

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: MARCH 6, 2009



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 2/25/09 Regular & 2/27/09 Special Meeting
- D-3) ADOPT RESOLUTION UPDATING 2006 WATERLINE INTERTIE PROJECT REIMBURSEMENT RESOLUTION [ADOPT RESOLUTION]
- D-4) ADOPT RESOLUTION AMENDING TRAVEL PER DIEM PROVISIONS IN PERSONNEL POLICY [ADOPT RESOLUTION]
- D-5) ADOPT RESOLUTION APPROVING AMENDMENT TO HOLLOWAY OUTSIDE USER AGREEMENT [ADOPT RESOLUTION]

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TO: BOARD OF DIRECTORS
 FROM: BRUCE BUEL *BB*
 DATE: MARCH 6, 2009

**AGENDA ITEM
 D-1
 MARCH 11, 2009**

**TOTAL COMPUTER
 CHECKS
 \$ 260,428.03**

HAND WRITTEN CHECKS

02-11-09	19871	SECRETARY OF STATE	40.00
02-11-09	19872	SECRETARY OF STATE	40.00
02-19-09	19873	CA-NV AMER WATER WORKS	75.00
02-25-09	19874	G NESTER CONST	1,314.60
02-23-09	19875	L VIERHEILIG	100.00
02-23-09	19876	M WINN	100.00
02-27-09	19877	J HARRISON	100.00
02-27-09	19878	L VIERHEILIG	100.00
02-27-09	19879	E EBY	100.00
02-27-09	19880	C TROTTER	100.00
02-27-09	19881	M WINN	100.00
03-02-09	19882	L VIERHEILIG	100.00
03-02-09	19883	J HARRISON	100.00
03-02-09	19884	CWEA TRI COUNTIES SECTION	40.00

VOID - NONE

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
16186	03/06/09	EMP01	EMPLOYMENT DEVELOP DEPT	907.35	.00	907.35	A90302	STATE INCOME TAX
16187	03/06/09	MID01	MIDSTATE BANK-PR TAX DEP	3241.92	.00	3241.92	A90302	FEDERAL INCOME TAX
				807.32	.00	807.32	1A90302	MEDICARE (FICA)
			Check Total.....	4049.24	.00	4049.24		
16188	03/06/09	MID02	MIDSTATE BANK - DIRECT DP	24323.31	.00	24323.31	A90302	NET PAY
16189	03/06/09	PER01	PERS RETIREMENT	7594.99	.00	7594.99	A90302	PERS PAYROLL REMITTANCE
16190	03/06/09	STA01	STATE STREET GLOBAL	780.00	.00	780.00	A90302	457 DEFERRED COMP
016191	03/11/09	ABA01	ABALONE COAST BACTERIOLOG	20.00	.00	20.00	09-321	BL WWTF LAB
				14.40	.00	14.40	09-330	WATER SAMPLE
				150.00	.00	150.00	09-353	WATER SAMPLES
				20.00	.00	20.00	09-354	BL WWTF LAB
				20.00	.00	20.00	09-362	BL WWTF LAB
				176.00	.00	176.00	09-363	TOWN WWTF LAB
				20.00	.00	20.00	09-383	BL WWTF LAB
				20.00	.00	20.00	09-391	BL WWTF LAB
			Check Total.....	440.40	.00	440.40		
016192	03/11/09	ADV01	ADVANTAGE ANSWERING PLUS	140.90	.00	140.90	102182	ALARM MONITORING
016193	03/11/09	AEC01	AECOM WATER	2866.88	.00	2866.88	7050275	SOUTHLAND DISPOSAL PLANNI
				98849.33	.00	98849.33	7050534	WATERLINE INTERTIE PROJEC
				2343.60	.00	2343.60	7050543 A	PCI CO 06-0225 KENDEL
				334.80	.00	334.80	7050543 B	PCI CO 06-0037 MOORE
				1644.30	.00	1644.30	7050543 C	PCI 092-130-044 GLOBAL PR
			Check Total.....	106038.91	.00	106038.91		
016194	03/11/09	ALX01	ALEXANDER'S CONTRACT SERV	3135.70	.00	3135.70	022409	METER READS
016195	03/11/09	AME03	AMERI PRIDE	113.17	.00	113.17	F707892	UNIFORMS ETC
				113.17	.00	113.17	F713410	UNIFORMS ETC
			Check Total.....	226.34	.00	226.34		
016196	03/11/09	ATT01	AT&T/MCI	152.55	.00	152.55	475578	PHONE
				37.45	.00	37.45	475830	PHONE
				152.33	.00	152.33	475900	PHONE
			Check Total.....	342.33	.00	342.33		
016197	03/11/09	BEN02	BENTLEY SYSTEMS, INC.	1740.90	.00	1740.90	47220520	WATER/SEWER GEMS SUBS
016198	03/11/09	BOG01	BOGNUDA, LISA	12.87	.00	12.87	030309	REIMBURSE TRAVEL

