

TO: BOARD OF DIRECTORS  
FROM: BRUCE BUEL *B8B*  
DATE: SEPT. 25, 2009

**AGENDA ITEM  
F  
SEPT. 30, 2009**

**MANAGER'S REPORT**

**ITEM**

Standing report to your Honorable Board --*Period covered by this report Sept 3, 2009 through September 16, 2009.*

**DISTRICT BUSINESS**

**Administrative**

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

The Board of Supervisors will discuss NCSD's request to form a JPA for financing the WIP at their September 22<sup>nd</sup> Meeting.

The SLO County Planning Commission expects to review the Water Chapter of the Conservation and Open Space Element during their Sept. 24, 2009 meeting.

The NMMA TG held their presentation of the 2008 NMMA Annual Report at 7pm on Monday September 14, 2009 at the Forum at Nipomo High School. Attached is a copy of the presentation.

The Parks Committee has set a forum at 6:30pm on Tuesday September 29<sup>th</sup> at NCSD to gather feedback from the community regarding design of Miller Park.

The team promoting Sustainable Communities will hold a forum at 6:30pm on Thursday October 8, 2009 at the NCSD Office.

The Chamber will host its annual October Festival at the Community Park on October 10, 2009.

Staff has scheduled a two day "functional" emergency response exercise for 10/20 & 10/21 at the shop.

Attached is a copy of the WIP Fiscal Report through July 31, 2009.

**Safety Program** - Staff was involved in a minor car accident whereby a motorist backed into one of NCSD's utility trucks. The Truck is being repaired and SDRMA is investigating the accident. All utility division staff members have been enrolled in a defensive driver program.

**RECOMMENDATION**

Staff seeks direction and input from your Honorable Board.

**ATTACHMENTS**

- WIP Fiscal Report
- Power Point Slide Show from 9/14 TG Presentation.

NIPOMO COMMUNITY SERVICES DISTRICT  
WATERLINE INTERTIE PROJECT  
MONTHLY REPORT TO THE BOARD OF DIRECTORS  
JUNE 30, 2010

REVENUES FY 2009-2010 (1)	<u>MONTH OF</u> <u>JULY</u>	<u>FISCAL YEAR</u> <u>7/1/2009 TO</u> <u>6/30/2010</u>
Supplemental Water Capacity Fees Collected	0.00	0.00
Interest Income (monthly & quarterly posting)	1,131.10	1,131.10
Revenue Subtotal	<u>1,131.10</u>	<u>1,131.10</u>

EXPENDITURES FY 2009-2010 (2)

<u>CONSULTANTS</u>		
1590-A1 Feasibility Study (Cannon)	0.00	0.00
1590-A2 EIR Preparation (Wood & Assoc)	0.00	0.00
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	0.00	0.00
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)	2,000.00	2,000.00
1590-C2 Property Negotiations (Hamner Jewell)	0.00	0.00
1590-C3 Property Acquisitions	0.00	0.00
<u>FINANCIAL</u>		
1590-D1 Reed Group	0.00	0.00
1590-D2 Lobbying	4,500.00	4,500.00
<u>ENGINEERING</u>		
1590-E1 Preliminary Engineering Design (Boyle)	0.00	0.00
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)	0.00	0.00
1590-E6 Pressure Testing	0.00	0.00
1590-E7 Peer Review	6,145.70	6,145.70
1590-E8 Pot Holing	23,278.05	23,278.05
<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	0.00
<u>ASSESSMENT DISTRICT</u>		
1590-H1 Wallace Group	0.00	0.00
<u>CONSTRUCTION</u>		
1590-I1 Construction Management (MNS)	0.00	0.00
<u>SALARY AND BENEFITS (3)</u>		
1590-Z1 Wages-Capitalized	2,165.24	2,165.24
1590-Z2 Payroll Taxes-Capitalized	48.23	48.23
1590-Z3 Retirement-Capitalized	588.24	588.24
1590-Z4 Medical-Capitalized	358.10	358.10
1590-Z5 Dental/Vision-Capitalized	45.83	45.83
1590-Z6 Workers Compensation-Capitalized	18.07	18.07
Expenditure Subtotal	<u>39,147.46</u>	<u>39,147.46</u>
Net Revenues less Expenditures	<u>(38,016.36)</u>	<u>(38,016.36)</u>
Beginning Fund Balance as of July 1, 2009		2,830,850.76
Ending Fund Balance as of July 31, 2009		<u>2,792,834.40</u>

(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.

