

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BdB*
DATE: SEPTEMBER 19, 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 9/10/08 Regular Meeting
- D-3) ADOPT HEARING PROTECTION SAFETY POLICY [ADOPT RESOLUTION]
- D-4) AWARD BID FOR PURCHASE OF TWO NEW PICK-UP TRUCKS [AWARD BID AND
AUTHORIZE PURCHASE]
- D-5) EXTEND TERM OF HOLLOWAY OUTSIDE-USER AGREEMENT [RECOMMEND
APPROVAL]
- D-6) APPROVE PROPOSED POLICY REGARDING ABANDONMENT-IN-PLACE OF
ASBESTOS-CEMENT WATER MAINS [RECOMMEND APPROVAL]
- D-7) EXTEND TERM OF GENERAL MANAGER'S EMPLOYMENT AGREEMENT
[AUTHORIZE EXECUTION OF AMENDMENT TO AGREEMENT]

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2008\CONSENT AGENDA\CONSENT 09-24-08.DOC

TO: BOARD OF DIRECTORS
 FROM: BRUCE BUEL
 DATE: SEPTEMBER 19, 2008

**AGENDA ITEM
 D-1
 SEPTEMBER 24, 2008**

**TOTAL COMPUTER
 CHECKS
 \$ 215,152.27**

HAND WRITTEN CHECKS

09-08-08	19808	M WINN	100.00
09-08-08	19809	L VIERHEILIG	100.00
09-08-08	19810	E EBY	100.00
09-08-08	19811	C TROTTER	100.00
09-11-08	19812	SLO COUNTY RECORDER	14.00

VOID
 NONE

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
15501	09/19/08	EMP01	EMPLOYMENT DEVELOP DEPT	.00	.00	.00	A80910	STATE INCOME TAX
				910.08	.00	910.08	A80915	STATE INCOME TAX
			Check Total.....:	910.08	.00	910.08		
15502	09/19/08	MID01	MIDSTATE BANK-PR TAX DEP	29.76	.00	29.76	A80910	FEDERAL INCOME TAX
				3223.65	.00	3223.65	A80915	FEDERAL INCOME TAX
				49.40	.00	49.40	1A80910	FICA
				912.70	.00	912.70	1A80915	MEDICARE (FICA)
				11.56	.00	11.56	2A80910	MEDICARE (FICA)
			Check Total.....:	4227.07	.00	4227.07		
15503	09/19/08	MID02	MIDSTATE BANK - DIRECT DP	24605.56	.00	24605.56	A80915	NET PAY
15504	09/19/08	PER01	PERS RETIREMENT	.00	.00	.00	A80910	PERS PAYROLL REMITTANCE
				7826.73	.00	7826.73	A80915	PERS PAYROLL REMITTANCE
			Check Total.....:	7826.73	.00	7826.73		
15505	09/19/08	STA01	STATE STREET GLOBAL	1680.00	.00	1680.00	A80915	457 DEFERRED COMP
015506	09/24/08	ABA01	ABALONE COAST BACTERIOLOG	20.00	.00	20.00	08-1727	BL WWTF LAB
				176.00	.00	176.00	08-1735	TOWN WWTF LAB
				20.00	.00	20.00	08-1736	BL WWTF LAB
				20.00	.00	20.00	08-1745	BL WWTF LAB
				14.40	.00	14.40	08-1746	POMEROY & CAM CABALLO WAT
				120.00	.00	120.00	08-1760	WATER SAMPLES
				14.40	.00	14.40	08-1761	POMEROY & CAM CABALLO WAT
				176.00	.00	176.00	08-1773	TOWN WWTF LAB
				20.00	.00	20.00	08-1774	BL WWTF LAB
				20.00	.00	20.00	08-1784	BL WWTF LAB
				20.00	.00	20.00	08-1795	BL WWTF LAB
				20.00	.00	20.00	08-1810	BL WWTF LAB
				120.00	.00	120.00	08-1811	WATER SAMPLES
				20.00	.00	20.00	08-1824	BL WWTF LAB
				176.00	.00	176.00	08-1825	TOWN WWTF LAB
				20.00	.00	20.00	08-1838	BL WWTF LAB
				20.00	.00	20.00	08-1845	BL WWTF LAB
			Check Total.....:	996.80	.00	996.80		
015507	09/24/08	AME03	AMERI PRIDE	113.32	.00	113.32	F574186	UNIFORMS ETC
				116.35	.00	116.35	F579861	UNIFORMS ETC
			Check Total.....:	229.67	.00	229.67		
015508	09/24/08	ATT01	AT&T/MCI	185.41	.00	185.41	252342	PHONE
015509	09/24/08	BER01	BERCHTOLD EQUIPMENT CO	299.14	.00	299.14	SJ06878	TRACTOR REPAIR
015510	09/24/08	BOY01	BOYLE ENGINEERING CORP	21343.16	.00	21343.16	59331	WATERLINE INTERTIE PROJEC
				226.80	.00	226.80	059158	SOUTHLAND WWTF SALTS MINI
				604.80	.00	604.80	059159	PCI-BROBERG 04-0190
				1134.00	.00	1134.00	059160	WATER/SEWER REPLACEMENT S
				143.00	.00	143.00	059161	INSPECTION SERVICES-GLOBA
				405.00	.00	405.00	059205	SOUTHLAND WWTF ENGINEERIN
				10104.75	.00	10104.75	059206	SOUTHLAND WWTF DISPOSAL P
				4021.65	.00	4021.65	059161A	OBSERVATION SERVICES-TRAC
			Check Total.....:	37983.16	.00	37983.16		

