

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL
DATE: FEBRUARY 8, 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 1/16/08, 1/23/08 & 1/30/08 Meetings
- D-3) AWARD BID FOR REMOVAL OF DANGEROUS TREES AT OFFICE, AUTHORIZE EXECUTION OF AGREEMENT, & TRANSFER FUNDS [RECOMMEND APPROVAL]
- D-4) ACCEPT QUARTERLY FINANCIAL REPORT [RECOMMEND APPROVAL]
- D-5) ACCEPT QUARTERLY INVESTMENT REPORT [RECOMMEND APPROVAL]
- D-6) RESCHEDULE 4/23/08 MEETING TO 4/30/08 [RECOMMEND APPROVAL]
- D-7) CONFIRM BUDGET ADOPTION TIMELINE AND SET REVIEW WORKSHOP FOR 5/21/08 [RECOMMEND APPROVAL]
- D-8) AUTHORIZE PRESIDENT AND GENERAL MANAGER TO TRAVEL TO WASHINGTON DC TO LOBBY FOR FEDERAL WATER FUNDING AND TRANSFER FUNDS [RECOMMEND APPROVAL]

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TO: BOARD OF DIRECTORS
 FROM: BRUCE BUEL
 DATE: FEBRUARY 8, 2008

**AGENDA ITEM
 D-1
 FEBRUARY 13, 2008**

HAND WRITTEN CHECKS

01-22-08	19703	E EBY	50.00
01-22-08	19704	C TROTTER	50.00
01-23-08	19705	STATE WATER RESOURCES	250.00
01-23-08	19706	J KING	125.00
01-23-08	19707	SMART!	20,395.10
01-24-08	19708	SLO COUNTY PLANNING	164.00
01-28-08	19710	M WINN	50.00
01-28-08	19711	J HARRISON	50.00
01-31-08	19712	STANDARD INSURANCE	1,449.32
02-04-08	19713	M WINN	50.00
02-04-08	19714	J HARRISON	50.00

**TOTAL COMPUTER
 CHECKS
 \$ 329,184.85**

VOID 14304, 19709

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
14562	01/25/08	EMP01	EMPLOYMENT DEVELOP DEPT	959.60	.00	959.60	A80122	STATE INCOME TAX
14563	01/25/08	MID01	MIDSTATE BANK-PR TAX DEP	3519.55	.00	3519.55	A80122	FEDERAL INCOME TAX
				47.12	.00	47.12	1A80122	FICA
				908.54	.00	908.54	2A80122	MEDICARE (FICA)
			Check Total.....:	4475.21	.00	4475.21		
14564	01/25/08	MID02	MIDSTATE BANK - DIRECT DP	26302.60	.00	26302.60	A80122	NET PAY
14565	01/25/08	PER01	PERS RETIREMENT	7862.42	.00	7862.42	A80122	PERS PAYROLL REMITTANCE
14566	01/25/08	SIM01	SIMMONS, DEBRA	150.00	.00	150.00	A80122	WAGE ASSIGNMENT
14567	01/25/08	STA01	STATE STREET GLOBAL	1680.00	.00	1680.00	A80122	457 DEFERRED COMP
014568	01/30/08	EBY01	EBY, ED	100.00	.00	100.00	013008	SPECIAL MEETING 1/30/08
014569	01/30/08	HAR02	HARRISON, JAMES	100.00	.00	100.00	013008	SPECIAL MEETING 1/30/08
014570	01/30/08	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	013008	SPECIAL MEETING
014571	01/30/08	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	013008	SPECIAL MEETING 1/30/08
014572	01/30/08	WIN01	WINN, MICHAEL	100.00	.00	100.00	013008	SPECIAL MEETING 1/30/08
14573	02/08/08	EMP01	EMPLOYMENT DEVELOP DEPT	797.89	.00	797.89	A80204	STATE INCOME TAX
14574	02/08/08	MID01	MIDSTATE BANK-PR TAX DEP	3094.21	.00	3094.21	A80204	FEDERAL INCOME TAX
				833.08	.00	833.08	1A80204	MEDICARE (FICA)
			Check Total.....:	3927.29	.00	3927.29		
14575	02/08/08	MID02	MIDSTATE BANK - DIRECT DP	25448.32	.00	25448.32	A80204	NET PAY
14576	02/08/08	PER01	PERS RETIREMENT	8238.00	.00	8238.00	A80204	PERS PAYROLL REMITTANCE
14577	02/08/08	SIM01	SIMMONS, DEBRA	150.00	.00	150.00	A80204	WAGE ASSIGNMENT
14578	02/08/08	STA01	STATE STREET GLOBAL	1680.00	.00	1680.00	A80204	457 DEFERRED COMP
014579	02/08/08	EBY01	EBY, ED	100.00	.00	100.00	02068	EDUCATIONAL TOUR 020608
014580	02/08/08	HAR02	HARRISON, JAMES	100.00	.00	100.00	02068	EDUCATIONAL TOUR 020608
014581	02/08/08	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	02068	EDUCATIONAL TOUR 020608
014582	02/08/08	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	02068	EDUCATIONAL TOUR 020608
014583	02/08/08	WIN01	WINN, MICHAEL	100.00	.00	100.00	02068	EDUCATIONAL TOUR 020608

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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
014584	02/13/08	ABA01	ABALONE COAST BACTERIOLOG	120.00	.00	120.00	08-119	WATER SAMPLES
				20.00	.00	20.00	08-120	BL WWTF LAB
				176.00	.00	176.00	08-128	TOWN WWTF LAB
				20.00	.00	20.00	08-129	BL WWTF LAB
				20.00	.00	20.00	08-143	TOWN WATER SAMPLES
				20.00	.00	20.00	08-144	BL WWTF LAB
				20.00	.00	20.00	08-149	BL WWTF LAB
				20.00	.00	20.00	08-169	BL WWTF LAB
				176.00	.00	176.00	08-170	TOWN WWTF LAB
				120.00	.00	120.00	08-183	WATER SAMPLES
				20.00	.00	20.00	08-184	BL WWTF LAB
				20.00	.00	20.00	08-190	BL WWTF LAB
				20.00	.00	20.00	08-215	BL WWTF LAB
				120.00	.00	120.00	08-216	WATER SAMPLES
				20.00	.00	20.00	08-220	BL WWTF LAB
				20.00	.00	20.00	08-236	BL WWTF LAB
				20.00	.00	20.00	08-248	BL WWTF LAB
			Check Total.....:	952.00	.00	952.00		
014585	02/13/08	ADV01	ADVANTAGE ANSWERING PLUS	176.05	.00	176.05	93101	ANSWERING SERVICE
014586	02/13/08	ALX01	ALEXANDER'S CONTRACT SERV	2113.19	.00	2113.19	8010012	METER READS
014587	02/13/08	AME02	AMERICAN INDUSTRIAL SUPPL	111.89	.00	111.89	179819	SUPPLIES
				50.38	.00	50.38	179858	SUPPLIES
				119.26	.00	119.26	180003	SUPPLIES
				157.39	.00	157.39	180403	SUPPLIES
			Check Total.....:	438.92	.00	438.92		
014588	02/13/08	AME03	AMERI PRIDE	87.71	.00	87.71	F387467	UNIFORMS ETC
				106.50	.00	106.50	F393126	UNIFORMS ETC
				102.61	.00	102.61	F398814	UNIFORMS ETC
			Check Total.....:	296.82	.00	296.82		
014589	02/13/08	AQU01	AQUA-METRIC SALES CO.	2556.31	.00	2556.31	21144	2" METERS
014590	02/13/08	ATT01	AT&T/MCI	139.92	.00	139.92	88427	PHONE
				119.76	.00	119.76	88509	PHONE
				33.23	.00	33.23	88584	PHONE
				.16	.00	.16	T7475623	PHONE
			Check Total.....:	293.07	.00	293.07		
014591	02/13/08	BEN02	BENTLEY SYSTEMS, INC.	1650.18	.00	1650.18	47134720	WATER/SEWER GEMS SUBSCRPT
				2995.00	.00	2995.00	90016366	WATER/SEWER GEMS TRAINING
			Check Total.....:	4645.18	.00	4645.18		
014592	02/13/08	BOY01	BOYLE ENGINEERING CORP	5167.55	.00	5167.55	52001	SOUTHLAND WWTF ENG
014592	02/13/08	BOY01	BOYLE ENGINEERING CORP	16896.60	.00	16896.60	52002	WATER & SEWER REPLACEMENT
				151.20	.00	151.20	52003	PCI CO 04-0581
				36.45	.00	36.45	52103	PCI APN 092-531-005
				453.60	.00	453.60	52104	PCI TR 2565
				4101.30	.00	4101.30	52105	BL RECORD DRAWINGS
				151.20	.00	151.20	52106	GENERAL ENG PHASE III
			Check Total.....:	26957.90	.00	26957.90		
014593	02/13/08	BRE02	BRENNTAG PACIFIC INC.	279.98	.00	279.98	BPI756276	CHLORINE
				728.09	.00	728.09	BPI756277	CHLORINE
			Check Total.....:	1008.07	.00	1008.07		
014594	02/13/08	BRI01	BRISCO'S	272.23	.00	272.23	136225+	SUPPLIES
014595	02/13/08	CAN02	CANNON ASSOCIATES	1438.87	.00	1438.87	43089	NIP PALMS TRANSDUCER MAIN
				75.00	.00	75.00	43115	BL WELL 3&4 SERVICE
				32.50	.00	32.50	43116	LIFT STN COMM MAINT
				233.75	.00	233.75	43117	BL WELL 3 & KNOLLWOOD & V
				233.75	.00	233.75	43118	BL WELL 4 COMM MAINT
				300.00	.00	300.00	43119	STANDPIPE COMM MAINT
			Check Total.....:	2313.87	.00	2313.87		
014596	02/13/08	CAR04	CAR QUEST ARROYO GRANDE	17.82	.00	17.82	218975	SUPPLIES
014597	02/13/08	CIT01	CITY NATIONAL BANK	19480.50	.00	19480.50	011508	1993 ASSESSMENT BONDS
014598	02/13/08	COA01	COASTLINE EQUIPMENT	8242.00	.00	8242.00	2901680	TRACTOR TRANSPORT TRAILER
				858.00	.00	858.00	2901682	SUPPLIES FOR TRACTOR TRAI
				463.14	.00	463.14	3958108	TIE-DOWNS FOR TRACTOR TRA
			Check Total.....:	9563.14	.00	9563.14		

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014599	02/13/08	COR01	CORBIN WILLITS SYSTEMS	724.18	.00	724.18	A801151	COMPUTER SUPPORT
014600	02/13/08	COU01	COURIER SYSTEMS	212.66	.00	212.66	013108	DELIVERY TO LAB
014601	02/13/08	CUE01	CUESTA EQUIPMENT	539.32	.00	539.32	167548+	SUPPLIES
014602	02/13/08	CUL02	CULLIGAN WATER CONDITION	10.28	.00	10.28	013108	DELIVERY
014603	02/13/08	DEW01	J B DEWAR INC	773.46	.00	773.46	366558	OIL
014604	02/13/08	DLT01	DLT SOLUTIONS INC	970.03	.00	970.03	SI047665	AUTO CAD
014605	02/13/08	DWI01	DWIGHT'S AUTOMOTIVE	165.44	.00	165.44	36676	04 FORD MAINT
014606	02/13/08	EBY01	EBY, ED	100.00	.00	100.00	021308	REG BD MEETING 021308
014607	02/13/08	ENV01	ENVIRONMENTAL EQUIP ENG	18797.30	.00	18797.30	3666	FLOATING AERATORS
014608	02/13/08	ESR01	ENVIRONMENTAL SYSTEMS RES	7514.32	.00	7514.32	9167888	ARCGIS SOFTWARE
014609	02/13/08	FAR01	FARM SUPPLY COMPANY	95.72	.00	95.72	578353+	SUPPLIES
014610	02/13/08	FAR02	FAR WEST EXPRESS	33.00	.00	33.00	11099+	MAIL DELIVERY
014611	02/13/08	FGL01	FGL ENVIRONMENTAL	111.00	.00	111.00	713127A	TOWN WWTF LAB
				111.00	.00	111.00	713294A	TOWN WWTF LAB
				271.00	.00	271.00	800383A	TOWN WWTF LAB
014611	02/13/08	FGL01	FGL ENVIRONMENTAL	103.00	.00	103.00	800397A	BL WWTF LAB
				1633.00	.00	1633.00	800645A	WELL MONITORING
				421.00	.00	421.00	800655A	TOWN WWTF LAB
			Check Total.....:	2650.00	.00	2650.00		
014612	02/13/08	FIR01	FIRST AMERICAN CORELOGIC,	107.30	.00	107.30	12122303	APN MAPS AND OWNER DATA
014613	02/13/08	FRA03	FRANCIS, HUNTER PROGRAM	300.00	.00	300.00	020208	COMPOSTING WORKSHOP
014614	02/13/08	GAR01	GARING TAYLOR & ASSOC	704.79	.00	704.79	8470	MARIA VISTA
				237.50	.00	237.50	8471	BL POND LINER
				86.31	.00	86.31	8472	WIDOW LANE EASEMENT
			Check Total.....:	1028.60	.00	1028.60		
014615	02/13/08	GAS02	GAS COMPANY, THE	153.21	.00	153.21	012208	OFFICE HEAT
				2674.56	.00	2674.56	013108	SUNDALE WELL GAS
			Check Total.....:	2827.77	.00	2827.77		
014616	02/13/08	GIL01	GLM, INC.	110.00	.00	110.00	013008A	LANDSCAPE MAINT BL
				320.00	.00	320.00	013008B	LANDSCAPE MAINT OFFICE
			Check Total.....:	430.00	.00	430.00		
014617	02/13/08	GRO01	GROENIGER & CO	-92.67	.00	-92.67	340246C	RETURN SUPPLIES
				80.44	.00	80.44	769688SM	SUPPLIES
				300.30	.00	300.30	769691SM	SUPPLIES
				53.88	.00	53.88	769693SM	SUPPLIES
				1082.15	.00	1082.15	770905SM	SUPPLIES
				3155.30	.00	3155.30	771828SM	SUPPLIES
			Check Total.....:	4579.40	.00	4579.40		
014618	02/13/08	GWA01	GWA INC	28.00	.00	28.00	080100640	ALARM SYSTEM
014619	02/13/08	HAR02	HARRISON, JAMES	100.00	.00	100.00	021308	REG BD MEETING 021308
014620	02/13/08	HOM01	HOME MOTORS	129.24	.00	129.24	TQS231751	VEHICLE MAINT
014621	02/13/08	JAC01	JACK'S REPAIR & SALES	165.66	.00	165.66	21621+	SMALL EQUIP REPAIR
014622	02/13/08	JUS01	JUSTIFACTS CREDENTIAL	112.00	.00	112.00	136259	BACKGROUND CHECK GRIETENS
014623	02/13/08	KOR01	KORNREICH ARCHITECTS	619.50	.00	619.50	011408	SHOP UPGRADE
014624	02/13/08	LAN02	LANDMARK LANDSCAPE CO INC	214.00	.00	214.00	40289	TRACT 2409 LANDSCAPE MAIN
014625	02/13/08	LAY01	LAYFIELD ENVIRONMENTAL	17104.84	.00	17104.84	1318	REPAIR TO TOWN WWTF LINER
014626	02/13/08	LUC01	LUCIA MAR UNIFIED SCHOOL	107.40	.00	107.40	080509	USE OF NIPOMO HS 1/30/08
014627	02/13/08	MIG01	MIGLIAZZO, DAN	120.00	.00	120.00	011408	REIMB FOR TRAVEL
014628	02/13/08	MOR02	MORE OFFICE SOLUTIONS	1056.96	.00	1056.96	404006	COPIER MAINT
014629	02/13/08	MOT01	MOTLEY, RICK	107.74	.00	107.74	013008	BOOTS
014630	02/13/08	MUL01	MULLAHEY FORD	14982.57	.00	14982.57	36527	2008 F-150
014631	02/13/08	NEX01	NEXTEL COMMUNICATIONS	327.32	.00	327.32	87314074	CELL PHONES