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

A/C #	DESCRIPTION	7/1/2004 TO 6/30/2005	7/1/2005 TO 6/30/2006	7/1/2006 TO 6/30/2007	7/1/2007 TO 6/30/2008	7/1/2008 TO 6/30/2009	7/1/2009 TO 6/30/2010	GRAND TOTAL
1645	Reservation Fee-City of Santa Maria	37,500.00	0.00	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	0.00	25,887.29
1590-A2	EIR Preparation (Wood & Assoc)	29,037.48	87,100.23	16,053.83	45,407.70	76,544.11	0.00	254,143.35
1590-A3	Es/Preliminary Schedule (Cannon)	3,706.19	2,602.75	0.00	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	0.00	5,570.07
1590-A5	Prop 50 Grant Application	2,757.00	6,210.00	0.00	1,857.60	0.00	0.00	10,824.60
1590-A6	Project Support (Cannon)	0.00	11,797.44	0.00	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	0.00	15,000.00
1590-B1	Shipsey & Seitz	0.00	23,095.55	17,564.25	2,201.50	18,224.00	0.00	61,085.30
1590-B2	McDonough, Holland & Allen	0.00	34,177.28	15,871.65	0.00	0.00	0.00	50,048.93
1590-B3	Richard, Watson & Gershon	0.00	9,472.38	27,954.81	0.00	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	2,000.00	28,170.00
1590-C2	Property Negotiations (Hamner Jewell)	0.00	0.00	0.00	0.00	15,250.00	0.00	15,250.00
1590-C3	Property Acquisitions	0.00	0.00	0.00	0.00	673.00	0.00	673.00
1590-D1	Reed Group	0.00	2,809.85	0.00	0.00	7,585.45	0.00	10,395.30
1590-D2	Lobbying	0.00	0.00	0.00	38,801.11	38,950.00	4,500.00	82,251.11
1590-E1	Preliminary Engineering Design (Boyle)	0.00	6,470.33	223,286.67	103,460.19	2,194.43	0.00	335,411.62
1590-E2	Water Modeling by Carollo (City of SM)	0.00	0.00	24,942.00	0.00	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	0.00	235,002.49
1590-E4	Project Information (Boyle)	0.00	0.00	0.00	6,000.00	0.00	0.00	6,000.00
1590-E5	Project Design (Boyle)	0.00	0.00	0.00	0.00	752,319.66	0.00	752,319.66
1590-E6	Pressure Testing	0.00	0.00	0.00	0.00	8,682.92	0.00	8,682.92
1590-E7	Peer Review	0.00	0.00	0.00	0.00	2,936.05	6,145.70	9,081.75
1590-E8	Pot Holing	0.00	0.00	0.00	0.00	0.00	23,278.05	23,278.05
1590-F1	Lab Testing (FGL Environmental)	0.00	0.00	5,047.00	0.00	0.00	0.00	5,047.00
1590-F2	Copy/Print	0.00	0.00	740.24	1,022.01	0.00	0.00	1,762.25
1590-G1	Permits	0.00	0.00	0.00	0.00	130.00	0.00	130.00
1590-H1	Assessment District	0.00	0.00	0.00	0.00	83,030.71	0.00	83,030.71
1590-I1	Construction Management (MNS)	0.00	0.00	0.00	0.00	4,635.00	0.00	4,635.00
1590-Z1	Wages-Capitalized	0.00	29,076.92	35,884.51	28,197.08	31,926.57	2,165.24	127,250.32
1590-Z2	Payroll Taxes-Capitalized	0.00	587.22	587.42	455.96	504.53	48.23	2,183.36
1590-Z3	Retirement-Capitalized	0.00	8,418.08	10,344.53	8,110.84	8,690.47	588.24	36,152.16
1590-Z4	Medical-Capitalized	0.00	2,861.36	3,367.02	2,564.88	2,757.36	358.10	11,908.72
1590-Z5	Dental/Vision-Capitalized	0.00	0.00	247.90	328.23	348.15	45.83	970.11
1590-Z6	Workers Compensation-Capitalized	0.00	260.35	341.83	225.21	259.81	18.07	1,105.27
		103,938.03	225,459.74	562,634.14	334,404.32	1,055,642.22	39,147.46	2,321,225.91

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

	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	PRINCIPAL BALANCE
				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

