

TO: BOARD OF DIRECTORS  
FROM: BRUCE BUEL *BB*  
DATE: NOVEMBER 21, 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 11/12/08 Regular Meeting
- D-3) AUTHORIZE REPLACEMENT OF IRRIGATION CONTROLLER AND TREES AT VISTA VERDE LANDSCAPE MAINTENANCE ZONE [RECOMMEND APPROVAL]
- D-4) AUTHORIZE SUBMITTAL OF COMMENTS TO CUWMC REGARDING EDITS TO BEST MANAGEMENT PRACTICES [RECOMMEND APPROVAL]
- D-5) EXTEND TERM OF MASTER TASK ORDER AGREEMENT WITH SAIC TO PROVIDE GEO-HYDROLOGIC CONSULTING SERVICES [RECOMMEND APPROVAL]

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2008\CONSENT AGENDA\CONSENT 11-26-08.DOC

TO: BOARD OF DIRECTORS  
 FROM: BRUCE BUEL  
 DATE: NOVEMBER 21, 2008

**AGENDA ITEM  
 D-1  
 NOVEMBER 26, 2008**

**TOTAL COMPUTER  
 CHECKS  
 \$ 185,646.79**

**HAND WRITTEN CHECKS**

11-13-08	19833	GLOBAL EQUIPMENT	2,174.03
11-17-08	19834	CALIF HIGHWAY PATROL	10.00
11-18-08	19835	CWEA-TCP	247.00
11-18-08	19836	CWEA-TCP	130.00
11-18-08	19837	CWEA-TCP	130.00
11-18-08	19838	CWEA-TCP	130.00
11-18-08	19839	CWEA-TCP	247.00
11-18-08	19840	CWEA-TCP	247.00
11-20-08	19841	J DAVID	619.40
11-20-08	19842	TERMINIX	244.44
11-20-08	19843	UNIVERSITY ENTERPRISES	102.55

VOID  
 15606, 15703

**COMPUTER GENERATED CHECKS**

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
15749	11/14/08	EMP01	EMPLOYMENT DEVELOP DEPT	913.94	.00	913.94	A81112	STATE INCOME TAX
15750	11/14/08	MID01	MIDSTATE BANK-PR TAX DEP	3240.20	.00	3240.20	A81112	FEDERAL INCOME TAX
				904.82	.00	904.82	1A81112	MEDICARE (FICA)
			Check Total.....:	4145.02	.00	4145.02		
15751	11/14/08	MID02	MIDSTATE BANK - DIRECT DP	24616.63	.00	24616.63	A81112	NET PAY
15752	11/14/08	PER01	PERS RETIREMENT	7885.04	.00	7885.04	A81112	PERS PAYROLL REMITTANCE
15753	11/14/08	STA01	STATE STREET GLOBAL	1380.00	.00	1380.00	A81112	457 DEFERRED COMP
015754	11/26/08	ABA01	ABALONE COAST BACTERIOLOG	20.00	.00	20.00	08-2273	BL WWTF LAB
				14.40	.00	14.40	08-2274	TOWN WATER
				120.00	.00	120.00	08-2289	WATER SAMPLES
				20.00	.00	20.00	08-2290	BL WWTF LAB
				14.40	.00	14.40	08-2291	TOWN WATER
				176.00	.00	176.00	08-2302	TOWN WWTF LAB
				20.00	.00	20.00	08-2303	BL WWTF LAB
				14.40	.00	14.40	08-2310	BL WATER
				20.00	.00	20.00	08-2311	BL WWTF LAB
				20.00	.00	20.00	08-2319	BL WWTF LAB
			Check Total.....:	439.20	.00	439.20		
015755	11/26/08	AME02	AMERICAN INDUSTRIAL SUPPL	120.98	.00	120.98	190581	SUPPLIES
015756	11/26/08	AME03	AMERI PRIDE	117.15	.00	117.15	F624719	UNIFORMS ETC
				117.15	.00	117.15	F630273	UNIFORMS ETC
			Check Total.....:	234.30	.00	234.30		
015757	11/26/08	ATT01	AT&T/MCI	185.41	.00	185.41	327591	PHONE
015758	11/26/08	BOY01	BOYLE ENGINEERING CORP	34661.13	.00	34661.13	60974	WATERLINE INTERTIE DESIGN
				453.60	.00	453.60	60978	PLAN CHECK VILLAGIO MKT
				9685.17	.00	9685.17	60979	SOUTHLAND DISPOSAL PLANNI
				1193.40	.00	1193.40	60980	PCI TRACT 2690
				1193.40	.00	1193.40	60983	PLAN CHECK FOR TR 2642
				334.80	.00	334.80	60980A	PCI GLOBAL PREMIER
			Check Total.....:	47521.50	.00	47521.50		
015759	11/26/08	BRE02	BRENNTAG PACIFIC INC.	430.74	.00	430.74	BPI847568	CHLORINE
				803.09	.00	803.09	BPI847569	CHLORINE
			Check Total.....:	1233.83	.00	1233.83		
015760	11/26/08	BRU01	BRUMIT DIESEL, INC.	158.52	.00	158.52	12386	OIL FOR WELLS
				83.67	.00	83.67	12387	OIL FOR WELLS
			Check Total.....:	242.19	.00	242.19		
015761	11/26/08	CAL08	CALIFORNIA RURAL	0.00	.00	0.00	2009 DUES	MEMBERSHIP DUES