Copy of document found at www.NoNewWipTax.com

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014632	02/13/08	NIP01	NIPOMO ACE HARDWARE INC	245.46	.00	245.46	672893+	SUPPLIES
014633	02/13/08	NIP09	NIPOMO MARKET PLACE	3785.88	.00	3785.88	657330	GASOLINE
014634	02/13/08	NUT01	NU TECH PEST MGMT	49.00	.00	49.00	65980	PEST CONTROL
014635	02/13/08	ONE01	1-800-CONFERENCE	130.55	.00	130.55	553324	CONFERENCE CALL 12-21 & 0
014636	02/13/08	PER04	PERRY'S ELECTRIC MOTORS	1622.47 1658.74	.00 .00	1622.47 1658.74	8028 8029	MOTOR MAINT MOTOR MAINT
			Check Total.....:	3281.21	.00	3281.21		
014637	02/13/08	PGE01	P G & E	30659.69 58.35	.00 .00	30659.69 58.35	012508 122607	ELECTRICITY 4449664603-3 BL STREET LIGHTING
			Check Total.....:	30718.04	.00	30718.04		
014638	02/13/08	POO01	POOR RICHARD'S PRESS	1229.03	.00	1229.03	135441	JANUARY NEWSLETTER
014639	02/13/08	PRE01	PRECISION JANITORIAL	325.00 325.00	.00 .00	325.00 325.00	170 171	JANITORIAL SERVICE FOR SH CONSTRUCTION CLEANUP SHOP
			Check Total.....:	650.00	.00	650.00		
014640	02/13/08	QUI01	QUILL CORPORATION	55.75	.00	55.75	4590988	SUPPLIES
014641	02/13/08	RAY02	RAY'S AUTO PARTS	67.33	.00	67.33	17406	SUPPLIES
014642	02/13/08	RBA01	R BAKER, INC	10698.86 5753.70	.00 .00	10698.86 5753.70	2144 08012145	SOUTHLAND WWTF WATERLINE SHOP UPGRADE CONCRETE WOR
			Check Total.....:	16452.56	.00	16452.56		
014643	02/13/08	REE02	THE REED GROUP INC	3469.53	.00	3469.53	1019	RATE STUDY
014644	02/13/08	REL01	RELIABLE	363.75 423.56 32.16 214.49 195.14	.00 .00 .00 .00 .00	363.75 423.56 32.16 214.49 195.14	FXS45300 FXX12800 ZR662500 ZRD31502 ZRD31503	SUPPLIES SUPPLIES SUPPLIES SUPPLIES SUPPLIES
			Check Total.....:	1229.10	.00	1229.10		
014645	02/13/08	RIC01	RICHARDS, WATSON, GERSHON	6679.00	.00	6679.00	156763	WATER RIGHTS ADJUDICATION
014646	02/13/08	SAN01	SANTA MARIA TIRE INC	388.19	.00	388.19	446264+	VEHICLE MAINT
014647	02/13/08	SAN04	SANTA MARIA TIMES	312.88 317.00	.00 .00	312.88 317.00	403945 403947	SEWER CAPACITY LEGAL NOTI SEWER RATE LEGAL NOTICE
			Check Total.....:	629.88	.00	629.88		
014648	02/13/08	SAN09	SAN LUIS MAILING SERVICE	691.62 566.41	.00 .00	691.62 566.41	011708B 020108A	POSTAGE FOR NEWS MAILING DISTRICT NEWS
			Check Total.....:	1258.03	.00	1258.03		
014649	02/13/08	SAN11	SAN LUIS PAPER CO.	303.10 16.16	.00 .00	303.10 16.16	537356 537356-01	SUPPLIES SUPPLIES
			Check Total.....:	319.26	.00	319.26		
014650	02/13/08	SLO02	DIV OF ENVIRON HEALTH	487.98	.00	487.98	57224	CROSS CONNECTION INSPECTI

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014651	02/13/08	SOU01	SOUTH COUNTY SANITARY	169.12 34.92	.00 .00	169.12 34.92	2076176 2081489	OLDE TOWNE TRASH COLLECTI TRASH COLLECTION OFFICE
			Check Total.....:	204.04	.00	204.04		
014652	02/13/08	SOU05	SOUZA CONSTRUCTION INC	2613.20	.00	2613.20	113007	WATERLINE RELOCATION PROJ
014653	02/13/08	SPA01	SPANGO VOICE COMM	2434.15 7734.07	.00 .00	2434.15 7734.07	6265 6266	PRE-WIRE-BALANCE DUE PHONE SYSTEM-BALANCE DUE
			Check Total.....:	10168.22	.00	10168.22		
014654	02/13/08	SPE01	SPECIAL DISTRICT RISK	237.06 40.82	.00 .00	237.06 40.82	24670 24702	INS FOR TRACTOR INSURANCE FOR TRAILER
			Check Total.....:	277.88	.00	277.88		
014655	02/13/08	STA08	STAPLES	221.11	.00	221.11	1P9123601	SUPPLIES
014656	02/13/08	SUN01	SUNBELT RENTALS	4364.94	.00	4364.94	138172261	TOWN WWTF SLUDGE REMOVAL
014657	02/13/08	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	021308	REG BD MEETING 021308
014658	02/13/08	UND01	UNDERGROUND SERVICE ALERT	124.50	.00	124.50	80010182	UNDERGROUND NOTIFICATION
014659	02/13/08	UNI01	UNION ASPHALT, INC.	550.17	.00	550.17	300078	CLASS II BASE
014660	02/13/08	USB01	US BANK TRUST	749.64 67.25 30.61 289.65 476.57	.00 .00 .00 .00 .00	749.64 67.25 30.61 289.65 476.57	012208A 012208B 012208C 012208D 012208E	CONSERVATION SUPPLIES OFFICE SUPPLIES BD MEETING SUPPLIES TRAVEL TO SEMINARS ETC SEMINARS
			Check Total.....:	1613.72	.00	1613.72		
014661	02/13/08	USP01	U S POSTAL SERVICE	615.00 81.60	.00 .00	615.00 81.60	013108A 013108B	STAMPED ENVELOPES POSTAGE STAMPED ENVELOPES
			Check Total.....:	696.60	.00	696.60		
014662	02/13/08	VAL01	VALLEY SEPTIC SERVICE	1122.00 275.00 1407.90	.00 .00 .00	1122.00 275.00 1407.90	4859 4868 4931	JETTING SEWER LINES BL JETTING LIFT STN BL BL JETTING
			Check Total.....:	2804.90	.00	2804.90		
014663	02/13/08	VER01	VERIZON	33.59 34.37	.00 .00	33.59 34.37	011908A 011908B	BL PHONE BL PHONE
			Check Total.....:	67.96	.00	67.96		
014664	02/13/08	VIC01	VICTOR BACKHOE, INC.	3510.28	.00	3510.28	2226	HYDRANT INSTALLATION
014665	02/13/08	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	021308	REG BD MEETING 021308
014666	02/13/08	WHI02	CELESTE WHITLOW	160.94	.00	160.94	012908	REIMB FOR SUPPLIES
014667	02/13/08	WIN01	WINN, MICHAEL	100.00	.00	100.00	021308	REG BD MEETING 021308
014668	02/13/08	XER01	XEROX CORPORATION	90.20	.00	90.20	30690426	COPIER MAINT

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 43 - Years of Service 1965 - 2008

ADJOURNED MEETING MINUTES

JANUARY 16, 2008 AT 9AM

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

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.

00:00:46

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST

Receive Announcements from Directors Items of District & Community Interest

Director Eby stated LAFCO will meet on 1/17/08 at 9:00 a.m.

Director Harrison has tickets for sale for the Rotary fundraiser on 3/16/08

Director Trotter stated Blacklake Association has appointed three members of a five person committee to address Blacklake issues

Director Winn stated Economic Advisory Commission will meet 1/17/08 at the San Luis Obispo County Library. On 1/19/08 at 11:00 a.m. at NCSD, Supervisor Achadjian and a committee will meet to discuss a proposed park on the bluff. SCAC Land Use Committee will meet on 1/28/08 at 9:00 a.m. and SCAC will meet on 1/28/08 at 6:30 p.m.

President Winn announced that Item E-5 would begin at 1:00 p.m.

C-2) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

Tom Geaslan, NCSD customer – stated the land for the proposed park on the bluff will be donated by the Tompkins family in memory of their nephew that died of cancer.

00:12:58

D. ADMINISTRATIVE ITEMS (PART 1)

- D-1) NOT USED
- D-2) NOT USED
- D-3) NOT USED
- D-4) NOT USED
- D-5) NOT USED
- D-6) NOT USED
- D-7) NOT USED
- D-8) NOT USED
- D-9) NOT USED
- D-10) NOT USED
- D-11) NOT USED

MINUTES SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
ADJOURNED MEETING
MINUTES

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

Bruce Buel, General Manager, stated in November the Board of Directors directed Staff to review the possibility of excluding Fund 700 from the equity calculation. Staff retained the District auditor, Bob Crosby to review the matter. The Board of Directors has received his opinion. District Legal Counsel, Jon Seitz, stated Staff sought a proposal from a new rate consultant, Tuckfield and Associates. In requesting the proposal, Staff did not give any details of the matter and asked the consultant to provide a proposal and a list of information he would need from the District to perform his work as opposed the NCSD providing the materials.

Director Eby stated Tuckfield is an engineer and not a lawyer and stated his opinion would be a professional opinion and not a legal opinion.

Director Trotter stated that this would be an unnecessary expense. The inclusion of Fund 700 is a philosophical decision.

Director Harrison stated we should not look for more services because he and Director Vierheilig had already asked for a legal opinion regarding Fund 700.

Mr. Seitz stated his legal opinion has not changed. He stated that hiring a new rate consultant would provide the Board of Directors and customers a nexus. Bob Reed has stated that Fund 700 is an integral part of his model and it is appropriate to be included. Mr. Crosby's letter offered other rational basis to consider rates. Mr. Seitz stated he can't give opinion that Fund 700 can be removed since it is an integral part of Mr. Reed's model. The Board of Directors could move forward based on Mr. Reed's report under Prop 218 or hire an independent consultant to provide possible alternate models.

The following members of the public spoke:

Ian Wallace – NCSD Customer – Questioned the benefit of studies and the amount of money spent on studies. He stated the outcome of a study reflects the position of the party commissioning the study.

John Snyder – Nipomo Resident – Read an unsolicited email regarding Tuckfield and Associates work with Los Osos and Oceano CSD and stated is was unwise to hire the firm without further investigation.

Director Vierheilig stated the 6/30/07 data included in the spreadsheet he prepared for Item D-12 was incorrect.

Director Eby stated there is no harm in obtaining more information because it provides information for a better decision and the position would be more defensible in a legal challenge.

Director Harrison believes a new study would confuse the issue.

Director Trotter agrees with Director Harrison.

Upon motion of Director Eby and seconded by Director Harrison, a motion was made to authorize Staff to execute the agreement with Tuckfield and Associates. Vote 1-4, motion failed.

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

The Board of Directors directed staff to place the Blacklake Equity equalization issue on the agenda. The Board of Directors directed staff to place on the agenda the formation of an Ad Hoc Committee, with the president making the nominations to the committee, to discuss this matter with the Blacklake committee.

Nipomo Community Services District
ADJOURNED MEETING
MINUTES

The Board of Directors agreed to hear Item E-4 next since Boyle Engineering would arrive at 11:00 a.m.

E. ADMINISTRATIVE ITEMS (PART 2)

E-2) NOT USED

02:56:054

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

Director Trotter left the meeting at 2:27p.m. and was not present for this item.

Bruce Buel, General Manager, presented this item. In order to re-start the Santa Maria Intertie project, additional work will need to be completed including renegotiations of the MOU, Peer Review, and engineering. It would not be cost effective or timely to seek an RFP since Boyle Engineering has unique knowledge and qualifications and the City of Santa Maria is supportive of Boyle's involvement. This scope of work will take three months.

No public comment (other than Ms. Eby's comment prior to adjourning to Closed Session).

Upon motion of Directory Eby and seconded by Director Winn, the motion to approve the amendment was tied. Vote 2-2.

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

Mike Nunley of Boyle Engineering commented on the Scope of Work and includes MOU negotiations, distribution modeling to determine the best route, in-system improvements, life cycle questions and coordination with the Master Plan Update. Upon completion of this work, the next phase would be the EIR and Plans and Specifications. Upon motion of Director Eby and seconded by Director Vierheilig, the Board of Directors unanimously approved the amendment to the existing Boyle Agreement. Vote 4-0.

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

00:44:56

E-4) PROPOSE DRAFT EMERGENCY WATER SHORTAGE REGULATIONS FOR PRESENTATION TO COMMUNITY AT JANUARY 30 WORKSHOP

Bruce Buel, General Manager, handed out Minutes from the January 4, 2008, meeting of the Water Conservation Committee. Also attached was the January 4, 2008 Draft Emergency Water Shortage Regulations. Mr. Buel suggested the Board of Directors agree on the proposed draft regulations so they can be presented to the public at the January 30, 2008 workshop.

John Snyder- Nipomo Resident – stated SAIC study was based on unreliable data.

Pat Eby – NCSD customer – states deletions in handout are confusing.

Ian Wallace – NCSD customer – asked how reliable is the rain data.

Jon Seitz, District Legal Counsel, stated that SAIC's approach of measuring groundwater levels rather than rainfall is the best for determining water shortages. Mr. Seitz stated the Stipulated Judgment requires the Technical Group to develop conservation

Nipomo Community Services District
**ADJOURNED MEETING
 MINUTES**

00:00:00
 Recording started over

regulations. NCSD is taking a leadership role in developing policy. Director Eby stated we need supplemental water as soon as possible. Mr. Seitz reviewed the Water Conservation recommendations.

00:19:57

The Board of Directors took a 10 minute recess at 10:35 a.m.

00:00:00
 Recording started over

The Board of Directors decided to review the draft document page by page.

Page 1

3.24.020(C) be clarified with SAIC

Page 2

3.24.020(F) include a definition of safe yield of "approximately X AF per year (X be determined by SAIC source document)

Page 3

Base Year be defined as fixed during the episode.

Page 4-No changes

Page 5

Director Eby asked to reduce each trigger by 10,000 AF. Mr. Seitz stated it's a policy decision by the Board but SAIC should comment on the net effect. It was agreed to leave as is, but to ask SAIC's opinion.

The word "potable" be added to 3.24.060(d).

Page 6

3.24.060(B)(1)(a) Stage 1 becomes mandatory

3.24.060(B)(1)(b) definition should include that ccf equals 1 unit

Page 7

3.24.060(B)(1)g) last line should refer to governed by 3.24.100 and add golf carts to list

3.24.060(B)(1)(k) include outdoor spas

3.24.060(B)1(j) remove entire section

Page 8

3.24.060(C)(1) renumber due to two (b)

3.24.060(C)(d) provide an example of how 400% means 5 times

3.24.060(C)(1)(e) switch Will Serve Letters and setting of new water meters

3.24.060(C)(1)(f) remove from Stage III and add to Stage IV

Page 9

3.24.060(C)(1)(f) remove from Stage III and add to Stage IV as (e)

Page 10

3.24.090(3) remove water meter will be removed and replace with water meter will be locked and, if necessary, removed

Page 11-No changes

Page 12

3.24.090 (A)(2) add hyphen to low-flush

Page 13

3.24.090(C) should be e.g. not i.e.

Staff will make the edits and prepare for circulation.

The Board adjourned to Closed Session at 12:20 p.m. and would return promptly at 1:00 p.m.

1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION
 GC§54956.9 SMVWCD VS NCSD SANTA CLARA COUNTY CASE
 NO. CV 770214 AND ALL CONSOLIDATED CASES.

**Nipomo Community Services District
ADJOURNED MEETING
MINUTES**

CLOSED SESSION ITEMS (CONTINUED)

2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSO CASE NO. CV 040877, MARIA VISTA VS. NCSO CASE NO. CV 061079, AND MARIA VISTA VS. LINDA VISTA FARMS, NCSO 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. NCSO 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; NCSO VS. SLO COUNTY (CASE NO. CV 070066)

Pat Eby – NCSO Customer asked to give Public Comment on Item E-3 since she could not be in attendance for that item. She stated that the Board of Directors should request competitive bids rather than extending the existing contract with Boyle Engineering.

The Board came back into Open Session at 1:00 p.m.

Jon Seitz, District Legal Counsel, announced that the Board heard an update on items 1-4 listed above. There was no reportable action.