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS SEPTEMBER 19, 2008**

**AGENDA ITEM
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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Payment Information	
							Invoice #	Description
015511	09/24/08	CAL03	CALIFORNIA ELECTRIC SUPPL	1363.37	.00	1363.37	746732	SUPPLIES FOR AERATORS
015512	09/24/08	CAL16	CALPERS	28250.00	.00	28250.00	9/30/08	OPEB PRE FUNDING-QUARTERL
015513	09/24/08	CAN02	CANNON ASSOCIATES	150.00 292.50 750.00 127.50 1793.84 275.00 3492.67	.00 .00 .00 .00 .00 .00 .00	150.00 292.50 750.00 127.50 1793.84 275.00 3492.67	44545 44546 44547 44549 44551 44552 44588	LIFT STN SCADA WORK SCADA MAINT TO ALL SITES BL BOOSTER SCADA WORK WOODGREEN TRANSDUCER REPL BL WATER SCADA WORK CHURCH WELL SCADA WORK WATERLINE RELOCATIONS
			Check Total.....:	6881.51	.00	6881.51		
015514	09/24/08	CLA02	CLAY'S SEPTIC & JETTING	1280.00	.00	1280.00	37391	CLEANING LIFT STATIONS
015515	09/24/08	CLE06	CLEVER DUCKS	283.00 577.50	.00 .00	283.00 577.50	6265 6347	COMPUTER SUPPORT COMPUTER SUPPORT
			Check Total.....:	860.50	.00	860.50		
015516	09/24/08	COR02	COASTAL ROLLOFF	692.22	.00	692.22	43789	WASTE DISPOSAL
015517	09/24/08	CRO02	CROSBY & CINDRICH, CPAS	3585.00	.00	3585.00	20278	AUDIT 07/08
015518	09/24/08	DEW01	J B DEWAR INC	980.79	.00	980.79	186188	OIL FOR WELLS
015519	09/24/08	EBY01	EBY, ED	100.00	.00	100.00	092408	REG BD MEETING 092408
015520	09/24/08	ELE02	ELEMENTS	62.50	.00	62.50	201382	WEB SITE SUPPORT
015521	09/24/08	FAR02	FAR WEST EXPRESS	33.00	.00	33.00	E13731+	DELIVERY
015522	09/24/08	FGL01	FGL ENVIRONMENTAL	203.00 203.00 187.00 86.00 86.00 217.00	.00 .00 .00 .00 .00 .00	203.00 203.00 187.00 86.00 86.00 217.00	808815A 808816A 808833A 809045B 809359A 809404A	TOWN WATER LAB BL WATER LAB T WWTP LAB BL WWTF LAB BL WWTF LAB TOWN WWTF LAB
			Check Total.....:	982.00	.00	982.00		
015523	09/24/08	FLU01	FLUID RESOURCE MANAGEMENT	850.00	.00	850.00	4362	GREASE MUFFIN MONSTER T W
015524	09/24/08	FUG01	FUGRO WEST, INC.	1861.46 135.00	.00 .00	1861.46 135.00	3596.2-4 3596.1-11	SOUTHLAND WWTF DISCHARGE SOUTHLNAD WWTF DISCHARGE
			Check Total.....:	1996.46	.00	1996.46		
015525	09/24/08	HAM02	HAMNER JEWELL & ASSOCIATE	3487.50	.00	3487.50	4155	PROPERTY NEGOTIATIONS
015526	09/24/08	HAR02	HARRISON, JAMES	100.00	.00	100.00	092408	REG BD MEETING 092408
015527	09/24/08	LAN02	LANDMARK LANDSCAPE CO INC	214.00	.00	214.00	4236	LANDSCAPE MAINT TR 2409
015528	09/24/08	LIN02	LINC DELIVERY	198.00	.00	198.00	43272+	DELIVERY TO LAB
015529	09/24/08	MAR02	MARLOWE & COMPANY	6750.00	.00	6750.00	08-268-09	SERVICE THROUGH SEPT
015530	09/24/08	MOR02	MORE OFFICE SOLUTIONS	419.12	.00	419.12	CNIN44029	COPIER MAINT
015531	09/24/08	NIP01	NIPOMO ACE HARDWARE INC	37.86 103.61 60.39 105.41	.00 .00 .00 .00	37.86 103.61 60.39 105.41	083108V 083108W 083108TS 083108OPS	SUPPLIES VEHICLES SUPPLIES WATER SUPPLIES TWWTF SUPPLIES MISC
			Check Total.....:	307.27	.00	307.27		
015532	09/24/08	NIP08	NIPOMO CSD	393.84	.00	393.84	091008	LANDSCAPE WATER TR 2409
015533	09/24/08	NUT01	NU TECH PEST MGMT	265.00 49.00 265.00 49.00	.00 .00 .00 .00	265.00 49.00 265.00 49.00	68738 68739 69260 69261	PEST CONTROL PEST CONTROL PEST CONTROL PEST CONTROL
			Check Total.....:	628.00	.00	628.00		
015534	09/24/08	ONE01	1-800-CONFERENCE	412.46	.00	412.46	082008	CONFERENCE CALLS
015535	09/24/08	POS03	POSITIVE PROMOTIONS, INC,	1157.73	.00	1157.73	31204430	BILL STUFFERS
015536	09/24/08	PUR01	PURE SAFE	746.49	.00	746.49	091208	REPLACEMENT
015537	09/24/08	QUI01	QUILL CORPORATION	352.57 -14.41	.00 .00	352.57 -14.41	1113073 1113073C	SUPPLIES RETURN

