

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: MARCH 20, 2009

**AGENDA ITEM
F
MARCH 25, 2009**

MANAGER'S REPORT

ITEM

Standing report to your Honorable Board --*Period covered by this report March 5, 2009 through March 18, 2009.*

DISTRICT BUSINESS

Administrative

Maria Vista Estates has set a total of ten water meters.

Staff submitted a Pre-Application for Federal Stimulus Funding for the Waterline Intertie Project on February 26, 2009. The State is scheduled to announce rankings on April 7, 2009.

Doug Wood delivered the Draft FEIR for the Waterline Intertie Project on March 13, 2009. Staff expects that your Honorable Board will hold a hearing on the Final EIR on April 8, 2009 and consider certifying the Final EIR on April 22, 2009.

Staff mailed the RFP for preparation of the Southland WWTF Upgrade Project EIR to eight consultants on February 9, 2009. Staff will present proposals for Board consideration at the 4/8/09 Meeting.

Staff mailed an RFP for Southland Construction Management Services to nine consultants on March 9, 2009. Staff will present proposals for Board consideration at the 5/13/09 Meeting.

There was a sewer spill on March 16, 2009 inside the home at 437 Terrace Street. Approximately 300 gallons of sewage backed up into the house, but most of the material went back down the drain and none escaped outside of the house. Staff was able to remediate damages to the satisfaction of the owner and to clear the blockage in our main line.

Enviroscaping (NCSD's Contractor) successfully installed the Weather Trak ET-Plus Smart Controller at Vista Verde's Common Area on March 17, 2009.

Staff is processing applications for the Annual Chipping Event.

Pete Davison has passed his Grade 1 Sewer Collections exam. Scott German and Reed Brewer have passed their Grade 2 Sewer Collection exam.

Attached is a printout of the Supplemental Water Fund Financials for February 2009.

Safety Program - No injuries or accidents occurred in this period.

Conservation Program Activities - 54 NCSD customers used the high efficiency clothes washer rebate program before it was placed on hold. Staff has completed four gardening workshops.

RECOMMENDATION

Staff seeks direction and input from your Honorable Board.

ATTACHMENTS

- SWP Financials for February 2009

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**NIPOMO COMMUNITY SERVICES DISTRICT
WATERLINE INTERTIE PROJECT
MONTHLY REPORT TO THE BOARD OF DIRECTORS
FEBRUARY 28, 2009**