01:31:27

E-5) CONSIDER ADOPTION OF WATER AND SEWER MASTER PLAN

Bruce Buel, General Manager, stated the Board of Directors reviewed the administrative draft on November 28, 2007. On December 12, 2007, the final proposed draft was presented to the Board of Directors. The final proposed draft is posted on the web site. Mr. Buel wanted to clarify:

- There is no proposal to build a wastewater treatment facility on Mesa Road
- NCSO will continue to treat its wastewater at the Southland WWTF
- NCSO is trying to find a solution to a serious problem
- The aquitard (thick clay layer) under the ponds are causing a subsurface mound
- NCSO is looking to discharge in another location
- NCSO is looking a puncturing the aquitard to allow percolation
- The research by Fugro, Inc. will be presented to the Southland WWTF Committee on February 4, 2008, and the public is welcome.
- In late winter/early spring we can expect a recommendation on discharge of the treated wastewater
- Any proposal will include environmental review
- An appraisal was prepared on 776 Mesa Road (Silva) to provide a frame of reference as to the cost of land on Mesa Road. No offer to purchase has tendered.

Larry Kraemer of Cannon Associates presented a Summary of Revisions to the Board. Most of the changes were minor edits with the exception to Appendix J. The Fugro Scope of Work has been included and in Section 2, Sundale Well has been added as a near-term maintenance project since the District is relying on it for emergency storage capacity.

Director Eby stated he read both drafts from cover to cover and could not find reference to a new sewer plant. Mr. Kraemer stated it is not in the Master Plan.

E-5) CONSIDER ADOPTION OF WATER AND SEWER MASTER PLAN (continued)

The following members of the public spoke:

John Snyder – Nipomo Resident – Jessie Silva told him NCSD would be buying his property, there has been Closed Session items regarding negotiating the price and terms of the sale, NCSD contacted owners on both sides of Mr. Silva. Item E-5 recommendation is to direct Staff to implement the Master Plan, and there is a budget item for a new sewer force effluent main.

Tom Geaslan – NCSD Customer – Zone 4 does not have sewer and Mesa Road is in Zone 4, leach lines fail because of hair produces, etc, increased nitrates are migrating east of the wastewater treatment facility. Where is the money coming from? There is a housing slump.

Dan Malone – NCSD Customer – stated his disappointment of putting a percolation pond next to his home.

Joan Bonino – NCSD customer – Read a letter to the Board. Stated Kurt Souza of Department of Health Services stated a 4:1 ratio mix would be required and that means using 2 million gallons of potable water each day would be wasted to dilute the discharge.

Barbara Bonino – NCSD customer- continued reading Joan Bonino's letter.

Nancy Mason – NCSD customer – stated there are 3 areas proposed and a discharge site does not belong in her neighborhood.

Thomas Mason – NCSD customer – commented on the 4:1 ratio draft rule by DHS

Ken Whittle – NCSD customer –objects to percolation ponds in his neighborhood. There needs to be notification and discussion and suggested NCSD drill deeper at the existing ponds.

Anne Thus – NCSD customer – stated NCSD contacted 3 owners (Silva, Blume and Anderson). She owns the property with her brother Anderson and this is not fictional.

Ethel Landers – NCSD customer – There is proposed five miles of effluent force main for an effluent percolation pond and does not want it next to her property.

Timothy Myer – NCSD customer – wants to know what the facility would look like

Scott Blume – Nipomo resident – stated his concern about contamination of well water at his home and surrounding area

Rudy Eberly – NCSD customer – commented on the water issues

Bill Nelson – NCSD customer- stated the improvements defined should agree with the fees and revenues coming in

Sue McMahon – NCSD customer – stated she is concerned about contaminated water and the potential health risks and asked that the \$7M project be removed from the bottom of the chart

Mr. Villanueva – NCSD customer – stated NCSD should look at repairing existing facility rather than move it to a new location and is concerned about well contamination

Susan Myer – NCSD customer – time should be taken to make decisions

Nancy Miller – NCSD customer – wants to be part of the solution and not part of the problem and wants to maintain quality of life

Diane Rinehart – NCSD customer – stated she is concerned and NCSD should listen to people

**Nipomo Community Services District
ADJOURNED MEETING
MINUTES**

E-5) CONSIDER ADOPTION OF WATER AND SEWER MASTER PLAN (continued)

President Winn closed the public comment. Discussion ensued by the Board of Directors. Upon motion of Director Eby and seconded by Director Winn, the Board of Directors unanimously agreed that no further Staff action to procure land or design facilities for discharge at this or any location other than the land contiguous to the Southland WWTF other than Fugro, Inc. research that is already in progress. Vote 5-0.

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

Mr. Buel responded to the public comments.

- NCSD is evaluation its options and not picked on single location
- NCSD has not tendered an offer to Mr. Silva – intent of appraisal was to determine value
- NCSD has contacted Mr. Silva’s neighbors
- Clogging of the lines is not a problem; it is the 40’ blanket of clay under the WWTF that prevents the perched water to percolate.
- With the retrofit of the WWTF, nitrates will be reduced
- There is no proposal or concept for percolation ponds
- The 3 areas are on a map in Appendix J of the Water and Sewer Master Plan
- Drill tests have been done to determine soil profiles
- Visual and odor impacts would be addressed in an EIR
- The water issues are being addressed. The Supplemental Water Committee meets on January 22, 2008.
- The repair of the existing WWTF is being looked at by Fugro, Inc. and their findings will be presented at the February 4, 2008, Committee Meeting.

Upon motion by Director Eby and Seconded by Director Trotter the Board of Directors unanimously approved the adoption of the Water and Sewer Master plan as amended by the prior motion. Vote 5-0.

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

At 2:27 p.m. the Board of Directors took a 10 minute break and Director Trotter left the meeting. The Board of Directors heard Item E-3 next.

Nipomo Community Services District
ADJOURNED MEETING
MINUTES

03:44:03

E-6) INTRODUCE ORDINANCE AMENDING REIMBURSEMENT POLICY AND SET SECOND HEARING FOR 1/23/08

This item was heard after Item E-3.

Bruce Buel, General Manager, reviewed the proposed Ordinance. Corrections were made to Section 5.01.010(C) remove the word "any" on line 2. Capitalize District Engineer throughout the document. 5.01.030 add a section (C) to state Ineligible Costs and other minor typographical errors.

There was no public comment. Upon motion of Director Vierheilg and seconded by Director Harrison, the Board of Directors unanimously agreed to read the Ordinance in title only. Vote 4-0.

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

Upon motion of Director Harrison and seconded by Director Vierheilg, the Board of Directors unanimously approved the introduction of the revised Ordinance and set January 23, 2008, as the date for the Public Hearing. Vote 4-0.

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

03:51:59

E-7) RESTRUCTURE FINANCE, AUDIT AND PERSONNEL COMMITTEE; CONFIRM 2008 COMMITTEE ASSIGNMENTS AND CONFIRM 2008 BOARD MEMBER DELEGATIONS TO AGENCIES

Bruce Buel, General Manager, reviewed the President's recommendation to restructure the Finance, Audit and Personnel Committee. There was no public comment. Upon motion of Director Harrison and seconded by Director Eby, the Board of Directors unanimously approved the Committees. Vote 4-0.

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

03:53:33

E-8) CONSIDER PRESIDENT'S PROPOSAL TO SUSPEND PCAS MEETINGS UNTIL AFTER VOTE ON ACTIVATION OF PARKS AUTHORITY

Bruce Buel, General Manager, presented the President's request to suspend the PCAS meetings until after the vote on activation of parks authority. President Winn stated that Chairman Trogden was supportive of the decision. There was no public comment. Upon motion of Director Eby and seconded by Director Vierheilg, the Board of Directors voted to suspend the PCAS. Vote 3-1.

YES VOTES	NO VOTES	ABSENT
Director Eby, Vierheilg and Winn	Director Harrison	Director Trotter

E-9) NOT USED

03:55:53

F. MANAGER'S REPORT

Bruce Buel, General Manager, was available to answer questions. There was no public comment and no questions from the Board of Directors.

G. COMMITTEE REPORTS

There were no committee reports and no public comment.

**Nipomo Community Services District
ADJOURNED MEETING
MINUTES**

03:59:18

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Vierheilig requested Staff to publish the calendar of events in the Manager's Report. Director Eby handed out a letter "Intent-to-Serve Moratorium" and asked for this item to be placed on the Board Agenda.

I. CLOSED SESSION was heard at 12:20 p.m.

04:03:06

ADJOURN

President Winn adjourned the meeting at 3:45 p.m.

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 43 - Years of Service 1965 - 2008

D2

MINUTES

JANUARY 23, 2008 AT 9AM

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

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 directors were present.

Bruce Buel, General Manager, announced the newly elected officers for 2008. Director Winn is President for another term. Director Harrison is Vice President. President Winn thanked Director Vierheilig for serving as Vice President for 2007.

00:01:33

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) WATER CONSERVATION COORDINATOR CELESTE WHITLOW

Celeste Whitlow, Water Conservation Specialist, gave an update of the water conservation activities in the District.

- The landscape design for the District office is being put on hold for now.
- A composting bin and a worm bin have been delivered and will be put up for the upcoming workshops.
- Soil workshop will be Feb. 2. The bare areas in the back will be planted during the workshop
- Bids have been received for tree removal and tree grates. Permits are being obtained.
- Application has been sent for membership in the CUCC (California Urban Water Conservation Council). Rebate information will be available.
- District water consumption for 2007 is up 6-7% from 2006. Some of that is due to lack of rain.
- Outreach materials are being produced and mailed to new customers.
- The February workshops are almost full.
- The conservation information on the website is being revamped. One thing to be added will be a watering index.
- Future outreach will include audits for large water using customers.

The Board asked questions. Is there water management training for gardeners? There was a suggestion to write an explanation of ET (evapo-transpiration).

Nipomo Community Services District
REGULAR MEETING
MINUTES

C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors Items of District & Community Interest

Director Vierheilig announced the annual Orchid Show on March 8-9 in Arroyo Grande. The preview (March 7) will be a benefit for the Alzheimer's Association. Tickets for the preview are \$40.00.

Director Winn announced:

There was a SCAC Land Use Committee meeting Monday, January 21st.

The January SCAC meeting will be Monday, January 28th at 6:30 p.m.

He will be attending the Land Use Law class Friday, January 25th at UCLA. He stated he will bring materials from the class for the Board's information.

WRAC (Water Resources Advisory Committee) will meet February 6th at the San Luis Obispo Library at 1:30 p.m.

C-3) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

Bill Nelson, NCS D resident – stated that it seems the water restrictions seem to be only for NCS D. Other purveyors in the County, such as Woodlands, are not having to follow the restrictions.

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES

Approve Minutes of 1/9/08 Meeting

D-3) AWARD BID FOR CONSTRUCTION OF GRATES AROUND OFFICE TREES AND AUTHORIZE EXECUTION OF AGREEMENT

D-4) RECEIVE REPORT FROM STRATEGIC PLAN WORKSHOP AND ORDER IMPLEMENTATION OF RECOMMENDATIONS

D-5) ADOPT 2008 INVESTMENT POLICY

D-6) AMEND CONFLICT OF INTEREST CODE TO ADD DISTRICT ENGINEER AND SUPERINTENDENT AS DESIGNATED POSITIONS

D-7) AUTHORIZE CONTINUATION OF AUTOMATED CLEARINGHOUSE ORIGINATION FOR DEBIT TRANSACTIONS FOR BILLING AND PAYROLL VIA RABOBANK

The Board pulled Items D-4 and D-6 for separate consideration.

Item D-4 will be considered at a future meeting.

Director Vierheilig asked about Item D-5. Jon Seitz, District Legal Counsel, informed the Board that there is a minor change in the resolution, Exhibit A. The California Government Code Section number changed in Item 6A-3.

Upon motion by Director Harrison and seconded by Director Eby, the Board unanimously approved Items D-1,2,3,5 & 7 of the Consent Agenda as modified. There was no public comment on these items. Vote 5-0.

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

RESOLUTION NO. 2008-1060
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE YEAR 2008 DISTRICT INVESTMENT POLICY

Nipomo Community Services District
REGULAR MEETING
MINUTES

D. CONSENT AGENDA (CONTINUED)

The following member of the public spoke:

Bill Petrick, NCSD resident – read a statement with comments for Items D-4 and E-6. A copy of the statement is available for viewing in the District office.

Item D-6 (pulled for separate consideration)

The Board questioned the Disclosure Categories in Exhibit B, Item II. A and C of the resolution under consideration. Jon Seitz, District Legal Counsel, explained the likelihood of influence that the members of staff would have with investment of the District. The Board asked to have all staff members in the designated positions be required to report in Schedules A-F on the Form 700.

Upon motion by Director Vierheilig and seconded by Director Harrison, the Board unanimously adopted Resolution 2008-1061, as amended. There was no public comment on this item. Vote 5-0.

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

**RESOLUTION NO. 2008-1061
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
REVISING DISTRICT'S FORM 700
REPORTING POSITIONS AND REPORTING CATEGORIES**

00:57:10

E. ADMINISTRATIVE ITEMS

E-1) CONDUCT PROTEST HEARING, DETERMINE PROTEST STATUS, AND IF THERE IS NOT A MAJORITY PROTEST CONSIDER ADOPTION OF RESOLUTION INCREASING TOWN SEWER USER FEES

Bruce Buel, General Manager, gave the background information leading to the protest hearing.

- Board retained the Reed Group - April 2007 to develop a Financial Plan for the Town Sewer System,
- Reviewed a draft plan in July,
- Accepted a Final Plan in September (previously distributed and available for review at the NCSD Office),
- Set this hearing,
- Mailed notice to all properties with a Town Sewer Connection,
- Published notice in the newspaper.

The Protest Hearing was opened. The Board discussed the facts concerning the need to upgrade the wastewater treatment facility. The State has given the District a notice of violation of the BOD requirements.

Robert Reed, rate consultant spoke to the Board.

The following members of the public spoke:

Jeanne Taylor, NCSD resident – stated that the notification of the sewer rate increase should have been mailed in the bill instead of looking like a piece of junk mail. The newspaper coverage should have been in the local paper rather than the Santa Maria Times. This increase will be difficult for the low income and those on a fixed income.

**Nipomo Community Services District
REGULAR MEETING
MINUTES**

E-1) CONDUCT PROTEST HEARING, DETERMINE PROTEST STATUS, AND IF THERE IS NOT A MAJORITY PROTEST CONSIDER ADOPTION OF RESOLUTION INCREASING TOWN SEWER USER FEES (continued)

Ethel Landers, NCSD resident, - asked about the Reed Report and where the water would come from. President Winn explained that Ms. Landers was off topic for this item.

John Snyder, Nipomo resident – stated that the District needs to clearly identify what the funds are for. There is too much confusion.

Ian Wallace, NCSD resident – stated that winter water use does not equal sewer use. He stated each billing period includes some irrigating, even in the winter.

Pat Eby, NCSD resident – stated that there is a disparity between the water use and sewer use.

Mike Kelly, Nipomo resident – asked why we don't have the reserves to cover these problems.

Homer Fox, NCSD resident – stated that the collection of the protests was inappropriate. There should have been a third party to collect and count them.

Thomas Mason, NCSD resident – asked about the cost of the upgrade and with the grim financial situation worldwide, what happens if development doesn't happen?

The public comment period was closed. No other protests were presented.

Bruce Buel, General Manager, answered some of the comments:

The notices were sent by the most cost-effective method.

The Santa Maria Times was more cost-effective than the Tribune.

The cost for the study is necessary to protect ratepayers so the end product accomplishes the goals.

The reserves that have been set aside thus far have kept the rates to a minimum and not build a large reserve. The improvements needed are state-mandated. The existing reserves will be used.

Counting the ballots – The law provides for the District to collect the ballots. They have been safe-guarded. It is a public venue. Most districts count their own ballots.

Where will the money come from if there is a moratorium – When the moratorium is lifted, the developers would pay their fair share.

Concept of increasing rates is painful but necessary.

There were 32 protests received. A majority protest would involve the submission of protests for 1,043 properties.

President Winn asked that the staff put future notifications in the Tribune as well as the Santa Maria Times. Neither the Times Press Recorder nor the Adobe Press meets the legal standard to be the newspaper of record. The Board discussed staff's recommendation to adopt the rates.