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

<b>PROJECT</b>	<b>DEVELOPER</b>	<b>SUMMARY</b>	<b>DATE PAID</b>	<b>WATER SUPPLY PORTION</b>	<b>PIPELINE PORTION</b>	<b>SUPPLEMENTAL TOTAL</b>
		NONE IN JULY				
		FISCAL YEAR 2009-2010	<b>SUBTOTAL</b>	0.00	0.00	0.00
CARRY FORWARD TOTALS FOR FY 04-05, FY 05-06, FY 06-07, FY 07-08 & FY 08-09				2,635,970.76	325,443.99	2,961,414.75
			<b>GRAND TOTAL</b>	<b>2,635,970.76</b>	<b>325,443.99</b>	<b>2,961,414.75</b>

Nipomo Mesa Management Area  
Technical Group  
  
Presentation of 2008 Annual  
Report

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Key Technical Personnel

Robert S. Miller, PE, Chairman  
Woodlands Mutual Water Company

Steve Bachman, PhD, PG, Vice Chairman  
ConocoPhillips

Brad Newton, PhD, PG, Secretary  
Nipomo Community Services District

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Key Technical Personnel

Norm Brown, PhD, PG  
ConocoPhillips

Timothy S. Cleath, PG, CEG, CHG  
Woodlands Mutual Water Company

Jacqueline V. Frederick, Attorney  
Agriculture Representation

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## Key Technical Personnel

Carl Holloway  
Agricultural Representative

Toby B. Moore, PhD, PG, CHG  
Golden State Water Company

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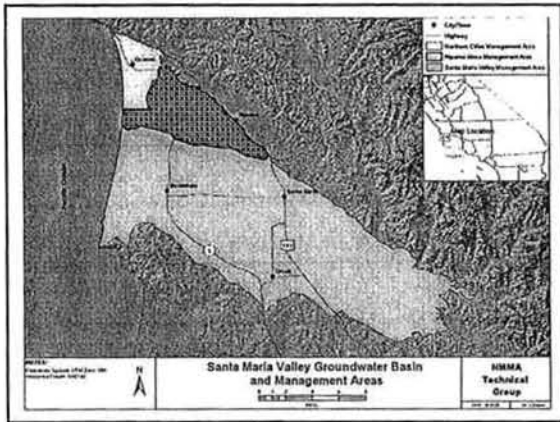
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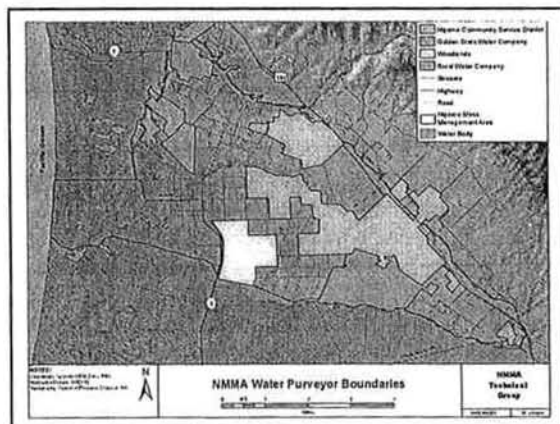
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### History and Purpose of Tech Group

- Litigation over water rights initiated in 1997
- Most parties agreed to a settlement in 2005 (the "Stipulation"), which was formalized by the Court in 2008
- As part of the stipulation, a technical group was formed to analyze, monitor, and report on the Nipomo Mesa Management Area (NMMA) aquifer.

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### History and Purpose of Tech Group

- Technical Group includes representatives from the following parties:
  - Golden State Water Company
  - Rural Water Company
  - Conoco Phillips
  - Nipomo Community Services District
  - Agricultural Representative
  - Woodlands Mutual Water Company

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### History and Purpose of Tech Group

- Tech Group meetings can be attended by any stipulating party
- Work products are released through the Court and then available to the public

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### History and Purpose of Tech Group

#### Key Objectives of the Tech Group:

- Monitoring plan – quality, quantity, and other parameters
- Annual report on NMMA aquifer health filed to the Court
- Identify conditions that may trigger corrective actions

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### Groundwater Primer

- Groundwater is currently the sole source of water for the Nipomo area
- Water is stored in the spaces between soil particles
- Water moves within the ground due to pressure forces (higher to lower)
- How do we analyze an underground basin?