REVENUES FY 2008-2009 (1)	<u>MONTH OF</u> <u>FEBRUARY</u>	<u>FISCAL YEAR</u> <u>7/1/2008 TO</u> <u>6/30/2009</u>
Supplemental Water Capacity Fees Collected	0.00	59,937.75
Interest Income (monthly & quarterly posting)	3,751.20	59,549.23
Revenue Subtotal	3,751.20	119,486.98
EXPENDITURES FY 2008-2009 (2)		
<u>CONSULTANTS</u>		
1590-A1 Feasibility Study (Cannon)	0.00	0.00
1590-A2 EIR Preparation (Wood & Assoc)	3,556.20	62,724.64
1590-A3 Estimate/Preliminary Schedule (Cannon)	0.00	0.00
1590-A4 Proposed Routes/Facilities (Cannon)	0.00	0.00
1590-A5 Prop 50 Grant Applicatin	0.00	0.00
1590-A6 Project Support (Cannon)	0.00	0.00
1590-A7 Groundwater Grant Assistance (SAIC)	0.00	0.00
<u>LEGAL</u>		
1590-B1 Shipsey & Seitz	306.00	4,904.50
1590-B2 McDonough, Holland & Allen	0.00	0.00
1590-B3 Richards, Watson & Gershon	0.00	0.00
<u>LAND ACQUISITION</u>		
1590-C1 Appraisals (Tarvin & Reeder Gilman)	0.00	0.00
1590-C2 Property Negotiations (Hamner Jewell)	750.00	8,507.50
<u>FINANCIAL</u>		
1590-D1 Reed Group	0.00	7,585.45
1590-D2 Lobbying	4,500.00	20,950.00
<u>ENGINEERING</u>		
1590-E1 Preliminary Engineering Design (Boyle)	0.00	2,194.43
1590-E2 Water Modeling by Carollo (City of Santa Maria)	0.00	0.00
1590-E3 Alternative Water Supplies (Boyle)	0.00	0.00
1590-E4 Project Information (Boyle)	0.00	0.00
1590-E5 Project Design (Boyle)	98,849.33	396,458.87
1590-E6 Pressure Testing	1,174.50	2,151.90
<u>OTHER</u>		
1590-F1 FGL Environmental	0.00	0.00
1590-F2 Copy/Print	0.00	0.00
<u>PERMITS</u>		
1590-G1 Santa Maria Valley Water Conservation District	0.00	130.00
<u>ASSESSMENT DISTRICT</u>		
1590-H1 Wallace Group	28,057.55	42,918.65
<u>SALARY AND BENEFITS (3)</u>		
1590-Z1 Wages-Capitalized	2,403.90	19,952.02
1590-Z2 Payroll Taxes-Capitalized	34.82	347.84
1590-Z3 Retirement-Capitalized	651.58	5,444.72
1590-Z4 Medical-Capitalized	235.59	1,815.00
1590-Z5 Dental/Vision-Capitalized	29.10	231.75
1590-Z6 Workers Compensation-Capitalized	20.38	168.10
Expenditure Subtotal	140,568.95	576,485.37
Net Revenues less Expenditures	(136,817.75)	(456,998.39)
Beginning Fund Balance as of July 1, 2008		3,795,001.08
Ending Fund Balance as of February 28, 2009		3,338,002.69

(1) See attached "Supplemental Water Fees Collected" Schedule for more detail.

(2) See attached "Supplemental Water Cost Summary" for more detail.

(3) Salary and Benefits of Project Manager are allocated among NCSD projects and capitalized as part of the cost of the project.

T:\documents\projects\supplemental Water\Financial Reports\FY 6-30-09\monthly report to board.xls