Upon motion by Director Eby and seconded by Director Winn, the Board adopted the resolution increasing the sewer rates, as amended and directed staff to implement the new user fees. Vote 4-1 with Director Vierheilig voting no.

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

RESOLUTION NO. 2008-1062

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING APPENDIX A TO CHAPTER 4.12 OF THE NIPOMO COMMUNITY SERVICES DISTRICT CODE TO INCREASE SEWER RATES WITHIN THE TOWN DIVISION

Nipomo Community Services District
REGULAR MEETING
MINUTES

The Board took a break at 11:13 a.m. and returned at 11:25 a.m.

02:11:37

E-2) CONDUCT PUBLIC HEARING AND CONSIDER ADOPTION OF RESOLUTION INCREASING TOWN SEWER CAPACITY FEES

Bruce Buel, General Manager, reviewed the process taken by the Board up to this point for increasing the Town Sewer Capacity Fees.

- April 2007 -The Reed Group was retained to develop financial plan for sewer system
- July 2007 – reviewed draft plan
- Sept. 2007 – accepted final plan
- Sep 26 2007 – set public hearing and directed staff to publish notice of hearing.
- Published notice twice in January

Mr. Buel explained that if adopted today, the capacity fee would increase as indicated in the resolution and be effective July 1, 2008, and increase each year thereafter by the percentage increase in the 20-Cities Construction Cost Index published by the Engineering News Record using the July, 2007, value of 7,959 as the basis and the Index value for May of each year to calculate the increase. He also stated that the division of the costs of the upgrade is shared between the users through their User Fees and the developers through the Capacity Charges.

The meeting was opened to a public hearing to receive community feedback.

Mr. Robert Reed, of The Reed Group, explained that sewer capacity fees increases reflect the cost of capacity in the Town Sewer System. The increases include the buy-in which reflects the cost of the collection system, the planned treatment improvements, and the capacity allocation.

The Board asked questions:

Does any of this capacity charge fee collected go into off-site discharge from the wastewater treatment facility? Answer: No.

Are there any upgrades in the Town system? Answer: Yes, it is planned to upgrade the undersized trunk line in Frontage Road from Division south to the treatment facility.

The following members of the public spoke:

John Snyder, Nipomo resident – stated that Mr. Reed's August 24, 2007 report does not specify where the \$12 million from the capacity fee increase will be spent.

Greg Nester, Nipomo resident and developer – stated that there have been few sales in the past year and County fees are increasing as well as the requirements for water conservation. He stated that if the Board is looking to development for helping fund the sewer upgrade, it may be a long time.

There was further Board discussion. Upon motion by Director Eby and seconded by Director Trotter, the Board adopted Resolution 2008-1063. Vote 3-2 with Directors Harrison and Vierheilg voting no.

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

RESOLUTION NO. 2008-1063
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING APPENDIX B TO CHAPTER 4.12 OF THE
NIPOMO COMMUNITY SERVICES DISTRICT CODE TO
ESTABLISH NEW TOWN DIVISION SEWER CAPACITY CHARGES

MINUTES SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
REGULAR MEETING
MINUTES

The Board chose to consider Item E-5 & E-6 next.

02:27:44
11:44 a.m.

E-5) APPROVE FORMATION OF AD HOC COMMITTEE TO INTERACT WITH BLACKLAKE COMMUNITY, APPROVE MISSION STATEMENT, AND RATIFY PRESIDENT'S NOMINEES

Bruce Buel, General Manager, explained that at the January 9, 2008 Board meeting, the Board canceled the 1/23/08 Protest Hearing for the Blacklake Sewer User Fee and agreed to receive additional input from the Blacklake community. A Blacklake resident, at that meeting, also requested that your Honorable Board form an Ad Hoc Committee.

The following member of the public spoke:

Pat Eby, NCSD resident – thanked the Board for considering the request to meet with the members of the BLMA committee. She stated that the mission statement as printed in the Board letter differs from the BLMA committee's objectives. The committee as wanting to negotiate user fees and surcharges in good faith and propose them to the full NCSD Board.

Jon Seitz, District Legal Counsel, informed the Board that any time rates are increased, it is subject to Proposition 218.

The Board discussed the matter further. They agreed that the mission statement would include interaction with the BLMA and other interested Blacklake residents. Upon motion by Director Vierheilig and seconded by Director Harrison, the Board agreed to form an Ad Hoc Committee with the mission statement in the Board letter, as modified. President Winn appointed Director Harrison and himself to the committee. Vote 5-0. President Winn set the February 13th regular Board meeting to report back to the Board on the progress of the Ad Hoc Committee's meetings. Vote 5-0.

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

02:50:51
12:07 p.m.

E-6) CONSIDER REQUEST OF DIRECTOR EBY TO MODIFY EXISTING INTENT-TO-SERVE POLICIES

Bruce Buel, General Manager, reviewed the request from Director Eby to modify the existing Intent-to-Serve policy.

Jon Seitz, District Legal Counsel, explained that enactment of a moratorium would entail the adoption of an ordinance declaring a water shortage emergency pursuant to Water Code Section 350.

Board discussion ensued. Director Eby stated that the reason for the request was precipitated by the January 6, 2008 SAIC memo predicting a catastrophic groundwater in storage condition in 12 to 14 years, namely seawater intrusion in regional areas possibly sooner. With the search for a supplemental water supply taking longer than originally planned, it seems that the District does not need to continue supplying water to new development. The District needs to show that we have done our part to solve the problem.

The following members of the public spoke:

El Jay Hansen, rural Arroyo Grande resident – stated that we all share the aquifer. The District should guard against seawater intrusion.

E-6) CONSIDER REQUEST OF DIRECTOR EBY TO MODIFY EXISTING INTENT-TO-SERVE POLICIES (continued)

Istar Holliday, rural Nipomo resident – stated that she supports a moratorium. She reminded the Board that years ago, she told the Board about the danger of seawater intrusion. There needs to be water in the pipeline before allowing more development. The Board needs to protect its customers.

Bill Petrick, NCSD resident – stated that he agrees with a moratorium until a relationship between water use and groundwater level is proven. The SAIC model needs to be validated and calibrated.

Greg Nester, Nipomo resident and developer/developer – stated that the development industry is a part of a community with local employees and local sub contractors. Perhaps there could be some more discussion with the water suppliers and not more studies.

Gordon Gracia, NCSD resident – stated that the Nipomo area is a small portion of the entire County. All of the County should participate in this conservation. It seems a moratorium would handicap this area.

Director Eby answered that the report is the only indicator we have right now. He stated that the milestone necessary to lift a moratorium could be having an agreement with the City of Santa Maria to safely predict when water may be in the system. That could possibly be in approx. 12 months. Also about conditional Intent-to-Serve letters - he would not like to give anyone false hopes to receive water when there may not be any available.

Director Vierheilg stated that the time to lift a moratorium would be when the design of the supplemental water supply is complete, when the funding is secured, an EIR is certified.

Director Harrison stated that a moratorium is short-sighted and premature. The Emergency Water Shortage Regulations will handle the situation.

Director Trotter stated that the District needs to back off from commitment.

Director Winn stated that he does not support a moratorium without a way to avoid litigation. The Emergency Water Shortage Regulations will get to a moratorium if the water level reaches a Level II.

Director Eby made a motion to direct staff to agendize this item for a future meeting and to draft an ordinance to reflect options that are still open such as what events would lift the moratorium and other items in his letter to the Board. Director Trotter seconded the motion. Vote 2-3 with Directors Harrison, Vierheilg and Winn voting no. The motion failed.

The Board took Closed Session next.
 Item E-3 will be considered after Closed Session.

03:31:30
 12:47 p.m.

I. CLOSED SESSION ANNOUNCEMENTS

Jon Seitz, District Legal Counsel, announced the items to be heard during Closed Session.

1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION
 GC§54956.9 SMVWCD VS NCSD SANTA CLARA COUNTY CASE
 NO. CV 770214 AND ALL CONSOLIDATED CASES.

Nipomo Community Services District
REGULAR MEETING
MINUTES

I. CLOSED SESSION ANNOUNCEMENTS (CONTINUED)

- 2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSO CASE NO. CV 040877, MARIA VISTA VS. NCSO CASE NO. CV 061079, AND MARIA VISTA VS. LINDA VISTA FARMS, NCSO 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. NCSO 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; NCSO VS. SLO COUNTY (CASE NO. CV 070066)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment on the Closed Session items.

K. ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 12:48 p.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:30 p.m.

Jon Seitz, District Legal Counsel, announced that the Board heard an update on the items listed above. There was no reportable action.

03:33:01
1:30 p.m.

E-3) CONDUCT SECOND READING AND CONSIDER ADOPTION OF ORDINANCE AMENDING REIMBURSEMENT POLICY

Bruce Buel, General Manager, explained that the current reimbursement ordinance code needs to be revised to clarify the costs that are allowable for inclusion in the calculation of the reimbursement fee and to require the applicant to provide additional information with the application for reimbursement to facilitate processing. The purpose of the ordinance is to provide a mechanism to at least partially reimburse private parties for a portion of the costs of the public service extensions installed to serve their property if the extensions may also serve adjacent landowners in the future.

There was no Board discussion.

There was no public comment.

Upon motion by Director Harrison and seconded by Director Vierheilg, the Board unanimously adopted Ordinance 2008-107. Vote 5-0.

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

ORDINANCE NO. 2008-107
AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING CHAPTER 5.01 OF THE DISTRICT CODE
REGARDING REIMBURSEMENT AGREEMENTS

03:35:30

E-4) RECEIVE PRESENTATION FROM DISTRICT LEGAL COUNSEL REGARDING OPTIONS TO REGULATE NEW GROUNDWATER WELLS

Mr. Buel introduced Jon Seitz, District Legal Counsel, to present this item.

Mr. Seitz spoke to the Board and the public.

He informed that the District's primary jurisdiction for regulations is within the District boundary. The District has little authority outside District boundaries except those that require a type of environmental review as part of the project application. He reminded the Board that he is not the District's water law attorney. Mr. Markman has not reviewed or commented on this presentation.

What regulates wells:

- District Annexation Policy – only remaining use for a well on annexed property is for agricultural purposes.
- Yet-to-be signed stipulated judgment restrictions within NMMA for stipulating parties
- Health and safety regulations to upgrade a well location, especially in connection with septic tanks or objectionable material (by Health Dept. standards)
- Not to interfere with the neighbor's well
- Backflow requirements so as not to contaminate the District's water system (*Freeman v. Contra Costa County Water District*)
- Conditional use permit (*Allegretti v. County of Imperial {2006}*)
- Exporting groundwater out of county with a groundwater management program without a permit

Board discussion ensued. The Board asked if the District could impose regulations outside District boundary but within the Sphere of Influence. Mr. Seitz answered no. The Board discussed several scenarios that the District could possibly impose restrictions for wells within the District.

There was no action taken.

04:11:49
2:11 p.m.

F. MANAGER'S REPORT

Bruce Buel, General Manager, presented the Manager's Report as written in the Board letter. There were some Board questions about the completion of the shop upgrade. There was no public comment.

G. COMMITTEE REPORTS

1. Jan 4, 2008 Water Conservation Committee Meeting
2. Jan 14, 2008 Parks Committee Meeting

Director Eby noted that there was a Supplemental Water Committee meeting January 22, 2008. The desalination project could have a three year schedule. The next meeting will be February 25, 2008, at 1:00 p.m.

04:15:35

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Vierheilig asked for the Fall water level reports and the outflow to the ocean.

Director Harrison asked about the Rossi project at Blacklake.

Director Winn asked about the licensing process for landscape gardeners.

He would like a courtesy copy of the press releases before they are released to insure that they are technically and factually correct.

ADJOURN

President Winn adjourned the meeting at 2:32 p.m.

➤ THE NEXT REGULAR BOARD MEETING IS FEBRUARY 13, 2008.
TENTATIVELY SCHEDULED ITEMS INCLUDE:

- Water Conservation Plan
- Miller Park Assessment Report

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

NIPOMO COMMUNITY SERVICES DISTRICT

Wednesday, January 30, 2008

6:30 P. M.

SPECIAL MEETING MINUTES

BOARD of DIRECTORS

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

PRINCIPAL STAFF

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

MEETING LOCATION
THE FORUM
NIPOMO HIGH SCHOOL
525 North Thompson Avenue
Nipomo, California

A. CALL TO ORDER, ROLL CALL, AND FLAG SALUTE

President Winn called the meeting to order at 6:35 p.m. and led the flag salute. At Roll Call, all Board members were present. Each Director introduced himself and gave a short bio.

President Winn welcomed everyone to the meeting. He explained that according to the Brown Act, public may comment only to items on topic. There is only one topic at this meeting "Emergency Water Supply Regulations".

He presented an overview of the process for the night. The speakers will give their presentation. "Public Appearance Request Forms" were made available. The persons requesting to speak will be taken in the order the requests were received. Each speaker will have four minutes.

B. PRESENT PROPOSED EMERGENCY WATER SUPPLY REGULATIONS AND RECEIVE COMMUNITY FEEDBACK

Bruce Buel, General Manager, reviewed the process for consideration of the Emergency Water Supply Regulations. He introduced Dr. Brad Newton of SAIC (Science Applications International Corporation) who presented a set of slides describing the Nipomo Mesa Area as it pertains to the Emergency Water Supply Regulations. (A copy of the slides is available for viewing in the District office.) Dr. Newton described the Scope of Work SAIC was commissioned to perform. The list of slides for the Emergency Water Shortage Regulations is as follows:

Scope of Work

- Evaluate Current Consumptive Use
- Groundwater in Storage (1975-2039)
- Proposed Water Emergency Triggers

Land Use Calculation

- Consumptive Use Calculation
- Groundwater in Storage Above Sea Level
- Historic GWS and CU
- Estimates of Future GWS (1)

Estimates of Future GWS (2)

- Estimates of Future GWS Summary
- Evaluate GWS as Trigger Mechanism
- Evaluation of GWS as Trigger (1)
- Evaluation of GWS as Trigger (2)
- Summary of Findings

NIPOMO COMMUNITY SERVICES DISTRICT

Wednesday, January 30, 2008

6:30 P. M.

SPECIAL MEETING MINUTES

Bruce Buel, General Manager, gave a summary of the Emergency Water Supply Regulations.

The Board took a break from 7:37 p.m. to 7:49 p.m.

The following members of the public spoke:

Phil Henry – Water use is an attitude. Growth is going to come and it needs to be managed. He stated that he applauds the Board for looking at this situation.

Jim Pelkey – thanked the Board and Mr. Buel for their work in the District. He suggested no more Intent-to-Serve letters to avoid salt water intrusion. He stated "Let's be responsible."

Ian Wallace – stated that the regulations are premature and too punitive. Other water purveyors should get involved. To Dr. Newton he stated that one reading in April is not good enough for stages predictions.

Bill Petrick – stated that the information presented is speculative. There is no universal model. He showed a slide with different data. He stated that the trigger points are meaningless.

Sharon Petrick – asked what happened to supplemental water? We paid \$750,000 for a study. We are being punished by NCSD's failures.

Mark Westfall – asked for a 15% voluntary conservation. Conservation is not a difficult thing for adults to do.

Terry Stenson – stated that he is a landscape engineer. The biggest users are the biggest offenders. He stated that golf courses use 60 million gallons of water per year. Water is too cheap. There needs to be an incentive. Low-flow toilets are not much of a water saver. He asked where the "fine" money would go.

Rick Dean – stated there are problems with the proposed regulations. The Board is supposed to provide water to its customer. There should be a building moratorium.

John Snyder – stated that he has attended every groundwater adjudication trial hearing. There is no basis that Nipomo needs to have its rainfall falling solely within that yellow line. He stated that the information on the chart is incorrect.

Harry Eby – stated that we are in an overdraft because we have over-built. He is against spending more money on research. Stop building until supplemental water.

Jeanne Taylor – read a statement asking where the water emergency is. She read some figures that concluded in the past 53 years, there has been no overdraft.

Bill Larsen – also read a statement saying NCSD needs to cease the scare tactics. He stated with 3000 AFY NCSD pumped, it is only 30% of the 10,000 pumped from the Mesa. With the proposed conservation, it would only save about 15%. At Level 4, NCSD customers must reduce consumption by 50%. If prohibition of watering lawns were implemented, over 4 years all plant life would die and property values would plummet. The San Luis Obispo Board of Supervisors should pass laws for all the water companies on the Mesa.