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS SEPTEMBER 19, 2008**

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015537	09/24/08	QUI01	QUILL CORPORATION	32.30 34.19 199.92	.00 .00 .00	32.30 34.19 199.92	1149592 7837113 9928675	SUPPLIES SUPPLIES SUPPLIES
			Check Total.....:	604.57	.00	604.57		
015538	09/24/08	RBA01	R BAKER, INC	25717.50 4082.99	.00 .00	25717.50 4082.99	08083258 08083259	WATERLINE RELOCATION VALVE REPLACEMENTS
			Check Total.....:	29800.49	.00	29800.49		
015539	09/24/08	SAI01	SAIC	14762.48 547.53	.00 .00	14762.48 547.53	593509 910024	NMMA TECHNICAL GROUP MEET GENERAL CONSULTATION
			Check Total.....:	15310.01	.00	15310.01		
015540	09/24/08	SAN04	SANTA MARIA TIMES	284.20	.00	284.20	492110	WATER CAPACITY CHG NOTICE
015541	09/24/08	SAN09	SAN LUIS MAILING SERVICE	42.59 118.44 156.98 996.43	.00 .00 .00 .00	42.59 118.44 156.98 996.43	33420A 33420B 33436A 33436B	MAILING 2ND NOTICES POSTAGE FOR BILLS MAILING BILLS POSTAGE FOR BILLS
			Check Total.....:	1314.44	.00	1314.44		
015542	09/24/08	SEV01	SEVCIK, PETER	248.26	.00	248.26	090908	TRAVEL TO WORKSHOP
015543	09/24/08	SLO02	DIV OF ENVIRON HEALTH	853.04	.00	853.04	58729	CROSS CONNECTION
015544	09/24/08	SPA01	SPANGO VOICE COMM	89.00	.00	89.00	6515	PHONE SERVICE
015545	09/24/08	SPE01	SPECIAL DISTRICT RISK	5821.00	.00	5821.00	26411-IN	WC INSURANCE
015546	09/24/08	STA03	STATEWIDE SAFETY & SIGNS	57.27 10.88	.00 .00	57.27 10.88	64422 64561	SAFETY VESTS SUPPLIES
			Check Total.....:	68.15	.00	68.15		
015547	09/24/08	TAF01	TAFT ELECTRIC	581.16 387.44 242.15	.00 .00 .00	581.16 387.44 242.15	30382X 30382Y 30382Z	T WWTP AERATOR MAINT TWWTF REPLACED AERATOR MAINT AT SHOP
			Check Total.....:	1210.75	.00	1210.75		
015548	09/24/08	TGP01	TGP WEST, INC.	13322.48	.00	13322.48	6094	REINSTALL HEADS AT SUNDAL
015549	09/24/08	TRI03	THE TRIBUNE	277.30	.00	277.30	6757631	WATER CAPACITY PUB NOTICE
015550	09/24/08	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	092408	REG BD MEETING 092408
015551	09/24/08	VAN01	VAN SCOYOC ASSOCIATES	700.00	.00	700.00	91008	LOBBYING SERVICES
015552	09/24/08	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	092408	REG BD MEETING 092408
015553	09/24/08	WAL01	WALLACE GROUP	2908.65	.00	2908.65	26097	SURVEYING SERVICES TEFFT
015554	09/24/08	WHI02	CELESTE WHITLOW	115.74 35.86	.00 .00	115.74 35.86	091808 091908	TRAVEL FOR CONSERVATION SUPPLIES FOR CONSERVATION
			Check Total.....:	151.60	.00	151.60		
015555	09/24/08	WIN01	WINN, MICHAEL	100.00	.00	100.00	092408	REG BD MEETING 092408
015556	09/24/08	WOO01	DOUGLAS WOOD & ASSOCIATES	212.95	.00	212.95	090108B	WATERLINE INTERTIE EIR

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 43 - Years of Service 1965 - 2008

DRAFT MINUTES

SEPTEMBER 10, 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 VIERHEILIG, **DIRECTOR**
ED EBY, **DIRECTOR**

PRINCIPAL STAFF

BRUCE BUEL, **GENERAL MANAGER**
LISA BOGNUDA, **FINANCE DIRECTOR/ASST GM**
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.

00:00:45

B. ROLL CALL

At Roll Call, all directors were present.

00:01:03

C. PRESENTATIONS AND PUBLIC COMMENT

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

Update re: Sheriff's Activities on the Nipomo Mesa

Commander Brian Hascall of the San Luis Obispo County Sheriff's Office introduced Sgt. Steve Harris is replacing Sgt. Jay Donovan as one of the two South Station Sergeants / supervisors. Sgt. Donovan was transferred back to the Watch Commander's office in San Luis Obispo.