**NIPOMO COMMUNITY SERVICES DISTRICT
SUPPLEMENTAL WATER COST SUMMARY**

<u>A/C #</u>	<u>DESCRIPTION</u>	<u>7/1/2004 TO 6/30/2005</u>	<u>7/1/2005 TO 6/30/2006</u>	<u>7/1/2006 TO 6/30/2007</u>	<u>7/1/2007 TO 6/30/2008</u>	<u>7/1/2008 TO 6/30/2009</u>	<u>GRAND TOTAL</u>
1645	Reservation Fee-City of Santa Maria	37,500.00	0.00	0.00	0.00	0.00	37,500.00
1590-A1	Feasibility Study (Cannon)	25,887.29	0.00	0.00	0.00	0.00	25,887.29
1590-A2	EIR Preparation (Wood & Assoc)	29,037.48	87,100.23	16,053.83	45,407.70	62,724.64	240,323.88
1590-A3	Est/Preliminary Schedule (Cannon)	3,706.19	2,602.75	0.00	0.00	0.00	6,308.94
1590-A4	Proposed Routes/Facilities (Cannon)	5,050.07	520.00	0.00	0.00	0.00	5,570.07
1590-A5	Prop 50 Grant Application	2,757.00	6,210.00	0.00	1,857.60	0.00	10,824.60
1590-A6	Project Support (Cannon)	0.00	11,797.44	0.00	0.00	0.00	11,797.44
1590-A7	Groundwater Grant Assistance (SAIC)	0.00	0.00	0.00	15,000.00	0.00	15,000.00
1590-B1	Shipsey & Seitz	0.00	23,095.55	17,564.25	2,201.50	4,904.50	47,765.80
1590-B2	McDonough, Holland & Allen	0.00	34,177.28	15,871.65	0.00	0.00	50,048.93
1590-B3	Richard, Watson & Gershon	0.00	9,472.38	27,954.81	0.00	0.00	37,427.19
1590-C1	Appraisals (Tarvin & Reeder Gilman)	0.00	0.00	16,170.00	10,000.00	0.00	26,170.00
1590-C2	Property Negotiations (Hamner Jewell)	0.00	0.00	0.00	0.00	8,507.50	8,507.50
1590-D1	Reed Group	0.00	2,809.85	0.00	0.00	7,585.45	10,395.30
1590-D2	Lobbying	0.00	0.00	0.00	38,801.11	20,950.00	59,751.11
1590-E1	Preliminary Engineering Design (Boyle)	0.00	6,470.33	223,286.67	103,460.19	2,194.43	335,411.62
1590-E2	Water Modeling by Carollo (City of SM)	0.00	0.00	24,942.00	0.00	0.00	24,942.00
1590-E3	Alternative Water Supplies (Boyle)	0.00	0.00	164,230.48	70,772.01	0.00	235,002.49
1590-E4	Project Information (Boyle)	0.00	0.00	0.00	6,000.00	0.00	6,000.00
1590-E5	Project Design (Boyle)	0.00	0.00	0.00	0.00	396,458.87	396,458.87
1590-E6	Pressure Testing	0.00	0.00	0.00	0.00	2,151.90	2,151.90
1590-F1	Lab Testing (FGL Environmental)	0.00	0.00	5,047.00	0.00	0.00	5,047.00
1590-F2	Copy/Print	0.00	0.00	740.24	1,022.01	0.00	1,762.25
1590-G1	Permits	0.00	0.00	0.00	0.00	130.00	130.00
1590-H1	Assessment District	0.00	0.00	0.00	0.00	42,918.65	42,918.65
1590-Z1	Wages-Capitalized	0.00	29,076.92	35,884.51	28,197.08	19,952.02	113,110.53
1590-Z2	Payroll Taxes-Capitalized	0.00	587.22	587.42	455.96	347.84	1,978.44
1590-Z3	Retirement-Capitalized	0.00	8,418.08	10,344.53	8,110.84	5,444.72	32,318.17
1590-Z4	Medical-Capitalized	0.00	2,861.36	3,367.02	2,564.88	1,815.00	10,608.26
1590-Z5	Dental/Vision-Capitalized	0.00	0.00	247.90	328.23	231.75	807.88
1590-Z6	Workers Compensation-Capitalized	0.00	260.35	341.83	225.21	168.10	995.49
		103,938.03	225,459.74	562,634.14	334,404.32	576,485.37	1,802,921.60

**NIPOMO COMMUNITY SERVICES DISTRICT
CERTIFICATES OF PARTICIPATION
DEBT SERVICE SCHEDULE**

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL DEBT SERVICE</u>	<u>PRINCIPAL BALANCE</u>
				4,000,000.00
FY June 30, 2004	0.00	136,384.79	136,384.79	4,000,000.00
FY June 30, 2005	75,000.00	169,950.00	244,950.00	3,925,000.00
FY June 30, 2006	80,000.00	167,625.00	247,625.00	3,845,000.00
FY June 30, 2007	80,000.00	165,225.00	245,225.00	3,765,000.00
FY June 30, 2008	85,000.00	163,132.50	248,132.50	3,680,000.00
FY June 30, 2009	85,000.00	161,198.75	246,198.75	3,595,000.00
FY June 30, 2010	85,000.00	158,988.75	243,988.75	3,510,000.00
FY June 30, 2011	90,000.00	156,425.00	246,425.00	3,420,000.00
FY June 30, 2012	90,000.00	153,545.00	243,545.00	3,330,000.00
FY June 30, 2013	95,000.00	150,397.50	245,397.50	3,235,000.00

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**NIPOMO COMMUNITY SERVICES DISTRICT
SUPPLEMENTAL WATER FEES COLLECTED**