Original document found at www.NoNewWipTax.com

MINUTES SUBJECT TO BOARD APPROVAL

NIPOMO COMMUNITY SERVICES DISTRICT
Wednesday, January 30, 2008
6:30 P. M.
SPECIAL MEETING MINUTES

PUBLIC COMMENT CONTINUED

Pat Eby – asked why the regulations were based on excessive negative measures. She suggested positive measures. We all need to conserve without unjustified scare tactics. The Board was elected to serve all the members of the District.

Noel Heal – stated that for NCSD to implement the proposed regulations would be like declaring a unilateral cease-fire without the others joining.

Howard Elston – stated that some regulations should have been done a while ago. Voluntary conservation is the best. Measure levels more than once a year.

Ian Cook – stated that he moved to Nipomo seven years ago. Now NCSD may take away big yard. Levels need to be measured more than once a year. Why are we issuing any more building permits?

Ingmar Laurinson – stated that he hates to pay for studies but someone needs to find out where the water that is coming in is going out.

Lana Sigman – stated that we need to preserve water, power etc. The Board is elected to help, not create scare tactics.

Steven D. Forst – stated his concern that his using less water this year will come back on him later. If we don't have enough water, then stop the building. Take care of the customers who are here.

Dave Gaddis – asked what stage of conservation is the District in now. He stated that jail time for excessive use of water is too much. The District needs a moratorium.

President Winn announced that staff would respond.

Bruce Buel, General Manager, explained how growth occurs on the Nipomo Mesa.

San Luis Obispo County has the land use authority.

Board of Supervisors has designated Nipomo as one of the primary growth areas. Nipomo Mesa is approx. 20,000 acres. Nipomo CSD is about 4,000 acres. The District is roughly 20% of the land mass. The District cannot prevent the formation of mutual water companies but could possibly have some effect on drilling of new wells.

The Nipomo Community Services District Board has established an allocation program as a means to limit new Intent-to-Serve letters.

In response to the public comments:

- Consumptive use irrelevant – That is not the case. There is production minus the return flow. Consumptive use is 10,560 and the average recharge is 5,500 acre feet. With zero additional growth, we are in the hold on the average about 5,000 acre feet a year.
- Where the fine money will go? – the Board policy is yet to be addressed. Perhaps it will be used to help pay for the loss of revenue from customers conserving water.
- Save water now, penalize tomorrow? – No, that is not the case. A flat amount per lot size is planned to be used.

Copy of document found at www.NoNewWipTax.com

MINUTES SUBJECT TO BOARD APPROVAL

NIPOMO COMMUNITY SERVICES DISTRICT
Wednesday, January 30, 2008
6:30 P. M.
SPECIAL MEETING MINUTES

Bruce Buel's comments (continued)

- What stage are we in now? - With the Spring water level measure at 93,000 AF, we would be at Stage 1. Depending on how much the basin recharged during the recharge period. The groundwater level is generally low in October.

Dr. Brad Newton, SAIC - in response to the public comments:

- Consumptive use? – The amount of water taken out of the system. The return flows are not a part of the consumptive use.
- Value of multiple measurements in a water cycle
- Geology on the mesa is very complex. For the report, SAIC needed to make simplifications.
- Subsurface flow bounds account for variations.
- Yellow Line? – A boundary that was chosen in 1975 and has been consistently used
- Where did the 27,000 AF go? - There was a 25-foot drop on average across the mesa. It is likely that it was due largely to the lack of rainfall last year, some from pumping, some outfall to the ocean. We don't know exactly.

Jon Seitz, District Legal Counsel – in response to the public comments:

- Some people say that the District seems to be cherry-picking the reports. San Luis Obispo County commissioned Papadopoulos to do an independent study in 2003-04. That report came to the same conclusions. The County has adopted a Level of Severity III for the Nipomo Mesa. The groundwater use is exceeding the recharge.
- Judge Komar, in the groundwater adjudication, made a finding regarding the Nipomo Mesa and the cones of depression – one single event did not constitute enough to establish a general overdraft groundwater-basin-wide which includes from Santa Maria to Pismo Beach. But the judge did finally find an overdraft in the Santa Maria Basin. It is suggested to focus on the judge's findings and not the testimonies which may be misleading.
- The District has taken several measures toward conservation. The yellow line, as referenced before, is approx. the Nipomo Conservation Area adopted by the SLO County Board of Supervisors
- The District had SLO County pass Ordinance 3090 that there would be no more General Plan Amendments within the NMMA until a supplemental water supply is on the mesa to serve the proposed project. Ord. 3090 also says that no subdivision authorized at the current general plan can subdivide without paying a supplemental water fee.
- The District imposed large supplemental water capacity fees. Developers are paying toward finding a supplemental water supply.
- The District has a water allocation policy that limits the number of Intent-to-Serve letters per year.

NIPOMO COMMUNITY SERVICES DISTRICT
Wednesday, January 30, 2008
6:30 P. M.
SPECIAL MEETING MINUTES

Director Eby

The proposed Emergency Water Supply Regulations are in draft form and not in effect. He stated that jail time for water use violations is over the top. He stated that does not support them as written.

NCSO uses only 30% of the water in the mesa. Even with conservation, we will run out of water in 12-14 years.

There may be some errors in the reports but it seems to be the best information available. The reports do show a trend. Conservation alone will not solve the problem. The District is looking into getting a supplemental water supply quickly.

Director Vierheilig

He stated that he is on the Water Conservation Committee. The proposed regulations are not palatable. Conserving water is necessary.

Director Trotter

He stated that he is pleased with the turn out to the meeting. He agreed that the regulations are too punitive. The groundwater adjudication court settlement dictated a committee be formed.

Director Harrison

He stated that the regulations should be educational. We will try to make the regulations fair even though some people will not like it.

Growth will happen even if the District did not allow any more connections. Mutual water companies would be formed and there would be no regulation on the amount of water use.

It is possible to stay below the minimum water use.

Director Winn

He stated that the directors have listened to the public and have taken notes. They will try to incorporate some of the suggestions. As for conservation, sometimes educating the public is not enough. For example, the Human Resources Conservation District analyzed water use in Nipomo Park and showed the Nipomo Parks how they could save \$25,000 per year, but they have yet to implement the changes.

The groups at this meeting have differing views about many things including overdraft or not, growth or not.

C. ADJOURNMENT

President Winn adjourned the meeting at 9:28 p.m.

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: FEBRUARY 5, 2008

**AGENDA ITEM
D-3
FEB. 13, 2008**

**AWARD BID FOR REMOVAL OF DANGEROUS TREES AT OFFICE,
AUTHORIZE EXECUTION OF AGREEMENT, & TRANSFER OF FUNDS**

ITEM

Authorize General Manager to execute a contract and work order with Tutt Tree and Crane Service and amend the FY07-08 Budget transfer funds out of reserves into the Administrative Building Repair Line Item [RECOMMEND ADOPTION].

BACKGROUND

On July 25, 2007, the District received from Dave Ragan, Certified Arborist, a Site Assessment of the trees on the District office property. On the Site Assessment, Mr. Ragan documented safety issues with five trees, and recommended their removal. On December 1, 2007 Request for Proposals were issued to four Certified Arborists.

Subsequently it was determined that one of the five trees was on San Luis Obispo County property.

As of January 9, 2008 there had been no response to the RFPs issued. On January 9, 2008, Tutt Tree and Crane Service (Michael Tutt) called and asked to view the trees. We met on January 10, 2008 and Mr. Tutt was informed that there were only four trees that would be included in the job.

Tutt Tree and Crane Service submitted the attached Quote on January 14, 2008, for \$3,375 for removal of the four unsafe trees.

RECOMMENDATION

Staff recommends that your Honorable Board authorize the General Manager to execute a contract and work order with Tutt Tree and Crane Service for removal of the four unsafe trees and amend the FY07-08 Budget to transfer \$3,375 from reserves into the Administrative Building Repair Line Item.

ATTACHMENT

- Tutt Quote

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2008\AWARD BID FOR TREE REMOVAL.DOC

NIPOMO COMMUNITY

BOARD MEMBERS

MICHAEL WINN, PRESIDENT
LARRY VIERHELIG, VICE-PRESIDENT
CLIFFORD TROTTER, DIRECTOR
ED EBY, DIRECTOR
JAMES HARRISON, DIRECTOR



SERVICES DISTRICT

STAFF

BRUCE BUEL, GENERAL MANAGER
LISA BOGNUDA, ASSISTANT ADMINISTRATOR
JON SEITZ, GENERAL COUNSEL

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932 Email address cwhitlow@ncsd.ca.gov

December 10, 2007

REQUEST FOR PROPOSALS

Nipomo Community Services District ("District") is requesting proposals for removal of five trees (and stump-grinding) located in the District's office landscape at 148 S. Wilson Street, Nipomo, California. The trees to be removed are:

- (1) *Pyrus kawakamii*
- (1) *Liquidambar styraciflua*
- (1) *Eucalyptus globulus*
- (2) *Eucalyptus sideroxylon*.

Scope of Work

The Scope of Work is attached as Exhibit "A."

Viewing of the trees to be removed can be scheduled by contacting Celeste Whitlow, Conservation Specialist, (805) 929-1133 and cwhitlow@ncsd.ca.gov

CONTRACT REQUIREMENTS

Contractor shall be a licensed landscape contractor and shall be required to enter into a contract and provide the required certificates of insurance (sample contract attached).

Contractor and contractor's staff performing the work shall be Certified Arborists and shall be required to provide documentation of current certification from the International Society of Arboriculture (ISA).

Prevailing Wage shall be paid as determined by the Director of Industrial Labor Relations of the State of California pursuant to California Labor Code Part 7, Chapter 1, Article 2. Prevailing wage determinations are available on the web at www.cslp.ca.gov

INSURANCE REQUIREMENTS

1. Contractor shall maintain and provide proof of worker's compensation insurance to statutory limits, in compliance with state and federal statutes.
2. The Contractor shall maintain and provide proof of comprehensive general liability and automobile liability insurance protecting it against claims arising from bodily or personal injury or damage to property, including loss of use thereof, resulting from operations of Contractor pursuant to this Agreement or from the use of automobiles and equipment of the Contractor. The amount of this insurance shall not be less than \$1 million combined single limit. The District, its employees, officers, General Manager and directors shall be listed as additional insured.

SUBMITTAL

Your proposal shall include the following:

1. Company profile

2. List of at least three references, including name and telephone number of contact person
3. Bid sheet (page 4) shall be signed by an official authorized to bind the company and placed in a sealed envelope. The exterior of the envelope must identify the quote as "Tree Removal Services."
4. Certificates of Insurance.
5. Proof of Certification from the International Society of Arborists.
6. Proposal shall be valid for 90 days from due date of submittal


Due Date

Proposals must be submitted to Nipomo Community Services District, 148 S. Wilson Street, Nipomo, no later than 1:00 p.m. on Monday, January 14, 2008.

NCS D reserves the right to reject any and all submittals and/or solicit new submittals at its discretion.

If you have any questions, please contact Celeste Whitlow, Conservation Specialist, at (805) 929-1133, cwhitlow@ncsd.ca.gov

Sincerely,
NIPOMO COMMUNITY SERVICES DISTRICT



Bruce Buel
General Manager

Enclosure

EXHIBIT "A" TREE REMOVAL SERVICES

NOTE: Whenever the term "As necessary" is used in this Exhibit it is understood to mean that the operation shall be performed using industry accepted good landscape practices.

Nipomo Community Services District ("District") is requesting proposals for removal of five trees (and stump-grinding) located in the District's office landscape at 148 S. Wilson Street, Nipomo, California.

- (1) *Pyrus kawakamii*
- (1) *Liquidambar styraciflua*
- (1) *Eucalyptus globulus*
- (2) *Eucalyptus sideroxylon*.

Viewing of the trees to be removed can be scheduled by contacting Celeste Whitlow, Conservation Specialist, (805) 929-1133 and cwhitlow@ncsd.ca.gov


Contractor shall be responsible for the erection and maintenance of all public safety barriers during the period of tree removal.

All debris and materials resulting from the tree removal and stump-grinding shall be, in a timely manner, collected and removed from District property and disposed at the appropriate facility.

In order to avoid interference with District meetings, scheduling of work activities shall require approval by Celeste Whitlow, Conservation Specialist.

NIPOMO COMMUNITY SERVICES DISTRICT
REQUEST FOR PROPOSAL
TREE REMOVAL SERVICES
BID SHEET

CONTRACTOR NAME TUTT TREE & CRANE SERVICES

Removal and stump-grinding of five (5) trees.	Total Amount
	\$ <u>3,375⁰⁰</u>
	<u>1-14-08</u>
Signature	Date

January 7, 2008

City of Atascadero
6907 El Camino Real
Atascadero, CA 93422

Attn: Warren Frace
Community Development Director

RE: RFQ Consulting Arborist Services

Dear Mr. Frace,

It is with great pleasure that I submit a brief response to the request for Consulting Arborist Services for the City of Atascadero.

My name is Michael E. Tutt, President of Tutco, Inc. DBA Tutt Tree and Crane Service.
P.O. Box 6039, Los Osos, CA 93412
Cell Phone: 805-235-3300 - Office Phone: 805-528-2900 - Fax: 805-528-3450
Physical Address: 2079 Willow Dr., Los Osos, CA 93402
CA Drivers License: E0663002
CA State Contractors License: 606137
Possess C-61 D-49 Limited specialty (Tree Work)
Also Possess Class A License - General Engineering (Excavation/Grading, etc.)
Certified Arborist - Western Chapter 1016A (15 years)
Member of International Society of Arboriculture Professional Member #20473
Certified Crane Operator 060425877 - Small & Large Telescopic Cranes

My Educational Experience:

1972.....Graduated No. 18 in my class at Tustin, High School, Tustin, CA
1972-1973.....Attended University of Southern California, Focus on Architecture/ Engineering
1974.....Transfer to CAL Poly, SLO (Established Residency in Los Osos to this day.)
Focus on Architectural Engineering
Simultaneously founded Tutt Tree & Crane Service as an income source. Did not
Graduate from Poly as my interests changed to Arboriculture.

WLB

I have enjoyed a satisfied career and have raised a family (3 children; Ages 20, 22, 28).
The success of my business and investments have allowed me to semi-retire from day-to-day operations. The Atascadero Arborist position would be a "perfect fit" challenge.

The City of Morro Bay has utilized my services on an "as needed" basis for the last 20 years. (As their budget allowed.) I have completed many arborist reports, hazardous tree evaluations, and/or consulting service for the City's urban forest. Additionally, I have completed many "tree service" contracts for them through the years. Contact: City of Morro Bay, Public Services, 955 Shasta Ave, Morro Bay, CA 93442 - (805) 772-6261 - Bill Boucher / Special Project Coordinator
Roger Pelletier (Retired June 2007) Tree Supervisor

*BANKER: MR. ROSS DAVIES PRESIDENT / FIRST
BANK OF SLO 805-265-7123*

In 1999 I was elected to LOCAC (Los Osos Community Advisory Council), and I am still seated on the Council. The Council conducts monthly public meetings and more as needed to discuss and offer opinions to the SLO County Planning Commission and Board of Supervisors, concerning projects in Los Osos. This experience has been a valuable source of knowledge and personal contact with County Staff and others from the community, forging working relationships with a diverse group.

Additionally, I have been processing and approximate 20 acre development of my own in Los Osos (in the Coastal Zone) for the last 7 years. I am very familiar with the challenges and frustrations developers face. My project involves mitigation measures including a 10.3 acre open space dedication and the creation of a wildlife corridor located in a riparian wetland, with a live stream. Difficulty factor about a 9.5 on a scale of 1 to 10.

I am open-minded and can see both sides of conflict. It is very satisfying to craft specifications that all parties are comfortable with.

Cost Estimate:

I will provide my services on an hourly basis @ \$90.00/hr.

Travel time to/from Atascadero @ flat rate of \$100.00 round trip.

I do not anticipate any outsourcing or sub-contracting to be necessary. Obviously, should out-side consulting be required, the service would be on a time and material basis or by direction of staff.

I feel particularly secure in declaring I have no past, on-going or potential conflicts of interest. My Company rarely has worked in Atascadero as the community is saturated with tree services. Inquires for tree service in Atascadero are forwarded to competent established companies.