**NIPOMO COMMUNITY SERVICES DISTRICT  
WARRANTS NOVEMBER 21, 2008**

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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Payment Information	
							Invoice #	Description
015762	11/26/08	CAN02	CANNON ASSOCIATES	8787.12	.00	8787.12	44949	WILLOW ROAD WATERLINE EXT
				6237.08	.00	6237.08	44987	TANK SITE STUDY
				642.76	.00	642.76	45006	WATERLINE RELOCATIONS
				Check Total.....:			15666.96	.00
015763	11/26/08	COR01	CORBIN WILLITS SYSTEMS	745.83	.00	745.83	A811151	BILLING SUPPORT
015764	11/26/08	CSD01	CALIF SPECIAL DIST ASSOC	3799.00	.00	3799.00	112008	MEMBERSHIP DUES
015765	11/26/08	EBY01	EBY, ED	100.00	.00	100.00	112608	REG BD MEETING 112608
015766	11/26/08	FGL01	FGL ENVIRONMENTAL	86.00	.00	86.00	811436A	BL WWTF LAB
				187.00	.00	187.00	811437A	TOWN WWTF LAB
				217.00	.00	217.00	811694A	TOWN WWTF LAB
				Check Total.....:			900.00	.00
015766	11/26/08	FGL01	FGL ENVIRONMENTAL	56.00	.00	56.00	811695A	BL WWTF LAB
				217.00	.00	217.00	811953A	TOWN WWTF LAB
				56.00	.00	56.00	811954A	BL WWTF LAB
				81.00	.00	81.00	812163A	BL WWTF LAB
Check Total.....:			900.00	.00	900.00			
015767	11/26/08	FUG01	FUGRO WEST, INC.	1622.50	.00	1622.50	3596-1	SOUTHLAND WWTF DISCHARGE
015768	11/26/08	GER01	GERMAN, SCOTT	40.00	.00	40.00	110508	TRAVEL TO CLASS
015769	11/26/08	GOV01	GOVERNMENT FINANCE OFFICE	35.00	.00	35.00	2599565	SUPPLIES
015770	11/26/08	GRA01	GRANDFLOW, INC.	150.31	.00	150.31	100110	PRINTED ENVELOPES
015771	11/26/08	HAM02	HAMNER JEWELL & ASSOCIATE	352.50	.00	352.50	4225	PROPERTY NEGOTIATIONS
015772	11/26/08	HAR02	HARRISON, JAMES	100.00	.00	100.00	112608	REG BD MEETING 112608
015773	11/26/08	ISE01	ISEC, INCORPORATED	15000.00	.00	15000.00	9103337A	CABINETS FOR LAB
015774	11/26/08	LAN02	LANDMARK LANDSCAPE CO INC	214.00	.00	214.00	42984	LANDSAPE MAINT FOR TR 240
015775	11/26/08	LIN02	LINC DELIVERY	253.00	.00	253.00	1836	LAB DELIVERY
015776	11/26/08	MOR02	MORE OFFICE SOLUTIONS	346.39	.00	346.39	451589	COPIER MAINT
015777	11/26/08	NAT01	NATIONAL NOTARY ASSOC	514.00	.00	514.00	021708	NOTARY CLASS BOGNUDA & JO
015778	11/26/08	NEW02	NEW TIMES	46.40	.00	46.40	104544	EMPLOYMENT AD
				46.40	.00	46.40	104770	EMPLOYMENT AD
				Check Total.....:			92.80	.00
015779	11/26/08	NIP01	NIPOMO HARDWARE	194.33	.00	194.33	103108	SUPPLIES
015780	11/26/08	NUT01	NU TECH PEST MGMT	265.00	.00	265.00	70307	PEST CONTROL
				49.00	.00	49.00	70308	PEST CONTROL
				Check Total.....:			314.00	.00
015781	11/26/08	PAR01	PARK & CO	500.00	.00	500.00	9015	WATER USE IT WISELY MATER
015782	11/26/08	QUI01	QUILL CORPORATION	331.43	.00	331.43	2623579	SUPPLIES
				9.63	.00	9.63	2623599	SUPPLIES
				Check Total.....:			341.06	.00
015783	11/26/08	ROX01	ROXSAND	398.72	.00	398.72	10637	CLASS 2 BASE
015784	11/26/08	SAI01	SAIC	1710.00	.00	1710.00	586001	DWR - 2005 UWMP
				7132.50	.00	7132.50	593511	NMMA TECH GROUP MEETINGS
				3203.38	.00	3203.38	910026	CONSULTATION
				Check Total.....:			12045.88	.00
015785	11/26/08	SAN01	SANTA MARIA TIRE INC	695.18	.00	695.18	450567	TIRES 2003 F150
015786	11/26/08	SAN07	SANTA MARIA SUN	40.00	.00	40.00	104630	EMPLOYMENT AD
				40.00	.00	40.00	104862	EMPLOYMENT AD
				Check Total.....:			80.00	.00
015787	11/26/08	SAN09	SAN LUIS MAILING SERVICE	43.16	.00	43.16	33657A	MAIL SECOND NOTICES

**NIPOMO COMMUNITY SERVICES DISTRICT  
WARRANTS NOVEMBER 21, 2008**

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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
015787	11/26/08	SAN09	SAN LUIS MAILING SERVICE	125.58	.00	125.58	33657B	POSTAGE FOR BILLS
				214.61	.00	214.61	33665A	MAILING BILLS
				1317.74	.00	1317.74	33665B	POSTAGE FOR BILLS
			Check Total.....:	1701.09	.00	1701.09		
015788	11/26/08	SHI01	SHIPSEY & SEITZ, INC	10617.50	.00	10617.50	101508	LEGAL SERVICES
015789	11/26/08	TER01	TERMINIX	5084.00	.00	5084.00	45101	FUMIGATING SERVICE
015790	11/26/08	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	112608	REG BD MEETING 112608
015791	11/26/08	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	112608	REG BD MEETING 112608
015792	11/26/08	WAL01	WALLACE GROUP	2199.75	.00	2199.75	26630	TEFFT ST LIFT STATION SUR
				7666.10	.00	7666.10	26633	INTER-TIE ASSESSMENT DIST
				2436.00	.00	2436.00	26634	GIS ASSESSMENT PARCEL UPD
			Check Total.....:	12301.85	.00	12301.85		
015793	11/26/08	WIN01	WINN, MICHAEL	100.00	.00	100.00	112608	REG BD MEETING 112608
015794	11/26/08	WOO01	DOUGLAS WOOD & ASSOCIATES	8847.85	.00	8847.85	7	WATERLINE INTERTIE EIR
				2525.00	.00	2525.00	110108	SOUTHLAND WWTF IMPROVEMEN
			Check Total.....:	11372.85	.00	11372.85		

# NIPOMO COMMUNITY SERVICES DISTRICT

*Celebrating 43 - Years of Service 1965 - 2008*

## DRAFT MINUTES

**NOVEMBER 12, 2008 AT 9AM**

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

D2

### BOARD of DIRECTORS

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

### PRINCIPAL STAFF

BRUCE BUEL, **GENERAL MANAGER**  
LISA BOGNUDA, **ASST. 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 November 12, 2008 meeting of the Nipomo Community Services District to order at 9:00 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call, all Board members were present.

**00:00:48** 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 Sheriff's Office gave a report of the recent Sheriff's activities on the Nipomo Mesa.

Oct. 31, 2008 - There was a burglary on Hunter Ridge at 5:30 p.m. The door was kicked in by the perpetrator.

Nov. 7 - There was a battery with a machete on Camino Caballo. It involved a goat being slaughtered.

Nov. 10 - A person was struck by a train in Oceano.

Commander Hascall provided a safety tip for holiday deliveries. Provide an alternate delivery address if no one plans to be home when a delivery is scheduled.

At 7:00 on a school morning, a sixteen-year-old boy and his ten-year-old sister were struck by a septic pump truck on Pomeroy Road near Ten Oaks Way. The boy was blinded by the early morning sun.

The Board asked about the health issue of slaughtering a goat in town. Cmdr. Hascall stated that the Health Department could be contacted. The incident mentioned was in a rural area

The Board also discussed the issue of speed limits on Pomeroy.

The Board thanked Cmdr. Hascall for the report.

**MINUTES SUBJECT TO BOARD APPROVAL**

## 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 October:

Nipomo Station 20 had a total of 108 calls: 14 fires, 10 vehicle accidents, 42 medical aids and 42 other calls.

Mesa Station 22 had a total of 49 calls: 3 fires, 8 vehicle accidents, 27 medical aids and 11 other calls.

Firefighters attended training with Conoco-Phillips.

A control burn was conducted on the Porter Ranch at Hwy 166 and Alamo Creek Road.

The Board thanked Battalion Chief Fisher for the report.

## C-3) CHUCK STEVENSON OF SLO COUNTY PLANNING DEPT.

Update re: Oakglen Specific Plan

Chuck Stevenson of the San Luis Obispo County Planning Department presented information concerning the Oakglen Specific Plan.

TDC program is in a holding pattern.

The downturn of the economy has affected the budget. The County has had to curtail some services.

Benefits from program – postponed.

The Board asked Mr. Stevenson about how supplemental water affects TDCs.

The Board thanked Mr. Stevenson for the update.

## C-4) DISTRICT ENGINEER PETER SEVCIK

Update re: District Engineer Activities

District Engineer Peter Sevcik gave an update of recent activities. He reviewed the outline in the Board packet and answered questions from the Board.