Copy of document found at www.NoNewWipTax.com

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS MARCH 6, 2009**

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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information- Description
016199	03/11/09	BRE02	BRENNTAG PACIFIC INC.	-493.30 590.92	.00 .00	-493.30 590.92	CO13982C BPI87198	CREDIT FOR OVERPAYMENT CHLORINE
			Check Total.....	97.62	.00	97.62		
016200	03/11/09	BRI01	BRISCO'S	160.05	.00	160.05	140351+	SUPPLIES
016201	03/11/09	CAL16	CALPERS	28250.00	.00	28250.00	A90302	OPEB PRE FUNDING-QUARTERL
016202	03/11/09	CAN02	CANNON ASSOCIATES	4390.00	.00	4390.00	45716	STANDPIPE TANK MODIFICATI
016203	03/11/09	CAR04	CAR QUEST AUTO PARTS	72.35 37.94 10.34 10.51	.00 .00 .00 .00	72.35 37.94 10.34 10.51	310942 311945 312053 312067	SUPPLIES SUPPLIES SUPPLIES SUPPLIES
			Check Total.....	131.14	.00	131.14		
016204	03/11/09	COA02	COASTAL ROLLOFF	291.60	.00	291.60	45810	SHOP TRASH REMOVAL
016205	03/11/09	COR01	CORBIN WILLITS SYSTEMS	745.83	.00	745.83	A90305	COMPUTER SUPPORT
016206	03/11/09	DWI01	DWIGHT'S AUTOMOTIVE	61.68	.00	61.68	40261	04 FORD MAINT
016207	03/11/09	EBY01	EBY, ED	100.00	.00	100.00	031109	REG BD MEETING 031109
016208	03/11/09	FAR01	FARM SUPPLY COMPANY	420.27	.00	420.27	929558+	SUPPLIES
016209	03/11/09	FAR02	FAR WEST EXPRESS	24.00	.00	24.00	E15315+	DELIVERY
016210	03/11/09	FGL01	FGL ENVIRONMENTAL	212.00 56.00 212.00 56.00 212.00 56.00	.00 .00 .00 .00 .00 .00	212.00 56.00 212.00 56.00 212.00 56.00	901116A 901117A 901400A 901401A 901592A 901593A	TOWN WWTF LAB BL WWTF LAB T WWTF LAB BL WWTF LAB TOWN WWTF LAB BL WWTF LAB
			Check Total.....	804.00	.00	804.00		
016211	03/11/09	FIS01	FISHER PUMP SERVICE	1785.00	.00	1785.00	950	KNOLLWOOD WELL MAINT
016212	03/11/09	FLU01	FLUID RESOURCE MANAGEMENT	2146.24	.00	2146.24	5055	TEFFT ST LIFT STATION
016213	03/11/09	GAS02	GAS COMPANY, THE	118.30 11.18	.00 .00	118.30 11.18	022309 022709	OFFICE HEAT 06235160949 SOUTHLAND OFFICE HEAT
			Check Total.....	129.48	.00	129.48		
016214	03/11/09	GIL01	GLM, INC.	320.00	.00	320.00	022709	LANDSCAPE MAINT OFFICE
016215	03/11/09	GWA01	GWA INC	53.00 85.00 85.00	.00 .00 .00	53.00 85.00 85.00	90200640 90202062 90202107	ALARM MONITORING ALARM MONITORING ALARM MONITORING
			Check Total.....	223.00	.00	223.00		
016216	03/11/09	HAR02	HARRISON, JAMES	100.00	.00	100.00	031109	REG BD MEETING 031109
016217	03/11/09	JJK01	J J KELLER & ASSOCIATES,	21.45	.00	21.45	7776322	OSHA MANUAL
016218	03/11/09	JOB01	JOBS AVAILABLE INC	535.50	.00	535.50	906031	EMPLOYMENT AD
016219	03/11/09	LAN02	LANDMARK LANDSCAPE CO INC	214.00	.00	214.00	44102	LANDSCAPE MAINT FOR TR 24
016220	03/11/09	MOT01	MOTLEY, RICK	12.49	.00	12.49	022509	REIMBURSE SUPPLIES
016221	03/11/09	NEW02	NEW TIMES	62.00	.00	62.00	109149	EMPLOYMENT AD
016222	03/11/09	NEX01	NEXTEL COMMUNICATIONS	442.23	.00	442.23	87314087	CELL PHONES
016223	03/11/09	NIP09	NIPOMO MARKET PLACE	7.06	.00	7.06	677709	OIL
016224	03/11/09	OFF01	OFFICE DEPOT	136.26	.00	136.26	46482934	SUPPLIES
016225	03/11/09	PGE01	P G & E	38452.64	.00	38452.64	021909	ELECTRICITY
016226	03/11/09	PRE01	PRECISION JANITORIAL	650.00 200.00	.00 .00	650.00 200.00	184 185	FEBRUARY JANITORIAL SERVI WAX LAB FLOOR-SHOP
			Check Total.....	850.00	.00	850.00		
016227	03/11/09	RAB01	RABOBANK	90.50 6.85 5.38	.00 .00 .00	90.50 6.85 5.38	030409 A 030409 B 030409 C	BOARD MEETING SUPPLIES POSTAGE SUPPLIES
			Check Total.....	102.73	.00	102.73		
016228	03/11/09	RBA01	R BAKER, INC	3350.00	.00	3350.00	09013457	REPLACE DRIVEWAY DIST OFF