There was an arrest made in Oceano for theft of about \$5,000 worth of copper transmission wire. Cmdr. Hascall asked if anyone sees copper wire being transported, please call the Sheriff's Office.

Jason Ringwold was arrested for grand theft for taking things out of vehicles on Soares Lane. All the property was returned to the owners.

There is an e-mail scam running now. It states that you are a winner in a Microsoft giveaway. The phone number to call is in the Netherlands. He warned folks to delete the message.

Director Trotter stated that Kern County officials alerted the metal companies of the copper wire incidents.

Cmdr. Hascall stated that Darren Davison was sending notifications to scrap yards.

Director Harrison suggested a rule to get the license number of those selling the copper.

The Board thanked Cmdr. Hascall for his report.

C-2) BATTALION CHIEF BILL FISHER OF CAL FIRE

Update re: Cal Fire Activities on the Nipomo Mesa

Battalion Chief Bill Fisher reviewed the Activity Report for August.

Nipomo Station 20 had a total of 106 calls: 11 fires, 10 vehicle accidents (2 fatalities), 68 medical aids and 17 various other calls.

Mesa Station 22 had a total of 45 calls: 7 fires, 3 vehicle accidents, 32 medical aids and 3 other calls.

Chief Fisher informed the Board that Nipomo is the busiest station in San Luis Obispo County. The Board discussed this.

The Open House for the new station will probably be in March.

C-3) DISTRICT ENGINEER PETER SEVCIK

Update re: District Engineer Activities

District Engineer Peter Sevcik gave an update of recent activities. He stated he had attended a workshop in Los Angeles on September 9, 2008, Water Infrastructure Security Enhancement. He reviewed the outline in the Board packet and answered questions from the Board.

Southland WWTF Upgrade	Safety Program
Water and Sewer Master Plan Implementation	Monthly compliance reports
Santa Maria Waterline Intertie Project	Development review
Willow Road Waterline Extension Phase 1 Project	Support to Utility Superintendent
Waterline Relocation for County Drainage Project	

Mr. Sevcik answered questions from the Board. Director Eby asked if the District is keeping track of well depths. He suggested upgrading the SCADA to include the data. Mr. Buel stated that staff is looking into that and hopes to have those features in place. Mr. Sevcik answered that the SCADA is in the plans to be upgraded.

Mr. Sevcik stated it has been cost-effective to have a certified equipment operator on staff. The Board thanked Mr. Sevcik for his report.

C-4) DISTRICT LEGAL COUNSEL JON SEITZ

Jon Seitz, District Legal Counsel, presented information to the Board concerning changes to the State law as a result of Proposition 99. The eminent domain law is meant to acquire private property for public purposes. Proposition 99 place restrictions on public agencies. It is a limited amendment to the State Constitution. It will probably have very little effect on this District.

Mr. Seitz answered questions from the Board. California Eminent Domain Law is a court issue.

C-5) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST

Receive Announcements from Directors Items of District & Community Interest

Director Harrison

- o Flyers are available on the back table for Nipomo Incorporation Committee for Education (NICE). A community gathering, including developers to see what their vision for Nipomo is, will be held Saturday, September 20, 2008, 9 to 11:30 a.m. in the Avila Room in the Monarch Club of Trilogy/Woodlands.
- o Fire Safety Executive Board meeting, September 11, 2008, 3:00 p.m. in San Luis Obispo. Then the entire Council meets on the 25th at 10:00 a.m.
- o October Festival to be held Oct. 11, 2008. Questions – call Sean Schuur or Kathy Cachu.

Director Eby

- LAFCo will not meet in September but will resume October 16th.
- The Perrett detachment issue will be before the SLO Planning Commission September 11, 2008 a.m. It will be the first item considered. It is listed as "planning comments". The Perrett detachment will be before the Board of Supervisors, Tuesday, September 16, 2008. It will be the item just before lunch.
- Announced a September 21, 2008 piano and vocalist concert to benefit the Dana Adobe. Reception at 3:00 p.m. and concert at 4:30 p.m. There will also be a big band playing, wine from the Karl Wittstrom Winery, and some food. Tickets are \$18.50.

C-5) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
(CONTINUED)Director Vierheilig

Nipomo Native Gardens will be having its annual plant sale in the Rabobank parking lot, Sunday, October 5, 2008, from 9 a.m. to 3 p.m. There will be 1200 to 1500 plants to help buyers place drought-tolerant and low-maintenance plants in their landscaping.

Director Winn

- The San Luis Obispo County Chapter of the California Special Districts Association will be meeting Friday, September 19, 2008, at John Wallace's office in San Luis Obispo. All directors are invited.
- Tues, Sept 23, 2008, the SLO Board of Supervisors will be looking at retrofits.
- October 14, 2008, the SLO Board of Supervisors will be having their strategic planning meeting. Among other things, it will include looking at reorganizing the planning process.

Director Harrison

- Denis Sullivan will be proposing additional development at Cypress Ridge and is asking for TDCs. It will be before the Planning Commission.
- The chipping event for the Suey Canyon area will be held at the end of September.

C-6) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

Pat Eby, NCSO resident, stated NCSO maintains that Blacklake and the Town Division water systems are not merged as of this date. She asked the Board to review the well production statistics she handed to the Board. She asked that at a future meeting the Board consider to compensate Blacklake for water pumped into the Town Division's water system.