- Managing effort to finalize the Master Plan
- Utility Supervisor Rick Motley, Utility Superintendent Tina Grietens, District Engineer Peter Sevcik, and a representative from Boyle Engineering visited Ventura County Wastewater Treatment Facility in Moorpark to observe the Biolac system on October 28.
- Water and Sewer Master Plan Implementation
- Santa Maria Waterline Intertie Project
- Willow Road Waterline Extension Phase 1 Project
- Sewer System Management Plan
- Sundale Well
- Safety Program
- Development Plan Review
- Well level reporting

Mr. Sevcik answered questions from the Board about the "NCSD Production Well Water Level and Rainfall" charts provided

The Board thanked Mr. Sevcik for the report.

**MINUTES SUBJECT TO BOARD APPROVAL**

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

C-5) DISTRICT WATER CONSERVATION COORDINATOR CELESTE WHITLOW  
Updates re: Creek Day and Community Clean-Up Event

Celeste Whitlow, Water Conservation Coordinator, reported that:  
Community Clean Up Week was held the last week of September.

Creek Day was a success. There was not as much to clean out of the creek this year as in the past. Some property owners did not allow access to the creek in some areas, and some areas were avoided due to unsafe conditions. There were several groups headed up by Ms. Whitlow, Jill Falcone, Dawn Applegate and Danny Diaz. About 50 people participated, including many teens.

Computer monitors and old TVs should be taken to the hazardous waste disposal center on Southland Street on Saturdays from 11:00 a.m. to 3:00 p.m.

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

Director Harrison

Water purveyors will meet at the NCS D building January 15, 2009, at 2:30 p.m. to discuss the three-tiered water rate system.

The Rotary Club will hold its Christmas Parade of Lights Saturday, Dec 6, 2008. It starts at 5:00 p.m.

Director Winn

The San Luis Obispo County Planning Commission will meet Thursday, Nov. 13, 2008. One item to be discussed is "Transfer Development Credit".

There is continued concern over the Laetitia ag cluster proposal to use 33,000 gallons of water per day.

Land Use Committee of SCAC will meet Monday, November 24<sup>th</sup>, at 9:00 a.m.

California Special District Association will meet Friday, November 21<sup>st</sup>, in San Luis Obispo at Wallace Group office.

Water Resources Advisory Committee will meet December 3<sup>rd</sup>, at 1:30 p.m. in San Luis Obispo. The update on the Conservation Element is going slowly, and the Water chapter still has nothing on riparian demand.

Some public outreach information could include options for disposal of electronic devices.

C-7) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

Bill Larson, Nipomo resident, stated that the newsletter contained some errors. The information should be checked better before it is mailed.

01:02:30

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES

Approve Minutes of 10/22/08 Regular Meeting

D-3) ACCEPT QUARTERLY FINANCIAL REPORT

D-4) AUTHORIZE RETENTION OF STRUCTURAL ENGINEER TO EVALUATE OPTIONS FOR IMPROVED MIXING AT STANDPIPE WATER STORAGE RESEVOIR

**MINUTES SUBJECT TO BOARD APPROVAL**

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

D. CONSENT AGENDA (CONTINUED)

D-5) INTRODUCE PERSONNEL POLICY DESIGNATING CERTAIN POSITIONS WITH SENSITIVE POSITION DESIGNATION

D-6) CONFIRM PERS "PICK-UP" POLICY

RESOLUTION NO. 2008-1109  
 A RESOLUTION OF THE BOARD OF DIRECTORS  
 OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
 CONFIRMING PERS EMPLOYER "PICK-UP" POLICY

D-7) ACCEPT UPGRADES TO TOWN WATER SYSTEM CONSTRUCTED BY THE WOODLANDS

RESOLUTION NO. 2008-1110  
 A RESOLUTION OF THE BOARD OF DIRECTORS  
 OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
 ACCEPTING OFF-SITE WATER IMPROVEMENTS FOR TRACT 2341 (WOODLANDS)

Bruce Buel, General Manager, asked to pull item D-5 for separate consideration.

Director Vierheilg asked about the warrants presented. Mr. Buel explained the repeated charges for Abalone Labs are for daily samples taken from the Blacklake WWTF.

Director Trotter asked to have the word "motor" in Item E-1 of the October 22, 2008 Minutes changed to "engine".

Upon motion by Director Vierheilg and seconded by Director Eby, the Board unanimously approved Items D-1, 2, 3, 4, 6, and 7, as amended. Vote 5-0.

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

**ITEM D-5**

The Board discussed the proposed policy changes concerning pre-employment drug testing. Upon motion by Director Vierheilg and seconded by Director Harrison, the Board unanimously agreed to direct staff to circulate the proposed amendment to the District's Personnel Policies to employees and directors for further comment, as edited; and set December 10, 2008, for further consideration and adoption of the proposed amendment to the District's Personnel Policies. Vote 5-0.

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

*The Board took a break at 10:22 a.m. and resumed the meeting at 10:35 a.m.*

01:21:40

E. ADMINISTRATIVE ITEMS

E-1) RECEIVE REPORT FROM BLACKLAKE WATER SYSTEM AD HOC COMMITTEE, CONSIDER OPTIONS TO PROVIDE WATER SERVICE TO BLACKLAKE AND PROVIDE POLICY DIRECTION ON PROCESS

Bruce Buel, General Manager, explained that in October 2008 the Board reviewed the Reed Group "Tip-Point Report", formed an Ad Hoc Committee comprised of President Winn and Vice President Harrison, authorized the Committee to interact with Blacklake; directed the Ad Hoc Committee to report back at this Board Meeting and directed staff to

**MINUTES SUBJECT TO BOARD APPROVAL**



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

- E-1) RECEIVE REPORT FROM BLACKLAKE WATER SYSTEM AD HOC COMMITTEE, CONSIDER OPTIONS TO PROVIDE WATER SERVICE TO BLACKLAKE AND PROVIDE POLICY DIRECTION ON PROCESS (CONTINUED)

describe the options remaining to Blacklake should there be a majority protest to a new Protest Proceeding.

The Ad Hoc Committee met with representatives of Blacklake on October 29, 2008. Minutes of that meeting are included in the Board packet, along with a spreadsheet detailing a proposal for calculation of a buy-in at \$436.70 per equivalent 1" meter.

Mr. Buel explained that he received emails from Mr. Bill Petrick objecting to using the projected reserve numbers set forth in the Reed Report. Mr. Petrick wrote that "the contribution to operating reserves should be a defensible number based on the year-end audited financial statement." Mr. Petrick then further questioned the use of cash balances and inquired as to why NCSD was not using unrestricted assets as the basis for calculating the appropriate contribution from Blacklake. (Copies of the emails are appended to these minutes.)

Should there be a majority protest to a new Proposition 218 protest proceeding, staff believes that such a majority protest would indicate that Blacklake is not willing to pay for the merger of the two systems and that the District should either remove or inactivate the eight-inch intertie installed on an emergency basis to facilitate the merger. Prior to removal/inactivation of the 8" intertie, NCSD would need to use the remaining Blacklake Water Fund reserves to re-plumb the transfer pump and reactivate the hydro-pneumatic tank so that Blacklake's two wells could meet the demand not covered by the old 4" intertie. A second alternative might be to design a fully compliant Title 22 Upgrade to present to Blacklake as a subsequent Proposition 218 Protest Proceeding after the initial re-plumbing was completed.

Director Trotter stated that the residents at Blacklake do not want a stand-alone water system, nor is there enough money for a fully functional stand-alone system.