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS MARCH 6, 2009**

**AGENDA ITEM
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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
016228	03/11/09	RBA01	R BAKER, INC	4975.00	.00	4975.00	09013458	MAINT YARD DROP INLET
			Check Total.....:	11370.00	.00	11370.00		
016229	03/11/09	REL01	RELIABLE	148.48	.00	148.48	XLW21001	SUPPLIES
016230	03/11/09	SAN01	SANTA MARIA TIRE INC	55.21	.00	55.21	451864	2004 CHEV MAINT
				65.47	.00	65.47	451867	2003 FORD MAINT
			Check Total.....:	120.68	.00	120.68		
016231	03/11/09	SAN04	SANTA MARIA TIMES	790.33	.00	790.33	551184	EMPLOYMENT ADS
016232	03/11/09	SHI01	SHIPSEY & SEITZ, INC	9243.50	.00	9243.50	020109	LEGAL SERVICES
016233	03/11/09	SLO02	DIV OF ENVIRON HEALTH	845.76	.00	845.76	62934	CROSS CONNECTION INSPECTI
016234	03/11/09	SOU01	SOUTH COUNTY SANITARY	34.92	.00	34.92	A90302	TRASH COLLECTION
				169.12	.00	169.12	2475087	OLDE TOWNE TRASH COLLECTI
			Check Total.....:	204.04	.00	204.04		
016235	03/11/09	SOU03	SOUTH COUNTY SANITARY	169.35	.00	169.35	A90304	SOLID WASTE TAX LIENS
016236	03/11/09	STA04	STATE DEPT OF HEALTH SERV	477.56	.00	477.56	0950556	WATER SYSTEM FEES 4010026
016237	03/11/09	STA08	STAPLES	312.30	.00	312.30	98787	SUPPLIES
016238	03/11/09	STR03	STRADLING YOCCA CARLSON	1750.00	.00	1750.00	024546-2	ANNUAL DISCLOSURE REPORT
016239	03/11/09	TIT01	TITAN INDUSTRIAL & SAFETY	89.18	.00	89.18	1034626	FIRST AID KIT & EXTINGR
016240	03/11/09	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	031109	REG BD MEETING 031109
016241	03/11/09	UND01	UNDERGROUND SERVICE ALERT	105.00	.00	105.00	20039	UNDERGROUND NOTIFICATION
016242	03/11/09	USB01	US BANK TRUST	30.00	.00	30.00	22309 A	CHAMBER OF COMMERCE
				279.81	.00	279.81	22309 B	CONSERVATION WORKSHOP SUP
				109.90	.00	109.90	22309 C	CONSERVATION SUPPLIES
				822.28	.00	822.28	22309 D	MISC TRAVEL EXPENSES
				321.95	.00	321.95	22309 E	BOARD MEETING SUPPLIES
				195.64	.00	195.64	22309 F	RECYCLING PROMOTIONS
				1135.00	.00	1135.00	22309 G	SEMINARS
				207.59	.00	207.59	22309 H	OPERATING SUPPLIES
				34.76	.00	34.76	22309 I	OFFICE SUPPLIES
			Check Total.....:	3136.93	.00	3136.93		
016243	03/11/09	VER01	VERIZON	36.13	.00	36.13	021909	BL PHONE
016244	03/11/09	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	031109	REG BD MEETING 031109
016245	03/11/09	WIN01	WINN, MICHAEL	100.00	.00	100.00	031109	REG BD MEETING 031109
016246	03/11/09	\A003	ADVENT INC,	461.00	.00	461.00	000A90201	MQ CUSTOMER REFUND FOR AD
016247	03/11/09	\H003	% ANDREW BRASOLE,	118.28	.00	118.28	000A90301	MQ CUSTOMER REFUND FOR HO