Ralph Bishop, Santa Maria resident, talked about an old oil spill. The spill is about the size of a football field, 20 feet thick, and two feet below the active Nipomo Creek channel. Conoco says that it is only crude oil and only wants to monitor and not act upon the situation. This could be an ecological disaster when a storm occurs.

Daniel Diaz, NCSO resident and Nipomo Creek Dog, stated that he monitors the Nipomo Creek. He stated that he will be paying for dump fees for removal of trash from creek. He stated that he would like to be included in Creek issues.

Bruce Buel, General Manager responded to the public comments:

To Mrs. Eby - The production and consumption figures were addressed at the August 27, 2008 Board meeting. The District's figures do not agree with Mrs. Eby's figures. With the inception of the second intertie through June, the Town provided water to the Blacklake Division and not the other way. The Board directed staff to continue monitoring production and demand and report back to the Board every six months.

To Mr. Bishop - thanked him for providing a copy of Terra Pacific report. Mr. Buel has been trying to get the Regional Board to address the issue. He also thanked Mr. Bishop for trying to get the Regional Board involved. That hydro-carbon plume across from Dana Adobe is being monitored.

To Mr. Diaz - thanked him for the on-going monitoring. Creek Day is being coordinated by Streckler Kelly. Mr. Buel encouraged Mr. Diaz to work with SLO County. This is an excellent opportunity to clean up the creek.

Director Trotter asked staff to respond to Ms. Eby's letter in writing.

Director Harrison stated that he had already sent the correct well figures to Mrs. Eby.

**Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES**

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES
Approve Minutes of 8/27/08 Regular Meeting

D-3) AUTHORIZE TRANSMITTAL OF LETTER OF SUPPORT TO GOVERNOR FOR AB 2270 RE: SALTS MANAGEMENT

D-4) INITIATE SCOPING FOR PREVENTATIVE MAINTENANCE PROGRAM

Director Vierheilg asked to pull Item D-4 for separate consideration.

Director Harrison had questions about the warrants. Will lab fees be reduced after District lab is completed? Answer- Some fees to Abalone Labs will be greatly reduced and others will continue because some tests cannot be performed at the District.

Director Vierheilg asked what the salt discharge is from the average household without an on-site water softener. Mr. Buel will get that information to the Board.

Upon motion by Director Eby and seconded by Director Harrison, the Board unanimously approved Items D-1, D-2, and D-3, as amended. Because of his absence at the August 27, 2008 meeting, Director Vierheilg voted yes on Items D-1 & D-3, and was silent for D-2 Minutes.

There was no public comment. Vote 5-0.

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

Item D-4

Director Vierheilg suggested items to be added to Tasks 1, 2, and 3 in the "Scope of Services" section of the proposal. Director Harrison asked why the District will pay someone else to prepare the program when there is internal staff.

Peter Sevcik, District Engineer, answered that someone on the outside can help get the program completed in a timelier manner than he could and within a shorter time.

Director Trotter stated that there should be maintenance booklets with each piece of equipment operated by the District. These procedures could be accomplished in-house.

Mr. Buel stated that this is a part of the sanitary sewer overflow program. There is a deadline to reach. The District Engineer is strapped with projects now.

Director Vierheilg and Director Winn support this project to be outsourced. This program would be a one-time project that the District can keep current.

Director Trotter wanted to know how staff arrived at the \$14,800 figure. Mr. Buel explained that staff negotiated this cost with Mr. Delzeit.

Upon motion by Director Vierheilg and seconded by Director Eby, the Board agreed to authorize the General Manager to execute an agreement with Dennis Delzeit to initiate the preparation of a preventative maintenance plan for a not-to-exceed amount of \$14,800, with the mentioned changes in the tasks. There was no public comment. Vote 4-1 with Director Harrison voting no. Director Harrison stated that is interesting that NCSD does not have a preventative maintenance program. Also, his vote had nothing to do with his satisfaction with Mr. Sevcik's work.

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

The Board took a break at 10:19 a.m. and returned at 10:32 a.m.

E. ADMINISTRATIVE ITEMS

01:19:01

E-1) PUBLIC HEARING: ADOPT TOWN WATER SYSTEM CAPACITY CHARGES AND SUPPLEMENTAL WATER CAPACITY CHARGES

Bruce Buel, General Manager, explained that The Reed Group was retained to evaluate Town Water System Capacity Charges and Supplemental Water Capacity Charges. The Public Hearing was opened.

Mr. Bob Reed presented information in a slide presentation:

- Water Capacity Charges –
 - Town water system distribution system buy-in capacity charge
 - Supplemental water capacity charge
 - Santa Maria MOU water supply
 - Nipomo waterline intertie project
 - Desalinization project
- Town Buy-In Capacity Charge
 - New customers "buy-in" to the capacity in the existing water distribution system: Value of existing system / No. of existing customers
 - Calculation includes depreciated replacement cost of existing assets, capital reserves, and adjustments for outstanding debt
 - Calculation excludes water supply facilities
- Buy-In Capacity Charge Schedule
- Supplemental Water Capacity Charge
 - New customers pay for supplemental water capacity:
Cost of System Expansion / No. of new customers
 - Calculation includes estimated cost of future supplemental water supply projects
- "No Impact" Supply Mix -
 - 44% of groundwater and 56% supplemental water results in no net impact to groundwater basin
- Supplemental Water Projects
 - Santa Maria MOU and Nipomo Intertie Pipeline
 - Up to 3,000 AF annually
 - \$1,250 per AF for water (O&M and capital)
 - \$31.7 million for Intertie Pipeline and related improvements
- Desalinization Project
 - Up to 6,300 AF annually
 - \$88.6 million for desalinization plant
- Current and Future Demand (based on FY 06-07 water sales)
- Supplemental Water Needs
- Supplemental Water Capacity Charge
- Supplemental Water Capacity Charge Schedule

The Board discussed the concepts presented. An asterisk needs to be added to say the capacity charge is subject to change.