The following members of the public spoke:

Bill Petrick, NCSD resident, stated that the staff report for this item is inaccurate, untrue and can lead to confusion. He stated that his name was used erroneously throughout the published Board letter and wants the information retracted and removed from public distribution. He requested information in writing and did not suggest that the request involved BLMA or its sub-committee. He further stated that he did not suggest that another alternative be presented to the Board.

Pat Eby, NCSD resident, stated that the Blacklake Committee that met with the NCSD Ad Hoc Committee had no BLMA authority to support the suggested proposals. Mrs. Fleming stated at the Blacklake meeting that they had only come to gather information. She also stated that Mr. Winn wants a logical proposal. She asked how \$130,000 for the interior coating and \$20,000 for the exterior coating is logical. The operating reserves should relate to the Blacklake should relate to the operating costs. BL residents need to know what their future costs will be with the merger. She stated that to remove the intertie would threaten water pressure and fire protection to Blacklake homes.

**MINUTES SUBJECT TO BOARD APPROVAL**

Nipomo Community Services District  
REGULAR MEETING  
DRAFT MINUTES

E-1) RECEIVE REPORT FROM BLACKLAKE WATER SYSTEM AD HOC COMMITTEE, CONSIDER OPTIONS TO PROVIDE WATER SERVICE TO BLACKLAKE AND PROVIDE POLICY DIRECTION ON PROCESS (continued)

President Winn asked Mr. Buel to append a copy of the emails from Mr. Petrick to the minutes of this meeting so there will be no question as to the requests made.

Jon Seitz, District Legal Counsel, stated that if the two systems are merged, the funds would be merged as one unit. It would not be Blacklake costs and Town costs. That is the balance between a stand-alone system and a unified system. All District residents would be responsible for operating costs everywhere.

Director Trotter stated that the Blacklake Committee and the NCSD Ad Hoc Committee agreed on a number. It should be moved forward.

Director Winn noted that the two groups agreed on an algorithm, that in turn produced an actual number.

Director Eby asked who personally made those cost estimates.

Peter Sevcik, District Engineer, stated that the tanks costs were based on the latest Replacement Study. The interconnect costs were posted in the "Water and Sewer Master Plan". Those costs did not include engineering or construction management costs. The percentage mentioned is a planning level number.

Mr. Sevcik stated that Blacklake tank costs were prepared by Boyle Engineering in the Replacement Study. The Interconnect costs were posted by Cannon in the "Water and Sewer Master Plan".

Director Winn thanked the people from Blacklake who participated in the discussions.

Upon motion by Director Trotter and seconded by Director Harrison, the Board unanimously agreed to direct staff to prepare a draft ordinance as agreed upon by the two ad hoc committees and set a hearing for November 26, 2008, to introduce the ordinance and the report. Vote 5-0.

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

E-2) AUTHORIZE SUBMITTAL OF LETTER TO CPUC SUPPORTING PROPOSED REVISION TO GOLDEN STATE WATER COMPANY'S RATE STRUCTURE

Bruce Buel, General Manager, reviewed the background of the proposed letter of support to the California Public Utilities Commission (CPUC) regarding Golden State Water Company's request.

Director Trotter asked how a utility got involved in another utility's rate structure process.

Mr. Buel explained Supervisor Achadjian assembled several purveyors together as a support group. Most of the purveyors are on an inclining block water rate structure. The Utilities Commission is dictating that all utilities regulated by them go to the inclining rate structure. All water purveyors should try to maximize water conservation efforts for the health of the Mesa.

**MINUTES SUBJECT TO BOARD APPROVAL**

01:48:10

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

E-2) AUTHORIZE SUBMITTAL OF LETTER TO CPUC SUPPORTING PROPOSED REVISION TO GOLDEN STATE WATER COMPANY'S RATE STRUCTURE (continued)

Director Harrison stated that whenever the District Board discussed rates in the past, it was mentioned that the District only uses about 30% of the water on the Mesa and it would seem punitive to have a three-tiered rate for only District customers. Supervisor Achadjian got the purveyors together to discuss the fact that we all needed to conserve water on the Mesa. The next time the rates are presented to this Board, he expects to vote in favor of a 3-tier rate structure. It has been proven to be effective.

The following member of the public spoke:

Dan Woodson, Nipomo resident, stated before he had landscape designed for his property, he was told that there was ample water to accommodate build-out growth on the Mesa. He landscaped a large portion of his lot. He planted a lot of drought-tolerant plants and has water-conserving fixtures in the house. It is not economically advantageous to let the mature landscaping die. He requests that the Board vote against this proposal.

Christina Bird-Holenda, resident of the Mesa, stated this group should not send a letter to support a 3-tiered structure when the NCS D is on a two-tier system.

Terry Buterbaugh, Mesa resident, stated that NCS D should not support Golden State doing something that NCS D is not doing for itself. This Board has nothing to do with his water system. The increased rates do not encourage conservation.

The Board discussed if there are facts that prove that three-tiered rates saves water. Director Eby stated that Golden State wins with the 2- or 3-tier rate system. It is an unproven theory that 3-tier rates conserve water. He also stated that the trip to the PUC hearing to promote another company's financial gain is probably not a legally defensible expense and will be voting to not send this letter or the General Manager.

Director Vierheilg stated that he feels chagrined to send this letter when the District has turned down a three-tiered rate. Golden State's rates are cheaper than the District's but he cannot understand how the rate structure is revenue-neutral. Mr. Buel explained that the 2-tier structure is revenue-neutral.

Director Winn asked staff to present facts that the three-tiered structures are water conserving. It is in fact "social engineering", trying to change customers' water-use behavior. It would be unfair to our residents if we (the District) were the only ones set out to conserve water. We are all using one aquifer. Governor Schwarzenegger called for a 20 percent water reduction statewide to be mandatory by 2020, and Nipomo with its high use will be targeted more than most other places. In order to fund the pipeline to Santa Maria, the District needs support from others.

Director Trotter stated that the letter is self-serving. Director Eby asked if Golden State is supporting the District in its efforts for supplemental water and to conserve water.

The Board discussed edits to the proposed letter to the CPUC.

**MINUTES SUBJECT TO BOARD APPROVAL**

Nipomo Community Services District  
REGULAR MEETING  
DRAFT MINUTES

E-2) AUTHORIZE SUBMITTAL OF LETTER TO CPUC SUPPORTING PROPOSED REVISION TO GOLDEN STATE WATER COMPANY'S RATE STRUCTURE (continued)

Upon motion of Director Harrison and seconded by Director Vierheilig, the Board approved sending the letter to the CPUC. 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

Upon motion by Director Harrison and seconded by Director Vierheilig, the Board authorized the General Manager to participate in a CPUC hearing on this matter in support of the tiered rate proposal. Vote 4-1 with Director Eby voting no.

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

00:35:00

E-3) PREVIEW DRAFT ORDINANCE ADDING LANDSCAPE AND IRRIGATION REVIEW PROCEDURES TO DEVELOPMENT PROCESS AND SET INTRODUCTION

Bruce Buel, General Manager, reviewed the information provided in the Board packet. October 20, 2008, the Water Conservation Committee unanimously recommended that the Board amend Section 3.05 of the District Code to enable District review and approval of landscape plans and irrigation systems for new non-residential development. This recommendation results from recent construction with heavy water use landscape palettes. The County has revised standards for new development. Adoption of a draft ordinance would allow for NCSD to ensure that the new construction actually implements the new Title 19 and 22 requirements.