NIPOMO COMMUNITY SERVICES DISTRICT*Celebrating 44 - Years of Service 1965 - 2009***DRAFT MINUTES****FEBRUARY 25, 2009 AT 9AM**

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

JAMES HARRISON, **PRESIDENT**
 LARRY VIERHEILIG, **VICE PRESIDENT**
 CLIFFORD TROTTER, **DIRECTOR**
 MICHAEL WINN, **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 Harrison called the February 25, 2009 Regular Board Meeting to order at 9:00 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call, all Board members were present.

00:00:55

C. PRESENTATIONS AND PUBLIC COMMENT**C-1) MIKE NULEY OF AECOM ENGINEERING**

Update re: Waterline Intertie Project Design

Mike Nunley, AECOM Engineering Project Manager, reviewed the Waterline Intertie Project report, as presented in the Board packet. He added that the project is within budget and on schedule. He answered questions concerning the project. The Board thanked Mr. Nunley for the report.

C-2) NCSD SUPERINTENDENT TINA GRIETENS

Update re: Utilities Division Activities in 2008 and January 2009

Tina Grietens, Utility Superintendent, reviewed the report presented in the Board packet. Ms. Grietens answered questions from the Board. The Board thanked Ms. Grietens for the report.

C-3) NCSD WATER CONSERVATION COORDINATOR CELESTE WHITLOW

Update re: Water Conservation Program

Celeste Whitlow, Water Conservation Coordinator, reviewed the information presented in the report to the Board. She stated that the Fire Safety Council has fully funded the chipping event this year. She answered questions from the Board. The Board thanked Ms. Whitlow for the report.

C-4) PREVIEW 2009-2014 STRATEGIC PLAN WORKSHOP

Presentat on by General Manager Bruce Buel re: Workshop

Bruce Buel, General Manager, reviewed the agenda for the Special Meeting scheduled for Friday, February 27, 2009.

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

C-5) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors Items of District & Community Interest

Director Vierheilig

- o March 7, 2009, 9 a.m.-12 p.m. workday for the Nipomo Native Garden.

Director Eby

- o Director Eby discussed the report from NOAA predicts normal rainfall for March.
- o SCAC election nominations close March 9, 2009. Applications are available at the District office.
- o Town Hall meeting will be March 9, 6:30 p.m. in the NCSD Board room, to hear the candidates running for this year's **Advisory Council seats**.
- o The SCAC elections will be held March 16, 2009, in the District Board room.

Director Winn

- o 2-26-09 Planning Commission Meeting in the SLO Board of Supervisor's Chambers – will be discussing Los Osos wastewater treatment concerns but will affect policy issues for the rest of the county.
- o Mr. Buel and Director Winn will be going to Washington, DC next week to meet with representatives concerning funding for the waterline project.
- o Water Resource Advisory Committee will be meeting March 4, 1:30-3:30 p.m. at the SLO City/County Library, discussing Los Osos issues. There will be a workshop in March (date to be determined at the next WRAC meeting) at the Veterans Memorial Bldg in Pismo Beach. The WRAC will then also form a subcommittee to advise the BoS about the format of next year's RMS annual report. Director Winn recommended also that the NCSD give the County feedback.
- o On March 6th, the County's Subdivision Review Board will look at the Crosno project (located on the west side of the Mesa), and we should be there to make sure that the project design incorporates what is necessary to make sure the waste materials from their painting operation are disposed of without compromising our groundwater.

C-6) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

00:38:30

D. CONSENT AGENDA

Bruce Buel, General Manager, requested to pull Item D-4 for future consideration. Upon motion by Director Winn and seconded by Director Vierheilig, the Board unanimously agreed to continue this item to March 25, 2009. Vote 5-0.

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

Director Eby requested to pull Item D-7 for further discussion.