PROJECT	DEVELOPER	SUMMARY	DATE PAID	WATER SUPPLY PORTION	PIPELINE PORTION	SUPPLEMENTAL TOTAL
CALFIRE	CALFIRE	Fire system Fee	8/21/2008	41,568.11	5,137.64	46,705.75
Villagio Market	Nester	Fire system Fee	10/20/2008	11,082.28	1,369.72	12,452.00
CO 05-0113	David	Final Fees-Balance due to fee increase 7/1/08	10/6/2008	694.20	85.80	780.00
FISCAL YEAR 2008-2009			SUBTOTAL	53,344.59	6,593.16	59,937.75

CARRY FORWARD TOTALS FOR FY 04-05,
FY 05-06, FY 06-07 AND FY 07-08

2,623,733.26	323,931.49	2,947,664.75
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GRAND TOTAL	2,677,077.85	330,524.65	3,007,602.50
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TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: MARCH 20, 2009

AGENDA ITEM
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MARCH 25, 2009

COMMITTEE REPORTS

ITEM

Review Committee Matters.

BACKGROUND

Attached are minutes from the 3/16/09 Finance and Audit Committee Meeting.

The Supplemental Water Project Committee is scheduled to meet at 2:00pm on Monday March 23, 2009.

RECOMMENDATION

It is recommended that your Honorable Board discuss the meetings as appropriate.

ATTACHMENT –

- 3/16/09 F&A COMMITTEE MEETING MINUTES

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NIPOMO COMMUNITY SERVICES DISTRICT

MARCH 16, 2009

MINUTES FINANCE AND AUDIT COMMITTEE

1. **CALL TO ORDER, ROLL CALL AND FLAG SALUTE**

Chairman Vierheilg called the meeting to order at 9:00 a.m. Both Chairman Vierheilg and Director Harrison were in attendance along with staff members Bruce Buel, Lisa Bognuda, Peter Sevcik and Tina Grietens. Members of the public included Bill Nelson.

2. **REVIEW THE COST BENEFIT ANALYSIS**

• **Laboratory Operation**

The Committee reviewed the cost benefit analysis for the Laboratory Operations and asked questions. The cost benefit analysis was prepared comparing a limited number of laboratory tests for the Southland WWTF only. These expenditures would allow the laboratory to be set up and become operational in anticipation of the Southland WWTF upgrade which will require the District to perform daily laboratory tests. Mr. Nelson asked questions about laboratory tests for Blacklake sewer. Upon motion of Director Harrison and seconded by Director Vierheilg, the Committee unanimously approved including the laboratory expenditures in the 2009-2010 budget.

• **Out-sourcing preventive maintenance work**

The Committee reviewed the cost benefit analysis for the District to perform preventive maintenance including sewer cleaning, valve exercising and hydrant exercising which would require hiring two utility workers compared to out-sourcing this work. The District would need to purchase additional equipment to perform these tasks. Upon motion of Director Harrison and seconded by Director Vierheilg, the Committee unanimously approved the District performing the preventive maintenance work and purchasing the necessary equipment in the 2009-2010 budget.

3. **REVIEW DIRECT LABOR AND OVERHEAD ALLOCATIONS**

The Committee reviewed the administrative and utility overhead computations and percentages and asked questions of Staff. Staff reviewed the methodology for determining the percentages. There was no public comment. Upon motion of Director Harrison and seconded by Director Vierheilg, the Committee unanimously recommended Staff move forward with these new overhead allocation percentage in preparing the 2009-2010 budget.

4. **REVIEW REPLACEMENT STUDY RECOMMENDATIONS**

Staff reviewed the minutes from previous Board Meetings regarding the Replacement Study. The Replacement Study will be forward to the Rate Consultant and included in the 2009 Rate Study. There was no public comment. The Committee directed Staff to include as much funded replacement in the 2009-2010 budget as the current rate structure could absorb.

5. **REVIEW TERMINOLOGY USED IN THE BUDGET DOCUMENT**

Staff reviewed terminology used in the budget document. The Committee recommended the definitions be placed in the appendices to the 2009-2010 budget. There was no public comment.

6. **SET NEXT MEETING DATE**

The next meeting of the Finance and Audit Committee will be on Monday, April 13, 2009, at 9:00 a.m.

The meeting was adjourned at 10:05 a.m.