Jon Seitz, District Legal Counsel, explained that the proposed ordinance will affect new, commercial development and spelled out in the Intent-to-Serve letter. The landscape plan and projected water consumption must meet the total water allocation in the conditions of the Intent-to-Serve letter.

Director Eby stated that the proposed ordinance changes are not specific. Director Winn suggested adding "consistent with limits set in the Intent-to-Serve letter" to 3.05.030 F. Director Eby asked what can be done about post-construction landscaping changes.

Celeste Whitlow, NCSD Water Conservation Coordinator, stated that customers have complained about commercial landscaping. NCSD cannot do anything about the choice of plants or spacing after construction of landscaping begins.

The following member of the public spoke:

Bill Nelson, NCSD resident – stated there is a problem on Sunday Drive now. There was no landscape plan even though in the Blacklake Specific Plan some landscaping was required. A development must have a landscape plan.

**MINUTES SUBJECT TO BOARD APPROVAL**

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

E-3) PREVIEW DRAFT ORDINANCE ADDING LANDSCAPE AND IRRIGATION REVIEW PROCEDURES TO DEVELOPMENT PROCESS AND SET INTRODUCTION (continued)

Upon motion of Director Vierheilg and seconded by Director Trotter, the Board unanimously agreed to approve the proposed ordinance changes as edited and to set the introduction of the proposed ordinance for the November 26, 2008 Board meeting. Vote 5-0.

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

The Board considered the Closed Session (Item I) next.

I. CLOSED SESSION ANNOUNCEMENTS

Jon Seitz, District Legal Counsel, announced the following items to be considered in Closed Session.

1. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 SMWCD VS. NCSO (SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES).
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 VS. NCSO ET AL. (CASE NO. ND07-10362RR IN UNITED STATES BANKRUPTCY COURT, CENTRAL DISTRICT, NORTHERN DIVISION)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public present to comment.

K. ADJOURN TO CLOSED SESSION

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

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:44 p.m.

Jon Seitz, District Legal Counsel, announced that the Board heard an update on each of the items listed above.

There was no reportable action.

**MINUTES SUBJECT TO BOARD APPROVAL**

3:02:03

## E-4) CONSIDER VICE PRESIDENT HARRISON'S REQUEST RE COUNTY STREET SWEEPING PROGRAM

Director Harrison explained that he had understood that the County street-sweeping program was going to cover areas that the District covered only less often. After consulting County staff, he found that the County sweepers only swept where there was a curb. After some Board discussion and no public comment, the Board directed staff to explore the different options.

03:14:06

## F. MANAGER'S REPORT

Bruce Buel, General Manager, presented the information as published in the Board letter. He added:

District Counsel and Mr. Buel met with Golden State Water Company. It appears that they want to cooperate with the "waterline intertie project". They are meeting with Boyle Engineering in that regard. The next NCSD meeting will include a preliminary assessment spread.

Draft EIR for the Waterline Intertie Project is planned to be delivered by Monday, November 17, 2008. It will be delivered to the Clearinghouse and other interested parties.

The comment period will be November 17<sup>th</sup> through January 9, 2009. Copies will be available at cost. CD's will be available at no cost.

Mr. Buel was elected to CSDA Finance Corporation Board.

The federal government may have monies available (stimulus package) for infrastructure, pipelines, etc.

03:24:20

## G. COMMITTEE REPORT

1. 10/20/08 Water Conservation Committee Meeting
2. 10/29/08 Ad Hoc Blacklake Water Surcharge Committee Meeting
3. 11/3/08 Southland WWTF Upgrade Project Committee Meeting

The reports are presented as written.

There will be a Waterline Intertie Project Committee November 29, 2008, at 1:00 p.m.

03:31:44

## H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Vierheilig

Asked about the status of the replacement study

Mr. Buel explained that the Board accepted the study. He will provide Director Vierheilig with minutes of that meeting.

He asked about Mr. Petrick's emails and which funds are restricted or unrestricted.

When the conservation newsletter was printed on slick paper, some customers expressed that they thought it costs more than plain paper. Also, there were some typos that should have been corrected before printing.

Director Winn

Planning Commission will be considering a project (8 warehouses) on Callender-Garrett. The water is to be supplied by Woodland Park Mutual Water Co. There is no restriction on what kind of businesses will be inside the warehouses. Mutual water companies have no restraint on growth. SCAC looked at the project in March & approved it but not the septic.

03:43:15

## ADJOURN

President Winn adjourned the meeting at 1:44 p.m.

**MINUTES SUBJECT TO BOARD APPROVAL**

## Bruce Buel

---

**From:** Bill Petrick [bpetrick@capritechnology.com]  
**Sent:** Thursday, October 30, 2008 7:10 AM  
**To:** Bruce Buel  
**Cc:** Michael Winn; Jon Seitz; Jim Harrison; Larry Vierheilig; Ed Eby; Cliff Trotter  
**Subject:** Clarification of the proposed NCS D combined rates

Bruce,

At yesterday's NCS D/BLMA water meeting, Bill Nelson, Dick Hermann and I all asked about how the future water system upgrades were included in the proposed rate structure. Specifically, I was concerned about the Boyle replacement study report of April 2008 and whether those future cost estimates are reflected in the proposed rates. You stated clearly that, yes, the Boyle replacement study was included in the proposed rates.

After the meeting, I re-read the Reed letter of Sept. 24, 2008 (which is, I assume, the basis for the proposed rates). In his letter, Mr. Reed states:

"Primary reasons for the increases include (1) a phased implementation of transfers to the Funded Replacement Fund consistent with the Replacement Study"...

later in his letter, Mr. Reed states:

"The Funded Replacement Funds for each water utility are not shown in the financial plan exhibits. While the Master Plan Update identified projects needed to rehabilitate and upgrade the water systems, no timeline for constructing these projects has been provided...It is assumed that capital projects undertaking(sic) during the planning period would be limited to those that this funding would support."

These statements can be interpreted to be inconsistent with each other, so I re-read the Boyle report to try to determine what Reed means by "consistent with the Replacement Study". My conclusions are: (1) Reed did not include a significant cost element recommended by Boyle in his combined rate structure, and (2) the Master Plan Update was completed before the Boyle study, so the Boyle recommendations are not included in the Master Plan. Let me expand on my concerns...

In Table 6-2. Boyle concludes that there needs to be a \$1.4M/yr savings program for the Town water system (spread over 3400 customers) to properly account for asset replacement. This translates into a \$68/ billing per Town customer. In Table 6-4, Boyle does the same for the Blacklake water system which shows a \$80K/yr savings program (spread over 600 customers) resulting in a \$22/billing per Blacklake customer. The Town savings program is made up of 2 components (per year): a \$750,000 item and a "catch-up" of \$645K. Reed only included the \$750K in his proposed rate structure. (Why?) If the Town and Blacklake are merged, then the total savings program is \$1.5M spread over 4000 customers. This results in a uniform billing of \$62/billing period for all NCS D water customers. Comparing this to the individual billings (i.e. assuming no merger), then the Town customer's bill decreases by \$6/billing while every Blacklake customer will pay \$40/ billing more than if we are not merged.

Now I am really confused, so can you please clarify how these studies, rates, and Master Plan all fit together. Specifically,

1. Are the Reed rates "consistent" with the Boyle study even though they do not include almost half of the recommended savings?
2. When will the Boyle recommended rates be implemented?
3. Since the Master Plan update was completed before the Boyle study, how do the two fit together?
4. It appears to me that every Blacklake customer will be subsidizing the Town by \$40/billing. Is that true? If not, why not?