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES
Approve Minutes of 2/11/08 Regular Meeting

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

D. CONSENT AGENDA (CONTINUED)

D-3) AUTHORIZE RETENTION OF WATER AUDIT FIRM

D-4) AUTHORIZE PURCHASE OF WATER CONSERVATION TRACKING SOFTWARE

D-5) APPROVE VILLAGE AT NIPOMO REIMBURSEMENT PAYMENT

RESOLUTION NO. 2009-1122
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
APPROVING A REIMBURSEMENT PAYMENT TO
VILLAGE AT NIPOMO LLC
AND AMENDING FY 08-09 BUDGET

D-6) AUTHORIZE LETTER OF SUPPORT FOR FEDERAL FUNDING OF SANTA MARIA
BRIDGE RE-CONSTRUCTION

D-7) ADOPT RESOLUTION CONFIRMING INVESTMENT POLICY

D-8) ADOPT REIMBURSEMENT RESOLUTION FOR SOUTHLAND WWTF UPGRADE
PROJECT

RESOLUTION NO. 2009-1123
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
DECLARING INTENT TO BE REIMBURSED FOR DISTRICT EXPENDITURES
FROM PROCEEDS OF TAX EXEMPT OBLIGATIONS ISSUED BY DISTRICT
FOR THE DESIGN AND CONSTRUCTION
OF THE NIPOMO COMMUNITY SERVICES DISTRICT'S
SOUTHLAND WASTEWATER TREATMENT FACILITY UPGRADE PROJECT

Upon motion by Director Winn, seconded by Director Vierheilg, the Board unanimously approved Items D1, D2, D3, D5, D6, and D8 of the Consent Agenda, as modified in Item D-2 of the Feb. 11, 2009 Minutes. There was no public comment. Vote 5-0.

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

D-7) ADOPT RESOLUTION CONFIRMING INVESTMENT POLICY

Director Eby asked to have this item pulled for separate consideration. The Board discussed the proposed resolution. The Board agreed that the District could look at other possible investment options to ensure the existing funds are protected.

Lisa Bognuda, Finance Director, answered questions from the Board. There was no public comment.

Director Eby made the motion not to adopt the proposed resolution and to ask staff to come back with wording under 6-A-3 that assures us 100% security on the principal and does not prohibit us from our day-to-day operations with any bank for normal operation.

Director Trotter seconded the motion. Vote 2-3 with Directors Vierheilg, Winn and Harrison voting no.

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

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

D. CONSENT AGENDA (CONTINUED)

Upon motion by Director Winn and seconded by Director Vierheilg, the Board approved the Resolution as submitted with instruction to staff to look at the other modalities for future policy. There was no public comment. Vote 4-1 with Director Eby voting no.

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

RESOLUTION NO. 2009-1124
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE YEAR 2009 DISTRICT INVESTMENT POLICY

The Board took a break at 10:08 a.m. and resumed the meeting at 10:23 a.m.

The Board considered Item E-3 next.

E. ADMINISTRATIVE ITEMS

01:09:00

E-3) CONSIDER HOLLOWAY REQUEST FOR EXTENSION OF DEADLINE FOR COMPLETION OF WATER AND SEWER WORKS FOR SOUTH OAKGLEN SUBDIVISION

Bruce Buel, General Manager, explained that Tract 2642 is a proposed 18-lot residential subdivision on South Oakglen Avenue that is within the District's Sphere of Influence but outside of the District's current boundary. The applicant, Carl Holloway, has requested a time extension of the outside user agreement, approved February 28, 2007. Mr. Buel and Peter Sevcik, District Engineer, answered questions from the Board.

Carl Holloway, project owner, told the Board that he has spent four to five years putting the plans together and getting them through the County's process.

The following member of the public spoke:

Jesse Hill, NCSO resident, told the Board he has been working with the Holloways on this project. He stated that an agreement with the County stated that the project will not be held up because of the lack of a two-way egress for Cal Fire.

Upon motion by Director Vierheilg and seconded by Director Trotter, the Board agreed to direct staff to prepare an amendment to the outside user agreement, for Board approval at a subsequent meeting, to allow the applicant until March 15, 2011 to begin construction of the water and sewer improvements. Vote 4-1, with Director Eby voting no.

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

Item E-2 was considered next.

01:22:10

E-2) CONSIDER OPTIONS TO AMEND INTENT-TO-SERVE POLICY TO ALLOW FOR PHASING OF LARGE COMMERCIAL PROJECTS

Peter Sevcik, District Engineer, explained that in response to a request from developer George Newman, the Board directed staff to present possible code changes to amend the Intent-to-Serve policy to allow for phasing of large commercial projects.