The following member of the public spoke:

Greg Nester, local builder/developer, stated that the District needs to maximize the pipe size to capture all the water possible from the City of Santa Maria.

The Public Hearing portion of the item was closed.

**Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES**

E-1) PUBLIC HEARING: ADOPT TOWN WATER SYSTEM CAPACITY CHARGES AND SUPPLEMENTAL WATER CAPACITY CHARGES (CONTINUED)

Director Winn stated "desal water" is a sustainable supply. Santa Maria is not in control of State Water. If Santa Maria goes back to groundwater, it will have the same chloride issues as Nipomo without the soft water. A community that has control of its own water supply can make political decisions that it cannot make if it is controlled by somebody else. "Desal water" will probably remain part of the picture.

Mr. Buel explained the District is designing the part of the waterline project under the river to be capable of delivering 3,000 AF of water with an option to deliver 6,300 AF.

Director Trotter stated that the operation of a desalination plant is extremely expensive and must be taken into consideration.

Upon motion by Director Eby and seconded by Director Vierheilg, the Board unanimously adopted Resolution 2008-1102, as amended. Vote 5-0.

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

**RESOLUTION NO. 2008-1102
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING APPENDIX A TO CHAPTER 3.04 OF THE
NIPOMO COMMUNITY SERVICES DISTRICT CODE TO
ESTABLISH NEW TOWN AND BLACKLAKE WATER DIVISION CAPACITY CHARGES**

01:54:17

E-2) RECEIVE REPORT FROM AD HOC BLACKLAKE SEWER RATE ADJUSTMENT COMMITTEE AND PROVIDE POLICY GUIDANCE

Bruce Buel explained that the Ad Hoc Committee met on Sept. 1 and Sept 3, 2008, to discuss concerns from Blacklake residents regarding the Sewer User Fee increase described in the Reed Report. He commended the group, including Nancy Fleming, Ian Wallace, Bill Nelson, and Jim Appel for their participation in the discussions. Mr. Billinger also attended.

Mr. Robert Reed summarized Alternatives C & D and explained Alt. E. The Board discussed the different aspects of the alternatives.

Mr. Reed stated that within the study report includes the recommendation for a loan to come into the Blacklake Sewer Fund to bring in the negative balance into a positive territory (\$275,000). It is proposed the loan would be paid by customers from either a lump-sum payment or through a bi-monthly surcharge that would be on the utility bill over a five or ten-year period. The rate increases are in addition to having this surcharge mechanism in the loan. Also, in relation to the multi-family vs. the single-family sewer rates, the water use for multi-family units is less than single-family homes. The updated Master Plan suggests that approx. 51% of the water use in single-family homes goes into the sewer plant. Multi-family averages 92 gallons per day vs. 250 gpd for single-family.

The following member of the public spoke:

Bill Nelson, NCS D resident, stated that the committee recognized that to defer projects to future years will cost more in those future years.

Director Harrison asked how multi-family units can use less water than single-family. Mr. Reed explained that typically, multi-family units use less water indoors than single-family homes. This discussion applies to the Blacklake community, not RMF housing in the Town Division.

E-2) RECEIVE REPORT FROM AD HOC BLACKLAKE SEWER RATE ADJUSTMENT COMMITTEE AND PROVIDE POLICY GUIDANCE (CONTINUED)

Upon motion by Director Harrison and seconded by Director Trotter, the Board unanimously agreed to direct Mr. Reed to revise the Financial Plan to include the new Alternative E and add an agenda item to the October 8, 2008 Board Meeting regarding a Protest Hearing to be held on December 10, 2008. Vote 5-0.

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

The Board took a break at 11:38 and returned at 11:46 a.m.

02:26:32

E-3) CONSIDER SILVA INTENT-TO-SERVE APPLICATION FOR WATER AND SEWER SERVICE TO 7-LOT SUBDIVISION ON BUTTERFLY LANE

Peter Sevcik, District Engineer, explained the project and the water allocation to the Board. The project is an 8-lot subdivision. The request is for seven additional water and sewer services. Mr. Seitz stated that the District would receive over \$133,000 in fees from this project.

Director Eby stated his feelings for this request as well as the following two requests. The Board should not obligate water (approve any more Intent-to-Serve letters) until the District has reached three milestones in the supplemental water project:

- o Certification of the EIR
- o Acquisition of rights-of-way
- o Signed agreement with the City of Santa Maria

Funding for supplemental water is critical and depends on customer approval.

Director Trotter agreed with Director Eby and added that the variety of funding is necessary to be discussed. Mr. Buel proposed that the capital improvements will be funded with assessments and the O & M will be funded by the user. Director Trotter did not agree with Director Eby, that milestones should not be established but to examine the process periodically. The Technical Committee is now forming the format for triggers.