I would like a response as soon as possible if you are planning to present this to the

NCSD Board on Nov. 12.

Thank you.

Bill Petrick



## Bruce Buel

---

**From:** Bruce Buel  
**Sent:** Friday, October 31, 2008 9:53 AM  
**To:** 'Bill Petrick'  
**Cc:** Michael Winn; Jon Seitz; Jim Harrison; Larry Vierheilg; Ed Eby; Cliff Trotter  
**Subject:** RE: Clarification of the proposed NCSD combined rates

Bill

See below for responses.

Bruce Buel

-----Original Message-----

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**Sent:** Thursday, October 30, 2008 7:10 AM  
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**Cc:** Michael Winn; Jon Seitz; Jim Harrison; Larry Vierheilg; Ed Eby; Cliff Trotter  
**Subject:** Clarification of the proposed NCSD combined rates

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"Primary reasons for the increases include (1) a phased implementation of transfers to the Funded Replacement Fund consistent with the Replacement Study"...

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These statements can be interpreted to be inconsistent with each other, so I re-read the Boyle report to try to determine what Reed means by "consistent with the Replacement Study". My conclusions are: (1) Reed did not include a significant cost element recommended by Boyle in his combined rate structure, and (2) the Master Plan Update was completed before the Boyle study, so the Boyle recommendations are not included in the Master Plan. Let me expand on my concerns...

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Now I am really confused, so can you please clarify how these studies, rates, and Master Plan all fit together. Specifically,

1. Are the Reed rates "consistent" with the Boyle study even though they do not include almost half of the recommended savings?

RESPONSE: Yes, when the Board adopted the Boyle Replacement Study, they indicated that the annual contribution levels were not firm targets.

2. When will the Boyle recommended rates be implemented?

RESPONSE: Sometime in 2009 after the Surcharge Issue is resolved, the Board will hire a rate consultant to develop a new and much more detailed five year financial plan. That plan will evaluate different levels of contribution for each year in the planning horizon. The Board will use this information to propose a new rate pattern for the 2010 through 2013 and set a protest hearing. Whatever new rates are adopted will then set the envelope for adoption of subsequent budgets.

3. Since the Master Plan update was completed before the Boyle study, how do the two fit together?

RESPONSE: The two documents address different topics but they are not conflicting. The Master Plan envisions necessary new works and the Replacement Study provides funding for the future replacement of existing infrastructure.

4. It appears to me that every Blacklake customer will be subsidizing the Town by \$40/billing. Is that true? If not, why not?

RESPONSE: No, if anything the Town is subsidizing Blacklake. Blacklake will benefit from the Fund 700 capital but is paying almost nothing towards those future improvements.

I would like a response as soon as possible if you are planning to present this to the NCSD Board on Nov. 12.

Thank you.

Bill Petrick

## Bruce Buel

---

**From:** Bill Petrick [bpetrick@capritechnology.com]  
**Sent:** Friday, October 31, 2008 2:42 PM  
**To:** Bruce Buel  
**Cc:** Lisa Bognuda; Pat Eby; Jim Gallagher  
**Subject:** Re: Request for Information

Bruce,

How do these numbers relate to the auditor's report, Schedule 1, Pg. 1 of 2? The BL Water unrestricted funds show \$56,370 and the replacement fund is what Lisa provided. The Town Water shows \$6,017,080 in unrestricted funds. This must include something more than the Town Fund 120.

I guess the next question is how does the NCS D bookkeeping system define "operating reserves" and what are the account balances for that account on June 30, 2008 and how do they relate to the information in the audited financial statement?

Thank you for the prompt response.

Bill

On Oct 31, 2008, at 10:11 AM, Bruce Buel wrote:

> Bill  
>  
> Lisa has provided the following cash balances.  
>  
> Bruce Buel  
>  
> -----Original Message-----  
> From: Lisa Bognuda  
> Sent: Friday, October 31, 2008 10:04 AM  
> To: Bruce Buel  
> Subject: FW: Request for Information  
>  
> Bruce,  
>  
> The cash balances as of June 30, 2008 were as follows:  
>  
> Fund #120 - Town Water \$1,832,860  
> Fund #800 - Town Water Funded replacement \$2,339,822  
> Fund #140 - BL Water \$35,109  
> Fund #820 - BL Water Funded Replacement \$271,091  
>  
> Lisa  
>  
> \_\_\_\_\_  
> Lisa Bognuda  
> Assistant General Manager  
>  
> Nipomo Community Services District  
> P.O. Box 326  
> Nipomo, CA 93444-0326  
> (805) 929-1133  
> (805) 929-1932 fax  
> lbognuda@ncsd.ca.gov  
> -----Original Message-----  
> From: Bill Petrick [mailto:bpetrick@capritechnology.com]  
> Sent: Thursday, October 30, 2008 11:10 AM  
> To: Lisa Bognuda  
> Cc: Bruce Buel; Ed Eby; Pat Eby  
> Subject: Request for Information  
>

> Lisa,  
>  
> As you must know by now, NCSD and BLMA have a buy-in "agreement" based  
> on information presented to the sub-committee yesterday. Although  
> some of the line items in the proposed agreement are best estimates,  
> the one concerning the "contribution to operating reserves" should be  
> a defensible number based on the year-end audited financial statement.  
> Can you please provide the data for the "operating reserves" for Fund  
> 120 (Town) and Fund 140 (Blacklake) from the 2008 audited financial  
> statement so we can make an exact determination of the contribution?  
> I believe the numbers presented at the Oct 8 board meeting and again  
> yesterday are budgetary numbers. Thanks in advance.  
>  
> Bill Petrick

## Bruce Buel

---

**From:** Bruce Buel  
**Sent:** Tuesday, November 04, 2008 10:11 AM  
**To:** 'Bill Petrick'  
**Cc:** Lisa Bognuda; Pat Eby; Jim Gallagher; Michael Winn; 'James Harrison'; 'CTrot71@aol.com'; Larry Vierheilg; Ed Eby; Nancy Fleming; 'George Billinger'; 'Bill Nelson'  
**Subject:** RE: Request for Information

Bill

The easiest way to visualize Town Water Assets is to look at page 20 of our June 30, 2008 Audit, which does show the \$6,017,080 in "unrestricted assets". This figure is a composite of the various funds that are posted to Town Water including Funds 110, 120, 800, 500 and 700. The top entry in the Town Water Column on Page 20 is "cash and cash equivalents" at \$12,881,994.

The \$12,881,994 is comprised of contributions from the following funds:

Fund 110	\$43,616
Fund 120	\$1,832,860
Fund 800	\$2,339,822
Fund 500	\$3,808,363
Fund 700	\$4,857,333

All of these funds would be available to BL is the two systems were merged and a fair argument could be made that any calculation of reserve contribution should include all of them.

When we calculate Operating Reserves we have historically used the year end Fund 120 fund balance.

Bruce Buel

-----Original Message-----

**From:** Bill Petrick [mailto:bpetrick@capritechnology.com]  
**Sent:** Friday, October 31, 2008 2:42 PM  
**To:** Bruce Buel  
**Cc:** Lisa Bognuda; Pat Eby; Jim Gallagher  
**Subject:** Re: Request for Information

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> Lisa

---

> Lisa Bognuda  
> Assistant General Manager  
> Nipomo Community Services District  
> P.O. Box 326  
> Nipomo, CA 93444-0326  
> (805) 929-1133  
> (805) 929-1932 fax  
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> yesterday are budgetary numbers. Thanks in advance.