E-2) CONSIDER OPTIONS TO AMEND INTENT-TO-SERVE POLICY TO ALLOW FOR PHASING OF LARGE COMMERCIAL PROJECTS (CONTINUED)

The Board asked questions concerning the possible code changes.

George Newman, developer and representative for Nipomo Business Park, LP, developer of Tract 2652, asked about Item 1 of the proposed code changes. He also stated that phasing of the project would be quite complicated.

The Board expressed concerns about fairness to others.

The following member of the public spoke:

Jesse Hill, NCS D resident, stated that he could not develop his project because the impact fees for residential, as well as the water and sewer fees, were too much to pencil out.

Director Trotter asked how the District can pay its bill, (development costs, etc) without fees. Mr. Hill suggested that the costs should be added to water charges in relation to how much is used. He recommended that the Board help Mr. Newman process his project.

Director Trotter stated that if developers can't or do not want to pay impact fee, growth will be slowed or even stopped, which is a fact of life. The District's primary obligation is to its existing water users.

The Board discussed some possible changes in the code. It was suggested to delete #3 but include a portion of it in #2 as "d". Also, the Board suggested defining "large commercial projects". Also, look at the time frame allowed. A rough draft ordinance will be brought back at a subsequent meeting.

Item E-1 was considered next.

02:12:05

E-1) SELECT AECOM TO PERFORM FINAL DESIGN OF SOUTHLAND WWTF UPGRADE PROJECT AND AUTHORIZE EXECUTION OF AGREEMENT

Bruce Buel, General Manager, reviewed the Southland Wastewater Treatment Facility Upgrade Project proposal responses.

Mike Nunley, Boyle Engineering Project Manager, answered questions from the Board concerning grit removal, solar power, etc.

Director Trotter stated that the District should continue to expedite the development of the Santa Maria Intertie and slow or even stop the research of desalination because of the high cost of development.

Upon motion by Director Winn and seconded by Director Eby, the Board agreed to the staff's recommendation to select AECOM to prepare the final design on a time-and-materials basis with a not-to-exceed expenditure limit of \$923,093, with a change in the scope proposed in the proposal to exclude grit removal from the value engineering process and that the General Manager be authorized to approve up to \$50,000 in change orders to cover unforeseen additional tasks, including the potential to bring back the agreement for approval. There was no public comment. Vote 5-0.

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

E-1) SELECT AECOM TO PERFORM FINAL DESIGN OF SOUTHLAND WWTF UPGRADE PROJECT AND AUTHORIZE EXECUTION OF AGREEMENT (CONTINUED)

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

The Board took a break at 11:46 a.m. and resumed the meeting at 11:53 a.m.

The Board considered E-4 next.

02:31:33

E-4) AUTHORIZE SUBMITTAL OF COMMENTS TO SLO COUNTY REGARDING FUNDING FOR WILLOW ROAD EXTENSION

Bruce Buel, General Manager, explained that comments concerning the financing for the Willow Road Extension Project could be sent to the SLO Board of Supervisors outlining the NCSD Board's position. Some suggestions for comments would include that the County consider using General Fund Reserves and Road Impact Fees, as well as spreading the project cost assessment equitably among the road users and potentially credit those who have contributed Capacity Charges historically.

The Board discussed the possibility of commenting when the comments are unsolicited and why this District can recommend how other people's money is spent. The community of Nipomo should not have to pay for the interchange because Road Impact Fees have been paid by residents who came to a new house in Nipomo after 1992.

Upon motion by Director Winn and seconded by Director Vierheilg, the Board unanimously agreed to direct the General Manager to construct a comment letter to be signed by President Harrison, including the points discussed and give general feedback to the County Board of Supervisors. The letter should include that the NCSD Board has discussed the issue. There should not be any special tax on the local community to make up for the funding gap. The Board affirms the value of the project, but that the funds should not be a loan but come out of the general fund into which Nipomo residents have previously paid. There was no public comment. Vote 5-0.

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

The Board considered Closed Session next.

03:00:28

I. CLOSED SESSION ANNOUNCEMENTS

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

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

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION
PURSUANT TO GOVERNMENT CODE SECTION 54956.9; NCSD VS.
COUNTY OF SAN LUIS OBISPO, ET AL (CASE NO. CV090010)
(INCLUSIONARY HOUSING)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

K. ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 12:22 p.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:23 p.m.

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

The Board considered E-5 next.