In closing, it is my utmost wish to receive a personal interview for more specific consideration.

Thank you,

Respectfully Submitted

Michael E. Tutt
President, Tutco Inc.

Encl: Liability Insurance (\$2,000,000)
Workmen's Comp Insurance
Certifications / Licenses

CALIFORNIA

DRIVER LICENSE CLASS: C

EXPIRES 06-18-10
E0663002

MICHAEL EUGENE TUTT
PG BX 6039
LOS OSOS CA 93412

SEX: M HAIR: BRN EYES: BRN
HT: 6-02 WT: 185 DOB: 06-18-54

Michael E. Tuttt
05/02/2005 235 RB FD/10

State Of California
CONTRACTORS STATE LICENSE BOARD
ACTIVE LICENSE

Consumer Affairs

License Number **606137** Entry INDIV

Business Name **TUTT TREE & CRANE SERVICE**

Classification(s) A C61/D49

Expiration Date 11/30/2008




20473

PROFESSIONAL MEMBER
Michael Tutt

Membership Card Expires: 12/31/2008



International Society of Arboriculture
CERTIFIED ARBORIST

Michael Tutt

Certificate Number: WE-1016A
Expiration Date: Jun 30, 2010

Certified Crane Operator

Identification Number: 0425877

Certification Designations: TSS, TLL


Issue Date: 04/30/2006 Expiration Date: 04/30/2011

Issued To: MICHAEL E TUTT

John M. Kennedy John M. Kennedy, President, CCO Board of Directors
Graham J. Brent Graham J. Brent, Executive Director, CCO

For identification purposes only. Subject to provisions of suspension or revocation.

National Commission for the Certification of Crane Operators



PRODUCER Cary Adler

Hub International of California Inc

305-682-2571

10 E. Alamar Avenue

Santa Barbara, CA 93105

305-682-2571 ... fax 805-682-1056

INSURED

Tutt Tree & Crane Service

P. O. Box 6039

Los Osos CA 93412

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A Hartford Fire Insurance Company

COMPANY B

COMPANY C

COMPANY D

CLIENT COPY

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO. TR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	72UUNSR3726	06/17/2007	06/17/2008	GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 PERSONAL & ADV INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 300,000 MED EXP (Any one person) \$ 10,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	72UUNSR3726	06/17/2007	06/17/2008	COMBINED SINGLE LIMIT \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				WC STATUTORY LIMITS OTH-ER EL EACH ACCIDENT \$ EL DISEASE - POLICY LIMIT \$ EL DISEASE - EA EMPLOYEE \$
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
 Evidence of Insurance is provided to the certificate holder listed below.

CERTIFICATE HOLDER

State of California
 Dept. of Parks and Recreation
 Attn: Vincent G. Cicero
 750 Hearst Castle
 San Simeon, CA 93452

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, 10 days notice for non-payment BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

[Signature]

**STATE
COMPENSATION
INSURANCE
FUND**

P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

ISSUE DATE: 12-01-2007

 GROUP:
 POLICY NUMBER: 1414107-2007
 CERTIFICATE ID: 2
 CERTIFICATE EXPIRES: 12-01-2008
 12-01-2007/12-01-2008

 CONTRACTORS STATE LICENSE BOARD
 ATTN: WORKER'S COMP. UNIT
 P O BOX 26000
 SACRAMENTO CA
 95826

SL

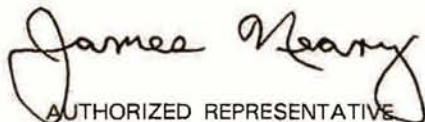
 LICENSE NUMBER: CONTR LIC #606137
 INCEPTION DATE: 12-01-2007
 DO: SL

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 10 days advance written notice to the employer.

We will also give you 10 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.



AUTHORIZED REPRESENTATIVE



PRESIDENT

UNLESS INDICATED OTHERWISE BY ENDORSEMENT, COVERAGE UNDER THIS POLICY EXCLUDES THE FOLLOWING: THOSE NAMED IN THE POLICY DECLARATIONS AS AN INDIVIDUAL EMPLOYER OR A HUSBAND AND WIFE EMPLOYER; EMPLOYEES COVERED ON A COMPREHENSIVE PERSONAL LIABILITY INSURANCE POLICY ALSO AFFORDING CALIFORNIA WORKERS' COMPENSATION BENEFITS; EMPLOYEES EXCLUDED UNDER CALIFORNIA WORKERS' COMPENSATION LAW.

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

EMPLOYER

 TUTT TREE & CRANE SERVICE
 PO BOX 6039
 LOS OSOS CA 93412

SL

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: FEBRUARY 8, 2008

**AGENDA ITEM
D-4
FEBRUARY 13, 2008**

ACCEPT QUARTERLY FINANCIAL REPORT

ITEM

ACCEPT QUARTERLY FINANCIAL REPORT [RECOMMEND APPROVAL]

BACKGROUND

The District's fiscal year is now 50% complete. The consolidated operating revenues are at 57.55% of the budget, operating expenditures are at 45.44% of the budget and general and administrative expenditures are at 52.50 % of the budget.

Attached are the following which provide an overview of the first six months of the fiscal year:

Page 1	Summary of Approved Budget Amendments
Page 2	Summary of Revenues, Expenses and Cash Balances by Fund
Page 3	Consolidated Balance Sheet
Page 4-5	Consolidated Income Statement
Page 6-7	Graphs for Consolidated Revenues and Expenses
Page 8-11	Graphs for major funds (Town Water, Town Sewer, Blacklake Water and Blacklake Sewer)

Detailed information by fund is available in the office.

Although the budget in total for Operations and Maintenance is not greater than 50%, individual budget line items have been exceeded. The General and Administrative budget is 2.5% above the 50% mark due to individual budget line items that have been exceeded. It is recommended that Staff meet with the Finance and Audit Committee the first week of March to review the following items:

- Review the line item budget items that have been exceeded and propose budget adjustments for FY 2007-2008
- Kick Off Meeting for preparation of the FY 2008-2009 budget

RECOMMENDATION

It is recommended that your Honorable Board accept and direct Staff to file the quarterly financial report for the second quarter of fiscal year 2007-2008.

NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF APPROVED BUDGET AMENDMENTS
SECOND QUARTER ENDING DECEMBER 31, 2007

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
11/14/07	WATER & SEWER REPLACEMENT STUDY	#120 – Town Water #130 – Town Sewer #140 – Blacklake Water #150 – Blacklake Sewer	\$0	\$35,000	#35,000
11/28/07	SHOP-COMPUTERS, PHONE SYSTEM & GENERATOR	#700 – Town Water Capacity #710 – Town Sewer Capacity #820 – BL Water -Funded Replacement	\$435,000	\$70,000	\$505,000

NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF APPROVED BUDGET AMENDMENTS
FIRST QUARTER ENDING SEPTEMBER 30, 2007

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
	NONE				

T:\DOCUMENTS\FINANCE\BUDGET 2008\AMENDMENTS\12-31-07.DOC

NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF REVENUES AND EXPENSES BY FUND
SIX MONTHS ENDING DECEMBER 31, 2007

FUND	FUND #	YTD REVENUES	YTD EXPENSES	FUNDED REPLACEMENT	YTD SUPRLUS/ (DEFICIT)
Administration	110	135,880	(135,880)	0	0
Town Water	120	1,565,589	(941,885)	(196,000)	427,704
Town Sewer	130	435,311	(341,040)	(175,500)	(81,229)
Blacklake Water	140	232,326	(179,278)	0	53,048
Blacklake Sewer	150	122,714	(110,280)	(20,000)	(7,566)
Blacklake Street Lighting	200	11,504	(9,055)	0	2,449
Street Landscape Maintenance	250	6,140	(2,396)	0	3,744
Solid Waste	300	56,472	(23,411)	0	33,061
Drainage Maintenance	400	8,148	0	0	8,148
Supplemental Water Capacity Fees	500	55,446	0	0	55,446
Property Taxes	600	352,850	(62,278)	0	290,572
Town Water Capacity Fees	700	119,842	0	0	119,842
Town Sewer Capacity Fees	710	133,237	0	0	133,237
Funded Replacement-Town Water	800	53,012	0	196,000	249,012
Funded Replacement-Town Sewer	810	73,704	0	175,500	249,204
Funded Replacement-BL Water	820	8,583	0	0	8,583
Funded Replacement-BL Sewer	830	0	0	20,000	20,000
TOTAL		3,370,758	(1,805,503)	0	1,565,255

CASH BALANCE OF EACH FUND
AS OF DECEMBER 31, 2007

FUND	FUND #	CASH BALANCE 12/31/2007
Administration	110	26,064
Town Water	120	1,764,254
Town Sewer	130	481,785
Blacklake Water	140	85,475
Blacklake Sewer	150	28,010
Blacklake Street Lighting	200	43,428
Street Landscape Maintenance	250	15,692
Solid Waste	300	501,069
Drainage Maintenance	400	13,259
Supplemental Water Capacity Fees	500	3,314,497
Property Taxes (incl COP)	600	1,243,051
Town Water Capacity Fees	700	4,748,690
Town Sewer Capacity Fees	710	5,203,396
Funded Replacement-Town Water	800	2,165,864
Funded Replacement-Town Sewer	810	3,003,729
Funded Replacement-BL Water	820	304,179
Funded Replacement-BL Sewer	830	(149,577)
Funds held in Trust		253,593
TOTAL		23,046,458

NIPOMO COMMUNITY SERVICES DISTRICT
BALANCE SHEET - CONSOLIDATED
AS OF DECEMBER 31, 2007

ASSETS

Cash and Cash Equivalents	23,046,457.93
Accounts Receivable - Utility Billing	193,785.75
Unbilled Accounts Receivable	567,000.00
Property, Plant & Equipment	36,629,469.94
Accumulated Depreciation	(11,234,903.72)
Prepaid Expenses	20,952.60
Accrued Interest Receivable	250,464.08
Notes Receivable - MVI/MVII	392.82
Reservation Fee	37,500.00
Loan Fees - SRF Loan	256,834.00
Accumulated Amortization - SRF Loan Fees	(147,363.82)
Revenue COP's Bond Discount	178,100.60
Accumulated Amortization - Bond Discount	(24,488.64)

Total Assets	49,774,201.54

LIABILITIES

Accounts Payable	336,656.74
Other Payables	(39.00)
Refunds Payable	1,047.43
Construction Meter Deposits	8,500.00
Compensated Absences Payable	59,366.00
Deposits	84,591.47
Payroll Taxes Payable	(5,046.89)
Deposit - Maintenance Guarantee	3,657.55
Deposit - Pomeroy Rd Water Line	24,170.00
Deferred Revenue	6,300.00
Revenue Bonds - Current Portion	9,000.00
SRF Loan #110 - Current Portion	34,868.35
SRF Loan #120 - Current Portion	42,180.25
Revenue COP's-Current Portion	85,000.00
Revenue Bonds Payable - Long Term Portion	120,000.00
SRF Loan #110 Payable - Long Term Portion	383,551.85
SRF Loan #120 Payable - Long Term Portion	506,163.00
Revenue COP's - Long Term Portion	3,595,000.00

Total Liabilities	5,294,966.75

FUND EQUITY

Contributed Capital - Assets	8,618,631.78
Contributed Capital - Capacity Fees (CY)	396,454.50
Contributed Capital - Supplemental Water Fees (CY)	1,018,879.25
Contributed Capital - Capacity Fees (FY)	16,554,400.62
Contributed Capital - Supplemental Water Fees (FY)	1,287,624.25
Contributed Capital - Right of Way	70,100.00
Contributed Capital - Assessment Districts	1,324,940.00
Contributed Capital - Grants	2,859,920.66
Retained Earnings-Reserved (Debt Service)	15,600.00
Retained Earnings-Reserved (Emergencies)	50,000.00
Retained Earnings-Reserved (Sewer Grant)	300,000.00
Retained Earnings-Reserved (Funded Replacement)	5,806,514.95
Retained Earnings - Unreserved	4,610,913.56
CURRENT EARNINGS	1,565,255.22

Total Fund Equity	44,479,234.79

Total Liabilities and Fund Equity	49,774,201.54

UNAUDITED

NIPOMO COMMUNITY SERVICES DISTRICT
INCOME STATEMENT - CONSOLIDATED
FOR THE PERIOD ENDING DECEMBER 31, 2007

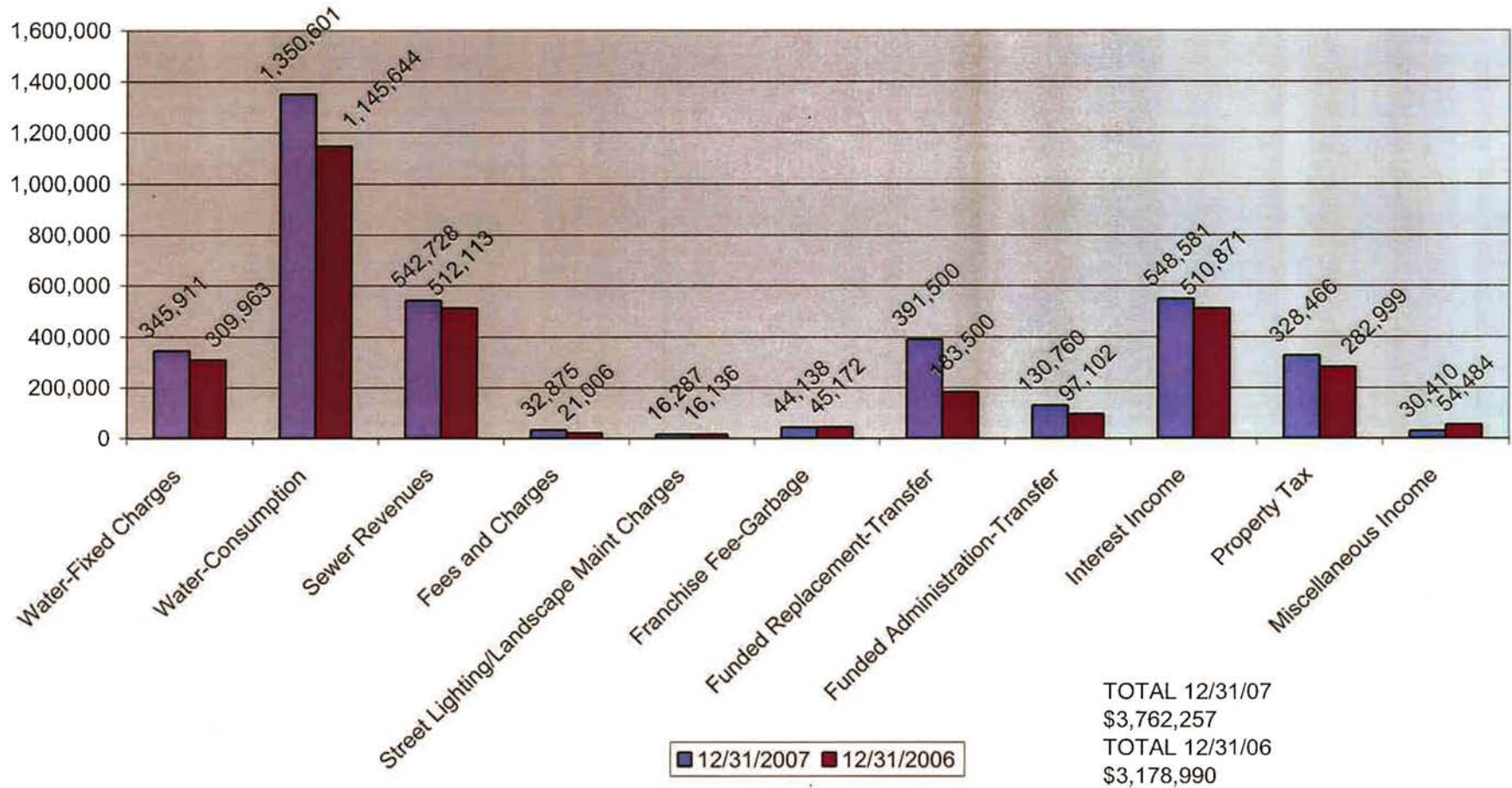
	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
REVENUES			
Water - Fixed Charge	345,910.88	708,000.00	48.86 %
Water - Usage	1,271,156.08	1,965,000.00	64.69 %
Construction Water	24,339.48	21,500.00	113.21 %
Fire System Fee	1,886.70	3,500.00	53.91 %
Emergency Intertie Water Sales - SCWC	53,218.60	0	.00 %
Sewer Charges	542,727.97	1,073,000.00	50.58 %
Fees and Penalties	20,444.39	42,200.00	48.45 %
Meters	10,465.00	6,875.00	152.22 %
Plan Check & Inspection Fees	1,965.55	1,000.00	196.56 %
Franchise Fees	44,137.88	88,000.00	50.16 %
Miscellaneous Income	30,411.40	30,000.00	101.37 %
Street Lighting Charges	10,466.00	18,836.00	55.56 %
Landscape Maintenance Dist Charges	5,820.94	10,236.00	56.87 %
Operating Transfers In - Funded Administration	130,759.59	262,205.00	49.87 %
Operating Transfers In - Funded Replacement	391,499.94	783,000.00	50.00 %
Total Revenues	2,885,210.40	5,013,352.00	57.55 %
OPERATIONS AND MAINTENANCE			
Wages and Benefits	284,324.37	677,200.00	41.99 %
Electricity	254,063.31	572,410.00	44.38 %
Natural Gas	10,527.50	147,000.00	7.16 %
Water	993.42	2,950.00	33.68 %
Chemicals	11,828.68	46,000.00	25.71 %
Lab Tests	30,132.59	66,000.00	45.66 %
Operating Supplies	81,838.81	87,000.00	94.07 %
Outside Services	20,168.18	112,000.00	18.01 %
Permits and Operating Fees	15,249.95	16,750.00	91.04 %
Repairs and Maintenance	165,685.14	244,600.00	67.74 %
Engineering	23,598.23	48,500.00	48.66 %
Fuel	14,598.16	36,000.00	40.55 %
Paging Service	2,783.81	6,200.00	44.90 %
Meters - New Installation	8,524.88	15,000.00	56.83 %
Meters - Replacement Program	14,550.29	22,000.00	66.14 %
Uniforms	2,587.40	6,600.00	39.20 %
Landscape Maintenance & Water	1,359.00	3,000.00	45.30 %
Clean Up	515.53	725.00	71.11 %
Conservation Program	10,393.57	70,000.00	14.85 %
Street Sweeping/Trash Collection	12,402.67	25,000.00	49.61 %
Operating Transfers Out - Funded Replacement	391,499.94	783,000.00	50.00 %
Subtotal - O & M	1,357,625.43	2,987,935.00	45.44 %
GENERAL AND ADMINISTRATIVE			
Wages and Benefits	259,943.30	612,185.00	42.46 %
Utilities	3,022.18	6,500.00	46.50 %
Audit	8,000.00	8,000.00	100.00 %