Director Winn stated that the existing NCSD ordinance includes allocation amounts.

Director Harrison disagreed with Director Eby. There is nothing that says the aquifer is out of water.

Director Vierheilig stated that the first water allocation the Board approved was for 51 AFY. Then the Board lowered the allocation to 34.3 AFY.

Director Winn stated that the existing ordinance is conservative and the Board should let it work.

Director Eby asked how the District can receive public approval when the Board continues giving water to more people. He would like to wait until the Spring water level reading and the EIR certification before proceeding with Intent-to-Serve letters.

Director Harrison noted that Director Eby used the same argument last year, wanting to wait for the Fall readings; and when they did not give him what he thought, he wants to wait for the Spring readings.

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

E-3) CONSIDER SILVA INTENT-TO-SERVE APPLICATION FOR WATER AND SEWER SERVICE TO 7-LOT SUBDIVISION ON BUTTERFLY LANE (CONTINUED)

Upon motion by Director Vierheilig and seconded by Director Harrison, the Board approved the request for water and sewer service for Tract 2979, an 8-lot subdivision of a 0.9-acre parcel on Butterfly Lane with the conditions listed in the Board letter and as amended. There was no public comment. Vote 3-2 with Directors Trotter and Eby voting no.

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

02:54:20

E-4) CONSIDER KENGEL INTENT-TO-SERVE APPLICATION FOR WATER AND SEWER SERVICE TO 20-UNIT APARTMENT COMPLEX AT BLUME AND FLINT

Peter Sevcik, District Engineer, described the request for water and sewer service for Parcel Map CO 06-0225, a 20-unit multi-family development on Blume Street at Flint Street. The District's water allocation ordinance allows the project to be phased over a 10-year period

Mr. Seitz stated that the District would receive over \$400,000 in fees from this project.

Terry Orton, Westland Engineering representative for applicant, stated that it would be difficult to get funding for building only two apartments at a time. He would like the Board to look at how the allocation ordinance is written for multi-family.

The Board discussed that there is no more water to allocate in this category.

Bill Kengel, applicant for project, stated that he purchased the property two years ago, changed the zoning, and sub-divided it. In the meantime, the water allocations have changed. He asked the Board to approve 10 AF of water. He has an existing well on the property that could be used for irrigation.

The Board discussed the situation with Mr. Kengel and Mr. Orton.

Upon motion by Director Harrison and seconded by Director Vierheilig, the Board approved the Intent-to-Serve letter with the conditions outlined in the Board letter. Vote 3-2 with Directors Eby and Trotter voting no.

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

E-5) CONSIDER MID STATE PROPERTIES INTENT-TO-SERVE APPLICATION FOR WATER AND SEWER SERVICE TO 4-LOT SUBDIVISION ON JUNIPER

This item was tabled. The request is for one additional service rather than four and can be considered by staff.

I. CLOSED SESSION ANNOUNCEMENTS

Jon Seitz, District Legal Counsel, announced the following to be discussed in Closed Session:

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

Nipomo Community Services District
**REGULAR MEETING
 DRAFT MINUTES**

- I. CLOSED SESSION ANNOUNCEMENTS (CONTINUED)
 - 2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSD (CASE NO. CV 040877), MARIA VISTA VS. NCSD (CASE NO. CV 061079), AND MARIA VISTA VS. LINDA VISTA FARMS, NCSD ET AL. (CASE NO. CV 040150);
 - 3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; MARIA VISTA ESTATES VS. NCSD ET AL. (CASE NO. ND07-10362RR IN UNITED STATES BANKRUPTCY COURT, CENTRAL DISTRICT, NORTHERN DIVISION)
 - 4. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9; NIPOMO OAKS VS. NIPOMO COMMUNITY SERVICES DISTRICT (CASE NO. CV080761)
 - 5. INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54957 (1 CASE)
 - 6. CONFERENCE WITH LABOR NEGOTIATOR MIKE WINN RE: NEGOTIATIONS WITH THE GENERAL MANAGER, AN UNREPRESENTED EMPLOYEE PURSUANT TO GOVERNMENT CODE SECTION 54957.6

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public present.

K. ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 12:59 p.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board returned at 2:15 p.m.
 Jon Seitz, District Legal Counsel, reported on the Closed Session.

Item 6

The Board discussed with the labor negotiator, Mike Winn, and instructed Mr. Winn to meet with Mr. Buel.

Item 5

The Board heard an update from legal counsel, further instructions were given, but there was no reportable action.

Item 4

Legal counsel gave an update to the Board. This case has been filed but not served. Legal counsel was given the instructions to defend the case if served and given authorization to obtain the services of McDonough, Holland and Allen to assist in the case, if necessary.

Items 1, 2 and 3

The Board heard an update, but there was no reportable action.

03:31:41

E-6) AUTHORIZE SUBMITTAL OF COMMENTS TO SLO COUNTY ON RETROFIT PROPOSALS

Bruce Buel, General Manager, explained that the consumption of water in the Nipomo Mesa Water Conservation Area (NMWCA) has resulted in lowered groundwater levels, threatening water quality. San Luis Obispo County has proposed water conservation measures to reduce the amount of water being used. The Amendment to Title 8 of the County Code, the Health and Sanitation Ordinance requires sellers of real property within the Nipomo Mesa Conservation area to retrofit plumbing fixtures with low water-consuming plumbing fixtures at the time of sale.