03:03:05

E-5) DISCUSS PROPOSED EDITS TO COUNTY FRAMEWORK FOR PLANNING AND
AUTHORIZE COMMENTS

Bruce Buel, General Manager, explained that the draft County Framework for Planning proposed by SLO County Planning is scheduled for consideration by the Planning Commission on March 12th and the Board of Supervisors on March 24th. The proposed edits are intended to promote "Smart Growth" and "Strategic Planning".

The Board discussed the draft and made suggestions to the draft.
Director Trotter left the meeting at 1:37 p.m.

Upon motion by Director Winn and seconded by Director Vierheilg, the Board unanimously agreed to direct the General Manager to send a letter to the Planning Commission summarizing the Board's concerns and District Legal Counsel's concerns, that the plan needs an environmental review. There was no public present to comment. Vote 4-0, with Director Trotter absent.

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

03:22:35

F. MANAGER'S REPORT

Bruce Buel, General Manager, stated that the Manager's Report is as submitted. He answered some questions from the Board.

03:24:53

G. COMMITTEE REPORT

Bruce Buel, General Manager, stated that the Committee Report is as submitted.

03:26:19

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Winn

Vision for Strategic Growth held at Cal Poly this morning, Wednesday, Feb. 25, 2009. The graduate students are working on two projects, one of which includes Nipomo. Director Winn would like staff to keep abreast of the information.

He commended staff for its handling of customers even though the Board receives an

**Nipomo Community Services District
REGULAR MEETING
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occasional hostile letter.

ADJOURN

President Harrison adjourned the meeting at 1:55 p.m.

- **THE NEXT REGULAR BOARD MEETING IS MARCH 11, 2009
TENTATIVELY SCHEDULED ITEMS INCLUDE:**
 - Reimbursement Policy Review
 - Concepts for Shop Solar
 - Concepts for Office Solar and Structural Repair

- **THE NEXT SPECIAL BOARD MEETING IS FEBRUARY 27, 2009
FOR THE STRATEGIC PLAN WORKSHOP**

NIPOMO COMMUNITY SERVICES DISTRICT

Friday, February 27, 2009

9:00 A. M.

SPECIAL MEETING MINUTES

BOARD of DIRECTORS

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

PRINCIPAL STAFF

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

MEETING LOCATION

District Shop
509 Southland Street
Nipomo, California

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

President Harrison called the February 27, 2009, Special Board of Directors meeting to order at 9:00 a.m. and led the flag salute. All Board Members were present.

Staff present included General Manager, Bruce Buel, Assistant General Manager, Lisa Bognuda, District Engineer, Peter Sevcik and Utility Superintendent, Tina Grietens.

One member of the public was present, Bruce Holliday.


B. CONDUCT 2009-14 STRATEGIC PLAN WORKSHOP

Brent Ives of BHI Management Consulting conducted the Strategic Plan Workshop. Mission Statements, Vision Statements, Core Values and Strategic Elements including objectives and strategies were discussed.

BOARD ACTION REQUESTED: Provide Policy Direction

C. ADJOURNMENT

The meeting was adjourned at 2:40 p.m.

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL 
DATE: March 6, 2009

**AGENDA ITEM
D-3
MARCH 11, 2009**

WIP REIMBURSEMENT RESOLUTION

ITEM

Adopt resolution updating 2006 WIP Reimbursement Resolution [ADOPT RESOLUTION]

BACKGROUND

In 2006, your Honorable Board adopted the attached resolution, which enables (but does NOT mandate) recovery of costs in the project financing. Give that the current cost of the WIP has increased, staff has prepared a new resolution (attached) which reflects the higher capital cost of the project.

FISCAL IMPACT

Preparation of the Resolution entailed about \$300 of legal counsel's time.

RECOMMENDATION

Staff recommends that the Board adopt the attached new resolution

ATTACHMENTS

- 2006 Resolution
- New Draft Resolution

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2009\WIP REIMBURSEMENT RESOLUTION.DOC

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2009-XXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING AND RESTATING RESOLUTION 2006-968 DECLARING THE DISTRICT'S
INTENT TO BE REIMBURSED FOR DISTRICT EXPENDITURES
FROM PROCEEDS OF TAX EXEMPT OBLIGATIONS ISSUED BY DISTRICT
FOR THE DESIGN AND CONSTRUCTION
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
WATERLINE INTERTIE PROJECT WITH THE CITY OF SANTA MARIA**

WHEREAS, on or about April 12, 2006, the District adopted Resolution 2006-968 declaring its intent to be reimbursed for Project expenditures (Project as then described) from proceeds of tax-exempt obligations issued by the District; and