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## Bruce Buel

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**From:** Bruce Buel  
**Sent:** Thursday, November 06, 2008 1:17 PM  
**To:** 'Bill Petrick'  
**Cc:** 'Michael Winn'; 'James Harrison'; 'CTrot71@aol.com'; Larry Vierheilig; Ed Eby; Lisa Bognuda; Nancy Fleming; 'George Billinger'; 'Bill Nelson'  
**Subject:** RE: Request for Information

Bill

See below for responses

Bruce Buel

-----Original Message-----

**From:** Bill Petrick [mailto:bpetrick@capritechnology.com]  
**Sent:** Tuesday, November 04, 2008 10:05 PM  
**To:** Bruce Buel  
**Subject:** Re: Request for Information

Bruce,

Thank you for the info, but I am still confused. I don't want to be contrary here, I just want to understand what these numbers mean. On pg. 20, the restricted funds are \$7,197,155, composed of Funds 700 and 800. That leaves the unrestricted funds to be composed of funds 120 and 500. These two funds only add up to \$5.6M, but the unrestricted funds = \$6,017,080. Where does the \$400K come from?

RESPONSE: The Unrestricted figures in the Net Asset Section on Page 20 is an accumulation of assets minus liabilities. The Net Asset Section does NOT represent cash. If you want to stop by the office I can show you the line items that are added and subtracted to get the remainders.

Also, why is Fund 700 (Town capacity fund) restricted and Fund 500 (supplemental water) is unrestricted?

RESPONSE: Our Auditor has never classified Fund 500 as restricted, but it could be if the Board so ordered.

Finally, how did Fund 120 get to be \$1.8M? Can you have Lisa provide a summary sheet on the Fund 120 entries for the last fiscal year?

RESPONSE: No, Fund 120 Cash is an accumulation of net surplus over time. We do not have the staff or the time to prepare a summary including thousands of entries over the last 30 + years.

Thanks in advance.

Bill

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>  
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> of our June 30, 2008 Audit, which does show the \$6,017,080 in  
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>  
> Bill  
> On Oct 31, 2008, at 10:11 AM, Bruce Buel wrote:  
>  
>> Bill  
>>  
>> Lisa has provided the following cash balances.  
>>  
>> Bruce Buel  
>>  
>> -----Original Message-----  
>> From: Lisa Bognuda  
>> Sent: Friday, October 31, 2008 10:04 AM  
>> To: Bruce Buel  
>> Subject: FW: Request for Information  
>>  
>> Bruce,  
>>  
>> The cash balances as of June 30, 2008 were as follows:  
>>  
>> Fund #120 - Town Water \$1,832,860  
>> Fund #800 - Town Water Funded replacement \$2,339,822  
>> Fund #140 - BL Water \$35,109  
>> Fund #820 - BL Water Funded Replacement \$271,091  
>>  
>> Lisa  
>> \_\_\_\_\_  
>>  
>> Lisa Bognuda  
>> Assistant General Manager



>>  
>> Nipomo Community Services District  
>> P.O. Box 326  
>> Nipomo, CA 93444-0326  
>> (805) 929-1133  
>> (805) 929-1932 fax  
>> lbognuda@ncsd.ca.gov  
>> -----Original Message-----  
>> From: Bill Petrick [mailto:bpetrick@capritechnology.com]  
>> Sent: Thursday, October 30, 2008 11:10 AM  
>> To: Lisa Bognuda  
>> Cc: Bruce Buel; Ed Eby; Pat Eby  
>> Subject: Request for Information  
>>  
>> Lisa,  
>>  
>> As you must know by now, NCSD and BLMA have a buy-in "agreement"  
>> based  
>> on information presented to the sub-committee yesterday. Although  
>> some of the line items in the proposed agreement are best estimates,  
>> the one concerning the "contribution to operating reserves" should be  
>> a defensible number based on the year-end audited financial  
>> statement. Can you please provide the data for the "operating  
>> reserves" for Fund 120 (Town) and Fund 140 (Blacklake) from the 2008  
>> audited financial statement so we can make an exact determination of  
>> the contribution? I believe the numbers presented at the Oct 8 board  
>> meeting and again yesterday are budgetary numbers. Thanks in  
>> advance.  
>>  
>> Bill Petrick  
>

TO: BOARD OF DIRECTORS  
FROM: BRUCE BUEL *BBB*  
DATE: NOVEMBER 20, 2008



**AUTHORIZE WATER-SAVING MODIFICATIONS AND REPAIRS  
FOR VISTA VERDE**

**ITEM**

Authorize replacement of irrigation controller and trees at Vista Verde Landscape Maintenance District [RECOMMEND AUTHORIZATION].

**BACKGROUND**

The NCSD administers the maintenance of the Vista Verde common-area landscaping. The funds come from the Vista Verde homeowners, in the form of a yearly charge on your property taxes. The original landscaping for this area was designed and installed by the developer, Sculpture Homes (Paul Edwards Promotions LLC). In 2003, the developer petitioned NCSD to form a Landscape Maintenance District. The Landscape Maintenance District was formed under the Streets and Highways Codes.

Although the amount of common-area landscaping is small, the landscaping contains very water-hungry plant materials and the irrigation system controller is old. The water consumption is high for the small area being irrigated, and water runoff is a large and consistent problem.

At the Board's direction, letters were sent to the Vista Verde Homeowners' Association members in which the concerns about high water usage were expressed, and an invitation was given to attend a meeting at the District to discuss the issues. The outcome of the meeting was a request by the HOA members to arrange for having the irrigation controller replaced with a new, state-of-the-art, weather-based smart controller. They strongly indicated they did not want to change the plant material to a more water-conserving palette, although they indicated it could be reconsidered in the future.

The homeowners also indicated that trees (less than 5) in the landscape have died and removed, but not replaced. They requested that the trees be replaced.

Contact was made with the landscape architect company that played an important role in the success of the Santa Barbara irrigation controller replacement program. The quote was for \$1070, which includes site assessment, installation, programming, educating the landscape maintenance company in charge of the common area landscaping, and a one-month follow-up. The irrigation controller is a 24-station system, which is larger and more expensive than most homeowners' systems.

**RECOMMENDATION**

Staff recommends that your Honorable Board authorize the purchase and installation of a smart irrigation controller to replace the old one at Vista Verde, and replacement of the dead trees.

**ATTACHMENTS**

Quote from enviroscaping.

# **enviroscaping, inc.**

485 VENADO DRIVE, SANTA BARBARA, CA 93111  
(805) 683-6196 · FAX (805) 692-1877  
EMAIL [enviroscapinginc@cox.net](mailto:enviroscapinginc@cox.net)  
[www.enviroscapinginc.net](http://www.enviroscapinginc.net)

October 17, 2008

Vista Verde HOA

## **PROPOSAL FOR ET INSTALLATION @ VISTA VERDE HOA**

- 1) ET Plus - 24 Station Irrigation Controller \$630.00
- Site survey, installation, programming, activation and landscaper education \$265.00
- Follow up and adjustments after 1 month \$175.00

**Total \$1,070.00**

\*Cost includes travel time.

\*First month of satellite service is free with purchase of controller, after that there will be a satellite service fee of \$8.00 per month.

\*External antennae may be required depending on signal strength at clock location (cost \$45.00 plus tax)

Thank you for the opportunity to provide you with your irrigation controller needs. I look forward to doing business with you. Please call me at 805-683-6196 if you have any questions or need any further information.

