ABSENT:
CONFLICTS: N

The foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the Nipomo Community Services District this 23th day of January, 2008.

Michael Winn, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
General Counsel

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2008-CONFLICT
EXHIBIT "A"

CONFLICT OF INTEREST CODE

(INFORMATION)

18730. Provisions of Conflict of Interest Codes.

- (a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to other state or local laws pertaining to conflicts of interest.
- (b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:
- (1) Section 1. Definitions.
The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.
- (2) Section 2. Designated Employees.
The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.
- (3) Section 3. Disclosure Categories.
This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code Sections 87200, et seq.
In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:
- (A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;
- (B) The disclosure assigned in the code of the other agency is the same as that required under Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200; and
- (C) The filing officer is the same for both agencies. ¹
Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests

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those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code. ²

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

NIPOMO COMMUNITY SERVICES DISTRICT
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- (B) Contents of Assuming Office Statements.
Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.
- (C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.
- (D) Contents of Leaving Office Statements.
Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property ³ is required to be reported, ⁴ the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000) or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported, ⁵ the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000).
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

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5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.
- (C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁶ the statement shall contain:
1. The name, address, and a general description of the business activity of the business entity;
 2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).
- (D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.
- (E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.
- (8) Section 8. Prohibition on Receipt of Honoraria.
- (A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.
- Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.
- This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code Section 89506.
- (8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$320..
- No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$320 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.
- Subdivisions (e), (f), and (g) of Government Code Section 89503 shall apply to the prohibitions in this section.
- (8.2) Section 8.2. Loans to Public Officials.
- (A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

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- (B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.
- (C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.
- (D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.
- (E) This section shall not apply to the following:
 - 1. Loans made to the campaign committee of an elected officer or candidate for elective office.
 - 2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
 - 3. Loans from a person which, in the aggregate, do not exceed two hundred fifty dollars (\$250) at any given time.
 - 4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

- (A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

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- (B) This section shall not apply to the following types of loans:
1. Loans made to the campaign committee of the elected officer.
 2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
 3. Loans made, or offered in writing, before January 1, 1998.
- (C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.
- (8.4) Section 8.4. Personal Loans.
- (A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:
1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
 2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.
 - b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.
 - c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.
- (B) This section shall not apply to the following types of loans:
1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
 2. A loan that would otherwise not be a gift as defined in this title.
 3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
 4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
 5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.
- (C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.
- (9) Section 9. Disqualification.
- No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:
- (A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;
 - (B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

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- (C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision was made;
 - (D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or
 - (E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$320 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.
- (9.3) Section 9.3. Legally Required Participation.
No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.
- (9.5) Section 9.5. Disqualification of State Officers and Employees.
In addition to the general disqualification provisions of Section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:
- (A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or
 - (B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.
- (10) Section 10. Manner of Disqualification.
When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act must be accompanied by disclosure of the disqualifying interest. In the case of a voting body, this determination and disclosure shall be made part of the agency's official record; in the case of a designated employee who is the head of an agency, this determination and disclosure shall be made in writing to his or her appointing authority; and in the case of other designated employees, this determination and disclosure shall be made in writing to the designated employee's supervisor.
- (11) Assistance of the Commission and Counsel.
Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

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(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000-91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code Section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code Section 91003.

- ¹ Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under Article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code Section 81004.
- ² See Government Code Section 81010 and 2 Cal. Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.
- ³ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.
- ⁴ Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.
- ⁵ A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.
- ⁶ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

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History

1. New section filed 4-2-80 as an emergency; effective upon filing. Certificate of Compliance included.
2. Amendment of subsection (b) filed 1-9-81; effective 30 days thereafter.
3. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective 30 days thereafter.
4. Amendment of subsection (b)(7)(A) filed 11-10-83; effective 30 days thereafter.
5. Amendment filed 4-13-87; effective 5-13-87.
6. Amendment of subsection (b) filed 10-21-88; effective 11-20-88.
7. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; effective 9-27-90.
8. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of NOTE filed 8-7-92; effective 9-7-92.
9. Amendment filed 2-4-93; effective upon filing.
10. Change without regulatory effect adopting COIC for California Mental Health Planning Council filed 11-22-93. Approved by FPPC 9-21-93.
11. Change without regulatory effect redesignating COIC for California Mental Health Planning Council filed 1-4-94.
12. Amendment filed and effective 3-14-95.
13. Amendment filed and effective 10-23-96.
14. Amendment filed and effective 4-9-97.
15. Amendment filed and effective 8-24-98.
16. Amendment filed and effective 5-11-99.
17. Amendment filed 12-6-2000; effective 1-1-2001.
18. Amendment filed 1-10-2001; effective 2-1-2001.
19. Amendment filed and effective 2-13-2001.
20. Amendment filed 1-16-03; effective 1-01-03.

EXHIBIT "B"

NIPOMO COMMUNITY SERVICES DISTRICT CONFLICT OF INTEREST CODE APPENDIX OF DESIGNATED OFFICERS & EMPLOYEES WITH DISCLOSURE CATEGORIES

I. DESIGNATED POSITIONS

The persons occupying the positions listed below are hereby considered designated officers and employees and are deemed to make, or participate in the making of, decisions, which may have a material effect on a financial interest.

DESIGNATED POSITIONS:

- Members of the Board of Directors
- General Manager
- District Legal Counsel
- Assistant General Manager
- District Engineer
- District Utility Superintendent
- Certain Contract Consultants

II. DISCLOSURE CATEGORIES

The disclosure categories for each of the above-designated officers and employees shall be those described in paragraph 4, Schedule Summary "A" – "F" on the Form 700 cover page, as follows:

A. All reportable interests Schedules "A" – "F":

- Board of Directors
- General Manager
- District Legal Counsel
- Assistant General Manager

C. Limited reportable interests - Schedules "B" and "C" (real property, income and business positions:)

- District Engineer
- District Utility Superintendent

D. Disclosure interests designated by Contract:

- District Consultants and Engineers

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: JANUARY 18, 2008



AUTHORIZE CONTINUATION OF ACH (AUTOMATIC CLEARING HOUSE)
ORIGINATION FOR DEBIT TRANSACTIONS FOR BILLING AND PAYROLL VIA
RABOBANK

ITEM

Authorize continuation of ACH (Automatic Clearing House) for debit transactions for billing and payroll via Rabobank [RECOMMEND APPROVAL].

BACKGROUND

Nipomo Community Services District currently uses the ACH (Automatic Clearing House) feature offered by Rabobank. NCSD currently offers "Auto Pay" to its utility customers and processes payroll via ACH. The current daily limit is \$60,000.00.

Rabobank has requested NCSD to reaffirm by minute order the authorization.

RECOMMENDATION

Staff recommends that your Honorable Board approve by minute order the continuation of ACH (Automatic Clearing House) origination for debit transactions for billing and payroll via Rabobank with a current daily limit of \$60,000.

ATTACHMENTS

- None