WHEREAS, subsequent to the adoption of Resolution 2006-968, the District has conducted additional Project studies and field surveys to address projected cost increases and environmental mitigation requirements including:

Preliminary Engineering Memorandum, prepared by Boyle Engineering dated November, 2006; Evaluation of Supplemental Water Alternatives – Technical Memorandum No. 1, prepared by Boyle Engineering dated June 2007; Evaluation of Desalinization as a Source of Supplemental Water – Technical Memorandum No. 2, prepared by Boyle Engineering dated September 28, 2007; Evaluation of Supplemental Water Alternatives – Technical Memorandum No. 3, prepared by Boyle Engineering dated November 30, 2007; California Red-Legged Frog Survey Results, prepared by Padre Associates dated April 12, 2007; Recent Biological Field Survey Results from Padre Associates dated March, 2008; and final Preliminary Engineering Memorandum for the proposed project dated May, 2008 prepared by Boyle Engineering; a Draft Environmental Impact Report (“DEIR”) titled Nipomo Community Services District Waterline Intertie Draft Environment Impact Report dated November, 2008 (“DEIR”). Said studies and surveys are incorporated herein by this reference; and

WHEREAS, subsequent to the adoption of Resolution 2006-968 and in addition to the above-referenced restraints and studies, the “Basin Litigation” as described in the DEIR at pages V-30 through V-36 has been substantially resolved; and

WHEREAS, the Project’s revisions include reduction in water storage, additional NCSD water distribution system improvements, resolution of water quality issues and phased Project development. The Project is more particularly described in the DEIR and is summarized as follows:

The proposed Project involves connecting to the City of Santa Maria water distribution system and construction of a waterline from Santa Maria to the Nipomo Community Services District water distribution system. The pipeline will be constructed beneath the Santa Maria River by horizontal directional drilling. A pump station(s) and water storage facilities will be constructed to boost the water pressure into the District system and provide operational or emergency water storage as necessary. Several water transmission facilities within the NCSD will be upgraded or replaced. A final element of the proposed Project

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involves the conversion of District water supply wells from chlorination to chloramination treatment in order to provide disinfection that is compatible with the imported water supply; and

WHEREAS, in addition to the economic conditions and environmental mitigation requirements described above, and in order to finance Project construction costs, the District and the County of San Luis Obispo are now considering entering into a Joint Powers Agreement to form a single assessment district that will include other water purveyors who are obligated to purchase Project water as referenced on page V-36 of the DEIR; and

WHEREAS, the District, and/or the above-referenced JPA, intends to finance the Project, or portions of the Project, with proceeds from the sale of obligations, the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"); and

WHEREAS, prior to the issuance of the Obligations the District desires to incur certain expenditures that are in addition to the expenditures referenced in Resolution 2006-968 with respect to the Project from available monies of the District which expenditures are desired to be reimbursed by the District from a portion of the sale of the Obligations; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, among which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declare an intention to be reimbursed such expenditures; and

WHEREAS, it is in the public interest and for the public benefit that the District amend and restate Resolution 2006-968 declaring its official intent to be reimbursed for the expenditures referenced herein; and

WHEREAS, the District Board considered this item at its regularly scheduled March 11, 2009, Board Meeting.

NOW THEREFORE, BE IT RESOLVED, DECLARED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT THAT RESOLUTION 2006-968 IS AMENDED AND RESTATED AS FOLLOWS:

1. All the Recitals contained in this Resolution are true and correct and incorporated herein by reference and constitute findings in support of this Resolution.
2. The District hereby declares its intent to use the proceeds of the Obligations to pay Reimbursement Expenditures incurred prior to the issuance of the Obligations.

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3. The reasonably expected maximum principal amount of the Obligations is approximately seventeen million dollars (\$17,000,000.00).
4. The limitations described in this Resolution and/or Regulation 1.150-2 do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of eight hundred and fifty thousand dollars (\$850,000.00) or five percent (5%) of the proceeds of the Obligations, or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent (20%) of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred.
5. This Resolution is adopted solely for the purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This Resolution does not bind the District to make any expenditure, incur any indebtedness, or to proceed with the Project.
6. This Resolution shall take effect immediately upon its passage.

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

AYES:
NOES:
ABSENT:
ABSTAIN:

the foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the Nipomo Community Services District this 11th day of March 2009.

James Harrison, President
Nipomo Community Services District
Board of Directors

ATTEST:

DONNA K. JOHNSON,
Secretary to the Board of Directors