NIPOMO COMMUNITY SERVICES DISTRICT
 INCOME STATEMENT - CONSOLIDATED
 FOR THE PERIOD ENDING DECEMBER 31, 2007

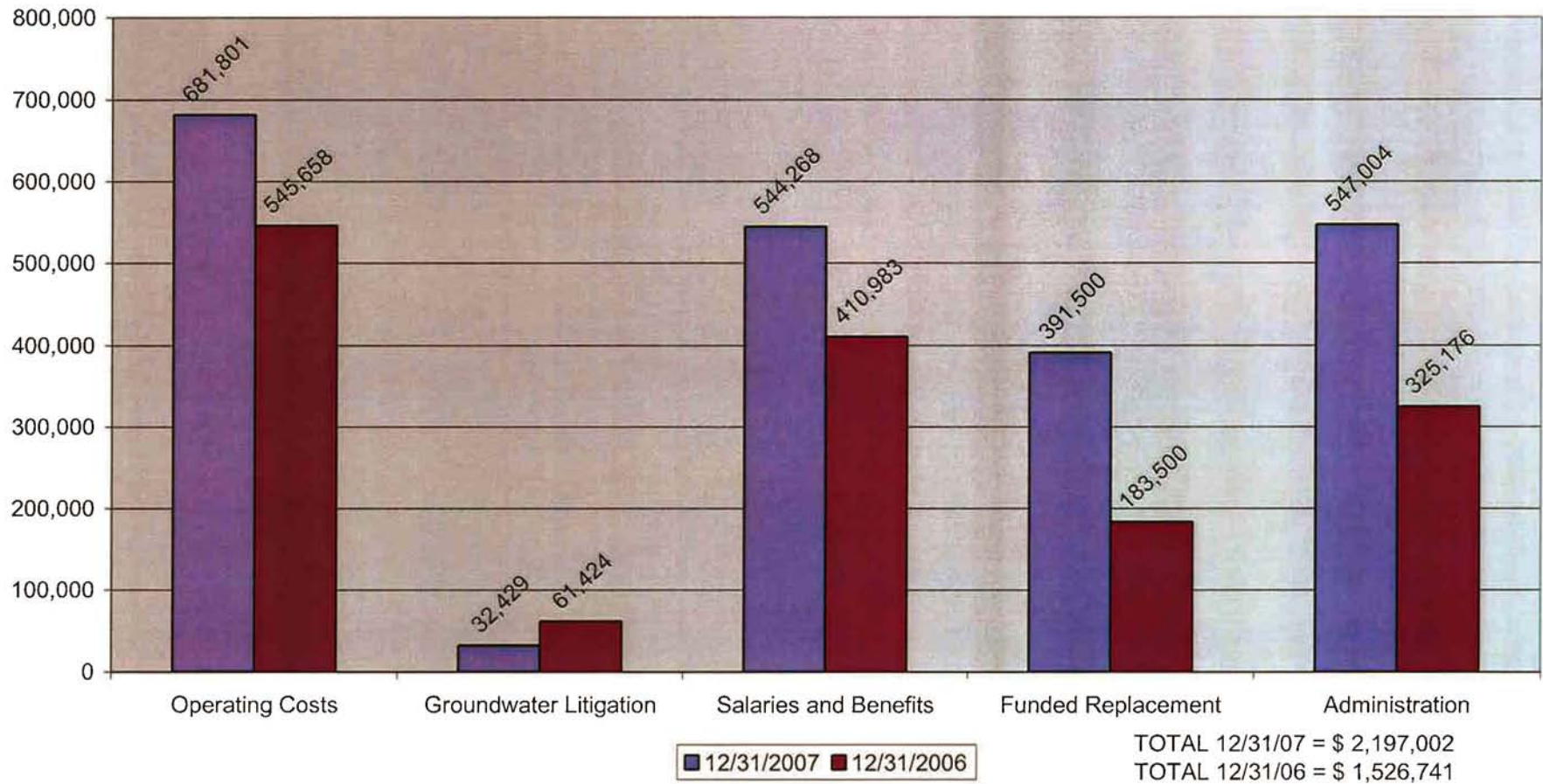
	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
Bank Charges and Fees	675.95	1,880.00	35.95 %
Computer Expense	13,271.50	32,000.00	41.47 %
Director Fees	9,000.00	24,000.00	37.50 %
Dues and Subscriptions	10,603.19	9,900.00	107.10 %
Education and Training	5,529.55	5,500.00	100.54 %
Insurance - Liability	18,833.43	36,000.00	52.32 %
LAFCO Funding	15,832.00	17,800.00	88.94 %
Landscape and Janitorial	5,078.00	8,820.00	57.57 %
Legal - General Counsel	54,942.69	125,000.00	43.95 %
Legal - Special Counsel	1,640.80	30,000.00	5.47 %
Legal - Water Counsel	32,428.57	100,000.00	32.43 %
Professional Services	206,111.93	168,000.00	122.69 %
Miscellaneous	1,377.38	5,700.00	24.16 %
Newsletters & Mailers	0	3,060.00	.00 %
Office Supplies	6,290.80	14,500.00	43.38 %
Outside Service	2,772.13	9,690.00	28.61 %
Postage	7,182.17	22,690.00	31.65 %
Public Notices	4,566.11	13,450.00	33.95 %
Repairs and Maintenance	2,961.44	7,500.00	39.49 %
Property Taxes	927.30	830.00	111.72 %
Telephone	3,021.87	5,340.00	56.59 %
Travel and Mileage	4,041.70	10,000.00	40.42 %
Operating Transfer Out - Funded Administration	130,759.59	262,205.00	49.87 %
Subtotal - G & A	808,813.58	1,540,550.00	52.50 %
NON OPERATING INCOME			
Interest Income	548,580.83	931,965.00	58.86 %
Property Tax Revenues	328,465.50	503,000.00	65.30 %
Subtotal - Non Operating Income	877,046.33	1,434,965.00	61.12 %
NON OPERATING EXPENSES			
Interest Expense	30,562.50	169,908.00	17.99 %
Subtotal - Non Operating Expenses	30,562.50	169,908.00	17.99 %
Net Surplus/(Deficit)	1,565,255.22	1,749,924.00	89.45 %

UNAUDITED

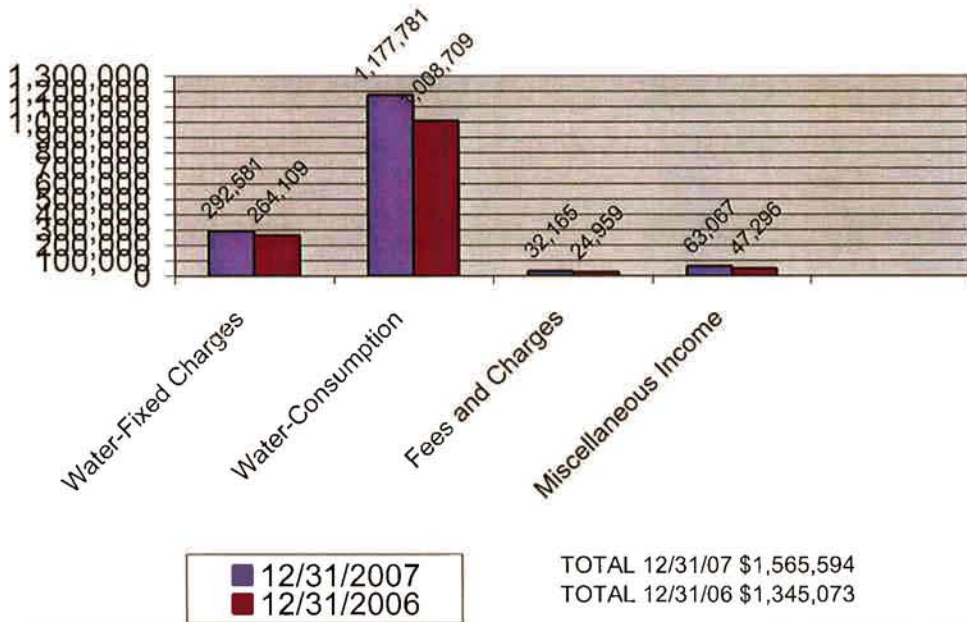
**NIPOMO COMMUNITY SERVICES DISTRICT
COMBINED REVENUES FOR ALL FUNDS
SIX MONTHS ENDED
DECEMBER 31, 2007 AND DECEMBER 31, 2006**



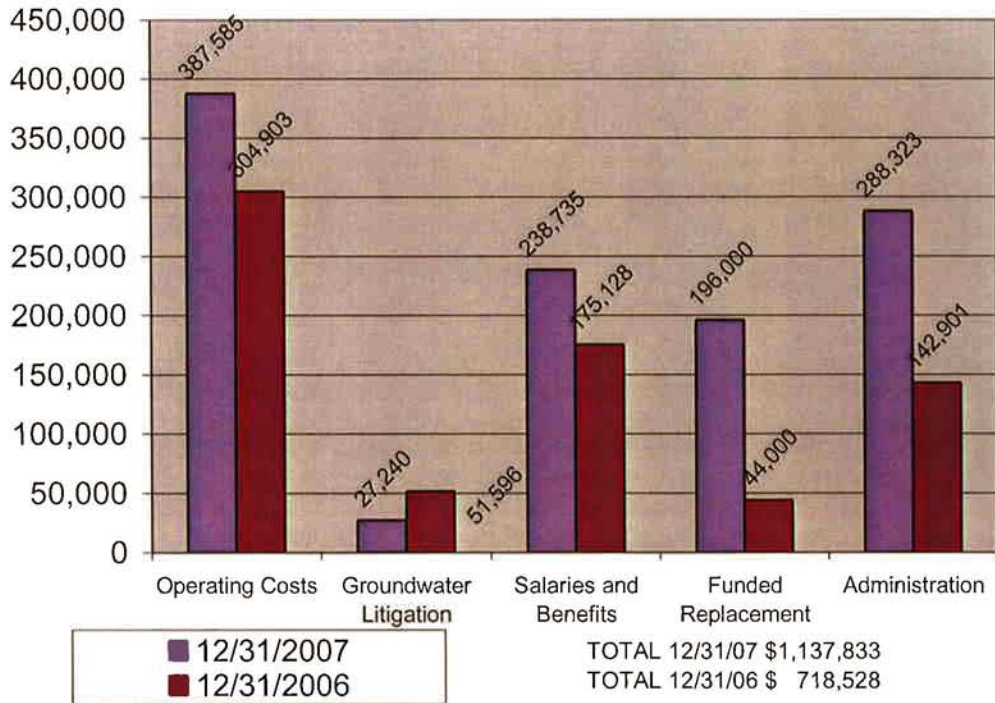
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED EXPENDITURES FOR ALL FUNDS
 SIX MONTHS ENDED
 DECEMBER 31, 2007 AND DECEMBER 31, 2006**



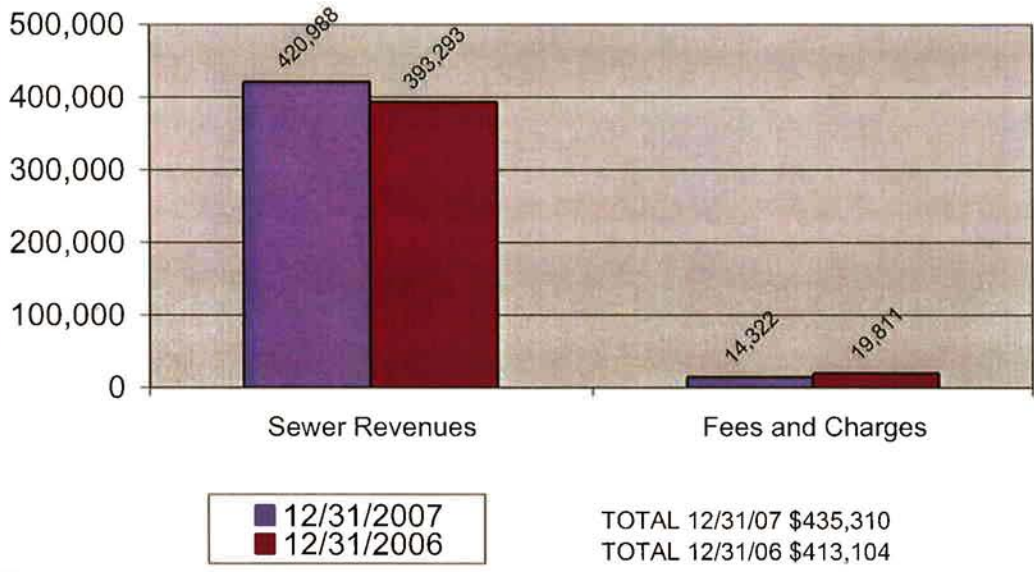
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN WATER FUND #120
REVENUES-DECEMBER 31 2007 AND DECEMBER 31, 2006**