**AN AGREEMENT BETWEEN Vista Verde HOA AND enviroscaping, inc. IS HEREBY  
ACCEPTED:**

Proposal presented by: \_\_\_\_\_ Date: \_\_\_\_\_

Proposal Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

**Please return a signed copy to the enviroscaping, inc. office**

TO: BOARD OF DIRECTORS  
FROM: BRUCE BUEL *BB*  
DATE: NOVEMBER 20, 2008

**AGENDA ITEM  
D-4  
NOV. 26, 2008**

**AUTHORZE SUBMITTAL OF BMP REVISION  
COMMENTS TO CUWCC**

**ITEM**

Authorize submittal of comments to CUWCC regarding edits to best management practices. [RECOMMEND AUTHORIZATION].

**BACKGROUND**

The California Urban Water Conservation Council (CUWCC) is an organization of utilities which are signatories of the CUWCC Memo of Understanding (MOU), and which are united to facilitate and promote water conservation in California. The CUWCC has issued a set of 14 Best Management Practices for water conservation that must be followed by signatories to the MOU. The CUWCC issued proposed revisions to the current BMPs, and are asking for comments from members.

**REVISIONS:**

**Reorganization of BMPs.** The BMPs are now organized into five categories. Each has specific duties, water-saving assumptions (not quantified), flex-track options for implementation, and documentation requirements. Programmatic BMPs have implementation schedules.

Foundational BMPs: Considered essential water conservation activities by any utility. They include two categories: Utility Operations and Education. These are on-going practices, with no time limit.

Programmatic BMPs: Organized into five categories: Residential, Commercial, Industrial and Institutional. Each has minimal activities that have a schedule for implementation. A utility may file for exemption.

Compliance. Achieved by either performing activities of the BMPs, or demonstrating a decrease in gallon per capita per day (GPCD).

**Utility Operations Program.** Formerly BMP 12, this BMP concerns operations practices.

Designated Conservation Coordinator;

Water Waste. Enforce or support legislation, regulations, ordinances, or terms of service prohibiting water waste for new development and existing users.

Drought Response. Enact, enforce or support legislation, regulations, ordinances or terms of service facilitating drought response measures.

**Education Programs.**

Social Marketing.

**Residential.**

Leak detection. Requires provision of leak-detection assistance to 1.5%/year of current SFRs (54 District SFR accounts), 1.5% MFRs (less than one District MFR account) in the first 10 yrs after signing the MOU; after 15% target is met, continuation of the program of 0.75% per year for SFRs for high-use accounts, and the same for MFRs.

Landscape water survey. Water surveys to an average of 1.5%/year SFRs and MFRs in the first ten years following signing of the MOU. After 15%/10 years, 0.75%/year for SFRs and MFRs.

Showerheads. Showerhead distribution is considered complete when 75% market saturation is achieved.

High-efficiency clothes washers. Previously the requirement was calculated by *total dwelling units* multiplied by 0.0768, or 0.8%. Proposed BMP changes requirements, using *single family units* only, to providing incentives for HEW purchase to 0.9% (32, for current 3550 District SFRs) for the first year, and 1% (3 District accounts) per year for the remaining ten-year period, or a 1.5% adoption rate (53 District accounts). Alternatively, demonstration of market penetration of 1.4% (50 District accounts) per year will meet the goal.

Toilets. WaterSense-rated toilets are specified. Replacement of 3.5 gallons-per-flush or greater toilets at least at the level achieved through a retrofit-through-resale ordinance until 2014, or to 75% market saturation.

**Commercial, Industrial, Institutional.** Implementation of measures to meet a 10% goal of decrease in water use, based on 2008 figures, in ten years. Interim targets are provided.

### **Landscape.**

#### All accounts.

\*Provide non-residential customers with support and incentives to improve landscape irrigation efficiency.

\*Assign ETo-based water budgets of 70% of ETo or less to an average of 9%/year for 10 years.

\*Provide notices each billing cycle to accounts with water-use budgets demonstration the relationship between budget and actual consumption.


\*Within six years, offer technical assistance to all accounts that are 20% over budget.

\*Provide water survey for at least 15% of all CII accounts within 10 years.

Recreation areas. For recreation areas (portions of parks, schoolyards, golf courses, playgrounds, sports fields, where turf is used for recreation purposes) and areas solely dedicated to edible plants, may require more water. Up to 100% of the ETo budget for that property may be allowed, with documentation by the water agency.

### **RECOMMENDATION**

Staff recommends to the Honorable Board that the revised BMPs be accepted without recommendation for change. There have been important changes made from the originally proposed BMP revisions, which have removed the requirements or descriptions to which many members objected. With the provision of a variety of options to meet the BMP requirements, including flex-track options, the District would be able to meet the goals within the designated time

TO: BOARD OF DIRECTORS  
FROM: BRUCE BUEL   
DATE: NOVEMBER 21, 2008

**AGENDA ITEM  
D-5  
NOVEMBER 26, 2008**

## EXTEND SAIC MASTER TASK ORDER AGREEMENT TERM

### ITEM

Extend term of master task order agreement with SAIC to provide geo-hydrological consulting services [RECOMMEND APPROVAL].

### BACKGROUND

Your Honorable Board approved a Master Task Order Agreement with SAIC in February 2006 and an agreement was executed on March 23, 2006 with a term running through 12/31/08. SAIC has submitted the attached request to extend the term through 12/31/08. The initial Master Agreement included separate Task Orders for development of a Groundwater Management Plan and General Services (Groundwater Monitoring, Triggers, Grants, etc.). Subsequently, your Honorable Board authorized a separate Task Order regarding representation of NCSD at the NMMA Technical Group. Staff has suspended SAIC efforts on the Groundwater Management Plan pending development of the Annual Report by the NMMA Technical Group, but continues to rely on SAIC for General Services and NMMA Technical Group representation. It should be noted that the agreement provides for NCSD to terminate the agreement without cause upon notice to SAIC.

### FISCAL IMPACT

Extension of the term would allow for SAIC to continue providing the services requested by the District on a time and materials basis. Funds for these services are included in the FY08-09 Budget.

### RECOMMENDATION

Staff recommends that the Board authorize the President to execute an amendment to the March 23, 2006 SAIC Agreement extending the term from 12/31/08 through 12/31/10.

### ATTACHMENTS

- SAIC Request

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2008\SAIC EXTENSION.DOC



Mr. Bruce Buel  
Nipomo Community Services District  
148 South Wilson Street  
Nipomo, CA 93444-0326

14 November 2008

**Subject: Request to Extend Period of Performance (POP) –  
Agreement for Professional Engineering Services  
AGREEMENT DATED 03/23/2006**

Dear Mr. Buel,

Science Applications International Corporation (SAIC) respectfully requests that the Period Of Performance (POP) for the subject agreement be extended from 31 December 2008 through 31 December 2010. SAIC has enjoyed supporting the Nipomo Community Services District (NCSD) and looks forward to continuing to provide professional engineering services on an on-call, as needed basis. Services will continue to be provided through Task Orders as currently conducted.

On review of this submittal, should you have questions of a technical nature, please contact Dr. Brad Newton at (805) 566-6451. For contractual questions, please contact me at (858) 826-6455.

If in agreement with this request, please acknowledge your acceptance by having an authorized representative sign and date below.

Sincerely,

SCIENCE APPLICATIONS INTERNATIONAL CORPORATION

Gil Olivas  
Senior Contracts Representative

**Acknowledged and Accepted by:  
Authorized Representative of**

**Nipomo Community Service District**

Approved By: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_