Mr. Buel gave copies of the September 8, 2008 Water Conservation Committee meeting and made copies available to the public.

Director Harrison asked if toilets on the list will actually work.

Celeste Whitlow, Water Conservation Specialist, stated that she does not know if the current list is for the one for the Nipomo Mesa. The County is very interested in having toilets that work. There are a number of toilets at 1.28 gallons per flush available.

The Board questioned if the required toilets are available and what effect the low-flow toilets will have on on-site septic systems.

Peter Sevcik, District Engineer, noted that if plenty of liquid is flushed (such as any house with a shower), the toilets work; but if too much water is flushed, it pushes the solids into the leach field.

The Board discussed whether the proposed measures will save water. Suggestions were made how to respond to the County's request for comments on the proposed amendment to Title 8 of the County Code.

Jon Seitz, District Legal Counsel, stated that the measures will save water, but the amount is unknown.

Upon motion by Director Harrison and seconded by Director Vierheilig, the Board unanimously agreed to direct staff to incorporate the Board's suggestions and comments into the measures listed in the Board letter in a transmittal to the SLO County Planning Department concerning Title 19 and 22 of the County Code. There was no public comment. Vote 5-0.

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

E-7) AUTHORIZE SUBMITTAL OF COMMENTS TO SLO COUNTY ON WILLOW ROAD FUNDING OPTIONS

This item was tabled to a future meeting.

04:23:46

E-8) ADOPT WATER AND SEWER REPLACEMENT STUDY AND PROVIDE GUIDANCE ON IMPLEMENTATION

Bruce Buel, General Manager, explained that in November 2007, the Board retained Boyle Engineering to prepare a Water and Sewer Replacement Study. The Study recommends that the Board set aside the following in 2008 to pre-fund future replacement costs:

E-8) ADOPT WATER AND SEWER REPLACEMENT STUDY AND PROVIDE GUIDANCE ON IMPLEMENTATION (CONTINUED)

Set Aside Amount	Fund	Accrued total in the replacement fund
\$960,000	Town Water	\$28,000,000
171,999	Blacklake Water	2,600,000
540,000	Town Sewer	9,400,000
162,000	Blacklake Sewer	2,000,000

Adoption of the Study would cause a future rate consultant to use the proposed set-aside amount as the initial contribution to the respective fund budgets.

Upon motion by Director Trotter and seconded by Director Eby, the Board unanimously agreed to adopt the 2007 Water and Sewer Replacement Study and directed staff to forward the study to any rate consultant preparing subsequent rate studies as the initial basis of fee calculation. There was no public comment. Vote 5-0.

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

04:32:40

F. MANAGER'S REPORT

Bruce Buel, General Manager, presented the Manager's Report as printed in the Board packet. He added that Mr. Chuck Baker has approached the District concerning the sewer system at Cypress Ridge. He and President Winn will be meeting with Mr. Baker this week.

04:42:22

G. COMMITTEE REPORT

1. 9/1/08 Ad Hoc Blacklake Sewer Rate Adjustment Committee Meeting
2. 9/3/08 Ad Hoc Blacklake Sewer Rate Adjustment Committee Meeting

The Water Conservation Committee met Monday, 9/8/08. Informal minutes have been forwarded to the Board.

The Supplemental Water Committee met Monday, 9/8/08. The minutes for that meeting will be forwarded to the Board.

The Finance and Audit Committee will meet September 26, 2008, at 9:00 a.m.

A Supplemental Water Project Committee is planned for October 20, 2008.

The Southland Wastewater Treatment Facility Upgrade Project Committee meeting will be planned soon.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Trotter again suggested fax machines for the Board members, but only one of the other Board members desired having one loaned to them. The subject was dropped.

Director Eby stated that the District needs to track well levels on a monthly basis, as well as rainfall for the area.

Director Vierheilig would like an updated committee assignment list.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS (CONTINUED)

Director Winn

- He gave staff a list of County projects he would like shared with the other Board members. Nearly all the projects on the list will affect the District directly.
- A bio-solids draft ordinance is being pushed through Environmental Health Division of the Health Department. There are allegations in some items that are not accurate. Mr. Buel stated there was a copy of the draft ordinance in the Managers' Report of the Board packet. This will affect the District. He would like to agendize discussion, possibly with a member of the County to present information.
- Woodlands intertie – when was it authored; when was it put in; who authorized it and what is the agreement?
- Construction water being taken from neighbor – turned out that it was legitimately permitted.
- He would like some technical information on gray-water systems.
- TDC ordinance is being updated and it could have serious implications in Nipomo.
- He would like to agendize for Board discussion, a County Conservation Plan that may possibly be transferred to the Oakglen Specific Plan.

ADJOURN

President Winn adjourned the meeting at 3:46 p.m.

- **THE NEXT REGULAR BOARD MEETING IS SEPTEMBER 24, 2008.**
TENTATIVELY SCHEDULED ITEMS INCLUDE:
- Set Protest Hearing for Blacklake Sewer Rate Increase
 - Holloway Outside User Agreement Extension
 - Blacklake Sewer Fund Loan