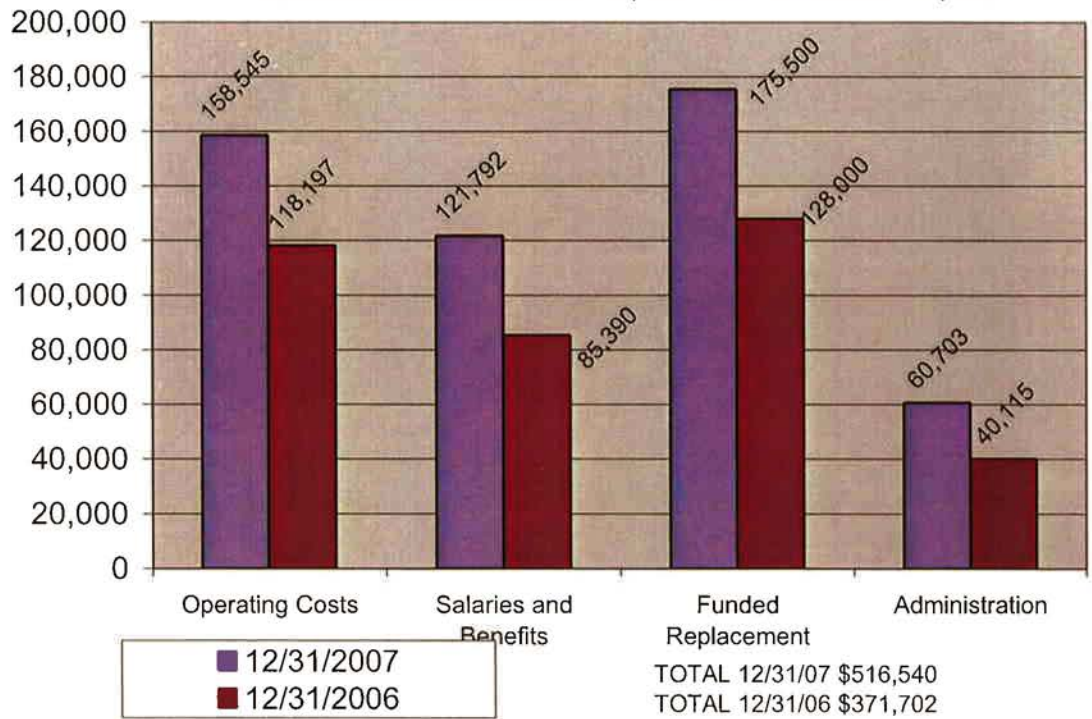
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN WATER FUND #120
EXPENDITURES-DECEMBER 31, 2007 AND DECEMBER 31, 2006**



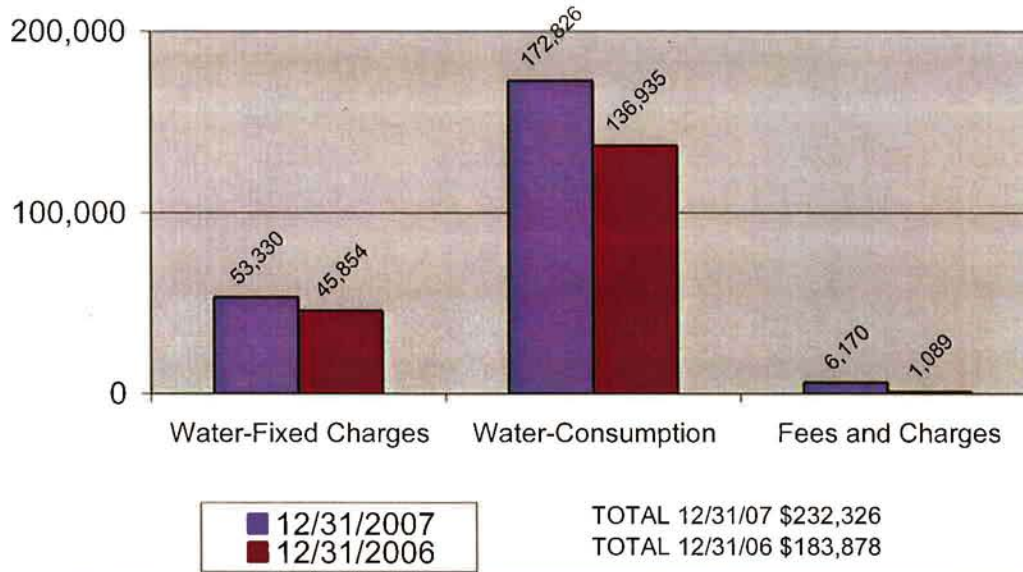
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
REVENUES-DECEMBER 31, 2007 AND DECEMBER 31, 2006**



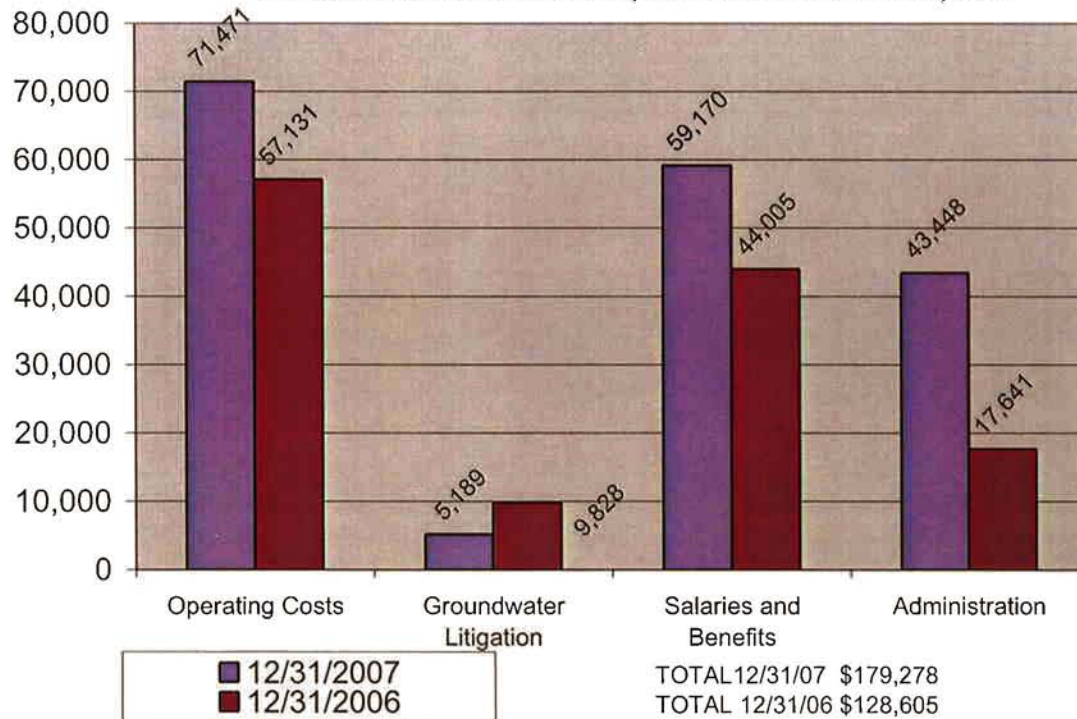
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
EXPENDITURES-DECEMBER 31, 2007 AND DECEMBER 31, 2006**



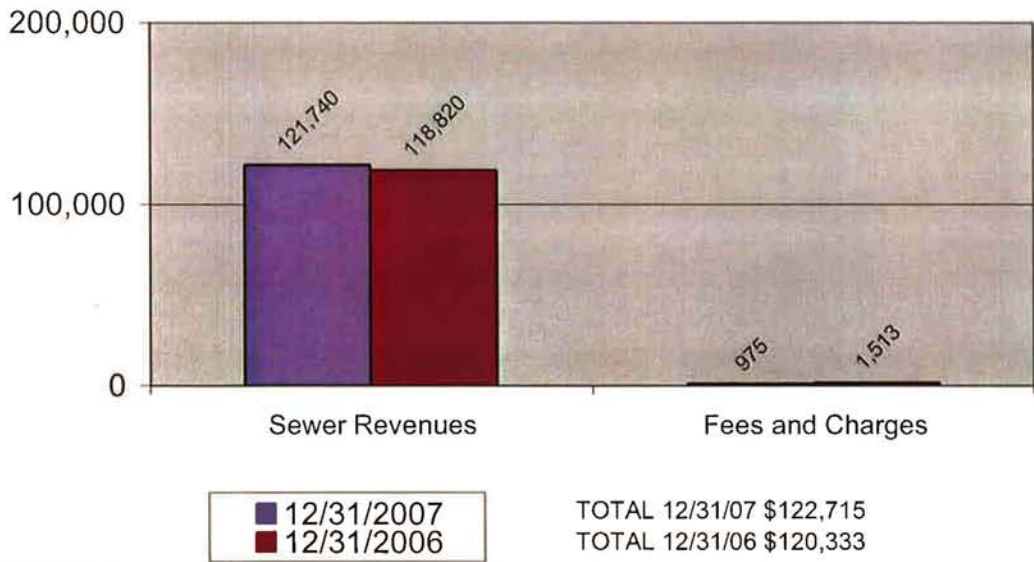
**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE WATER FUND #140
REVENUES-DECEMBER 31, 2007 AND DECEMBER 31, 2006**



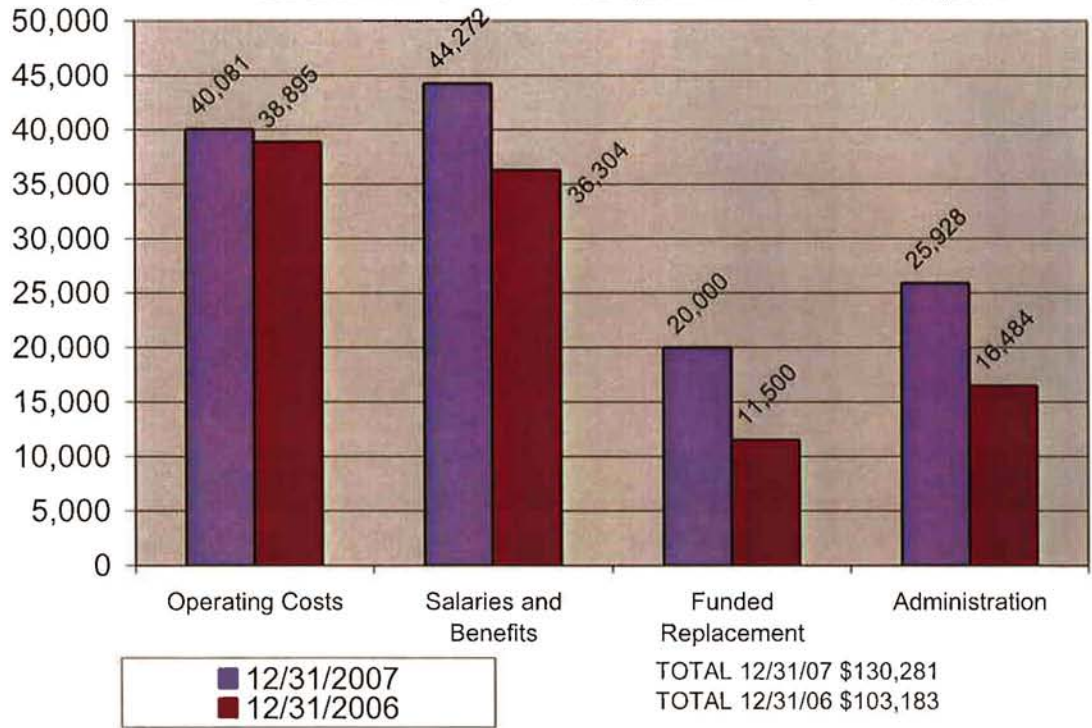
**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE WATER FUND #140
EXPENDITURES-DECEMBER 31, 2007 AND DECEMBER 31, 2006**



**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
REVENUES-DECEMBER 31, 2007 AND DECEMBER 31, 2006**



**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
EXPENDITURES-DECEMBER 31, 2007 AND DECEMBER 31, 2006**



TO: BOARD OF DIRECTORS
 FROM: BRUCE BUEL *BB*
 DATE: JANUARY 22, 2008

**AGENDA ITEM
 D-5
 FEBRUARY 13, 2008**

INVESTMENT POLICY – FOURTH QUARTER REPORT

The Board of Directors have adopted an Investment Policy for NCSD which states that the 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 Board of Directors.

Below is the December 31, 2007 Quarterly Report for your review. The Finance Officer is pleased to report to the Board of Directors that the District is in compliance with the Investment Policy.

As District Finance Officer and Treasurer, I am pleased to inform the Board of Directors that the District is in compliance with the 2006 Investment Policy and that the objectives of safety, liquidity, and yield have been met. The District has the ability to meet cash flow requirements for the next six months.

After Board consideration and public comment, it is recommended that your Honorable Board accept the quarterly report by motion and minute order.

INVESTMENT POLICY-FOURTH QUARTER REPORT 12/31/07

Investment	Institution	Amount of Deposit 12/31/07	Rate of Interest	Quarterly Interest Earned or Accrued 12/31/07	Amount of Deposit 12/31/06	Rate of Interest	Quarterly Interest Earned or Accrued 12/31/06
Money Market	Mid State Bank	\$168,736.69	.15%	\$74.79	\$34,563.00	0.25%	\$66.30
Savings	Mid State Bank	\$921.87	.50%	\$1.16	\$901.13	0.50%	\$2.27
Pooled Money Investment	Local Agency Investment Fund (LAIF)	\$20,679,203.54	4.96%	\$251,110.08	\$18,654,983.31	5.11%	\$237,262.13
Certificate of Deposit (COP)	Mid State Bank	\$1,976,238.98	3.39%	\$16,735.85	1,887,514.86	4.50%	21,155.31

ATTACHMENTS

None

t:\board matters\board meetings\board letter\board letter 2008investment qtrly 12-31-07.doc

TO: BOARD OF DIRECTORS

FROM: BRUCE BUEL

DATE: FEB. 8, 2008

AGENDA ITEM

D-6

FEB. 13, 2008

RESCHEDULE 4/23/08 MEETING TO 4/30/08

ITEM

Reschedule 4/23/08 Meeting to 4/30/08 [RECOMMEND ADOPTION].

BACKGROUND

Your Honorable Board had previously set the second meeting in April for the 23rd, but AWWA's Spring Conference discussions of desalination technology are all scheduled for the morning of April 23 in Los Angeles. Both the General Manager and the District Engineer propose to attend the AWWA sessions. April 30th is the fifth Wednesday in April and staff is not aware of any conflicts.

RECOMMENDATION

Staff recommends that your Honorable Board reschedule the April 23rd Board Meeting to April 30th.

Should one or more Board Members not be able to attend on April 30, 2008, the Board could use District Legal Counsel to be Acting General Manager during the meeting.

ATTACHMENTS

- None

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2008\RESCHEDULE APRIL MTG.DOC

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BUB*
DATE: FEBRUARY 8, 2008



**CONFIRM BUDGET ADOPTION TIMELINE AND
SET REVIEW WORKSHOP FOR MAY 21, 2008**

ITEM

Confirm budget adoption timeline and set review workshop for May 21, 2008
[RECOMMEND ADOPTION].

BACKGROUND

Staff has prepared the proposed budget adoption timeline as follows:

February 1	Start drafting budget
February 20	Capital Improvement Projects Budget, Utility Field and Conservation Specialist submittals due
Week of March 3	Kick off meeting with Finance Committee to hear input
Week of March 31	Staff circulates draft Budget to Finance Committee
Week of April 14	Staff meets with Finance Committee and receives recommendations/changes/deletions
Week of April 28	Staff circulates draft Budget to entire Board of Directors based on Finance Committee recommendations
Week of May 12	Staff prepares for public notice of adoption for newspaper (publish on May 28 and June 4)
May 21	Study Session with Board of Directors
May 27	Staff circulates final draft budget based on recommendations received at Study Session
June 11	Public Hearing
June 25	Public Hearing and adoption

RECOMMENDATION

Staff recommends that your Honorable Board confirm the budget adoption timeline as presented and set review workshop for May 21, 2008.

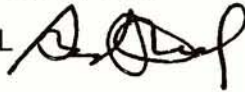
ATTACHMENTS

- None

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2008\budget timeline.DOC

TO: BOARD OF DIRECTORS

FROM: BRUCE BUEL



DATE: FEB. 8, 2008

AGENDA ITEM

D-8

FEB 13, 2008

AUTHORIZE TRAVEL TO WASHINGTON DC TO LOBBY FOR FEDERAL FUNDING

ITEM

Authorize President and General Manager to travel to Washington, D.C. to lobby for federal funding [RECOMMEND ADOPTION].

BACKGROUND

Marlowe and Company, NCSD's Lobbyist, has strongly recommended that at least one Board Member and the General Manager travel to Washington in early March to meet with our House Representatives and staff from both Senators' offices. President Winn is available to fly out on March 5 and return on March 7. The cost of air travel is estimated at \$1,200; of lodging \$800 and per diem at \$240.

RECOMMENDATION

Staff recommends that your Honorable Board authorize the travel and transfer funds from reserves to cover the actual cost.

ATTACHMENTS

- None

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2008\LOBBY TRIP.DOC