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### Aquifers and Aquitards

- Aquitard: a barrier that slows or stops the movement of water, usually made up of clay
- Imagine a layer of rock or clay deep in the ground in the shape of a bowl
- Add sand and gravel over the clay bowl, and water can be stored = aquifer
- Aquifers can exist in multiple layers

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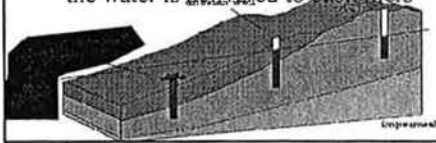
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### Groundwater Wells

- Hole in the ground for the purpose of pumping water from an aquifer
- Kept open by a plastic or steel pipe
- Part of the pipe is screened → to collect water from the soil
- A pump is placed down the hole, and the water is delivered to customers



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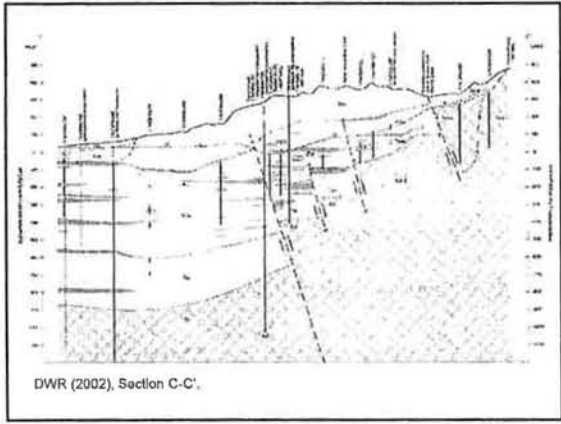
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DWR (2002), Section C-C'

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### Groundwater Measurements

- Semi-annual well water levels
- Water quality through purveyors or Tech Group efforts
- Reduce uncertainty

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## Seawater Intrusion

- Seawater intrusion: the movement of salt water into a freshwater aquifer
- One key Tech Group objective: guard against seawater intrusion
- Our groundwater basin extends beyond the coast, under the ocean

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## Seawater Intrusion

- Seawater intrusion is generally caused by over pumping
- No current evidence of seawater intrusion

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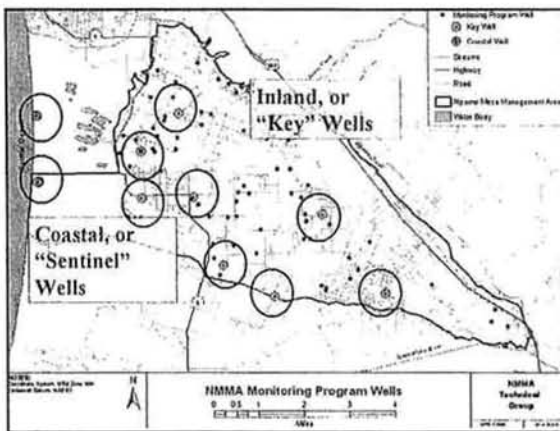
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### Key Wells and Water Shortage Conditions

- Coastal wells – detect seawater intrusion at coast
- Key wells – quantify inland NMMA aquifer health
- Water Shortage Conditions – court-mandated thresholds for taking action based on conditions
- Appendix B of the 2008 Annual Report

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### Water Shortage Conditions

- Two required criterion:
  - Potentially Severe Water Shortage Conditions
  - Severe Water Shortage Conditions

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### Potentially Severe Water Shortage Conditions

“Shall be designed to reflect that water levels beneath the NMMA as a whole are at a point at which voluntary conservation measures, augmentation of supply, or other steps may be desirable or necessary to avoid further declines in water levels.”

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Potentially Severe Water Shortage Conditions

- Coastal wells – if water levels are not maintained safely above sea level
- Coastal water quality – if small amounts of sea water are detected (250 mg/l chloride)
- Inland key wells – if Key Well Index drops below 31.5 ft above mean sea level

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Severe Water Shortage Conditions

Indicate that “ the lowest historic water levels beneath the NMMA as a whole have been reached or that conditions constituting seawater intrusion have been reached.”

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Severe Water Shortage Conditions

- Coastal water quality – if water quality degrades to 500 mg/l chloride
- Inland key wells – if Key Well Index drops below 16.5 ft above sea level

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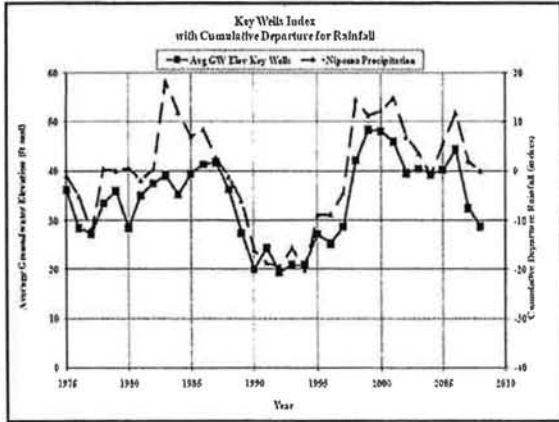
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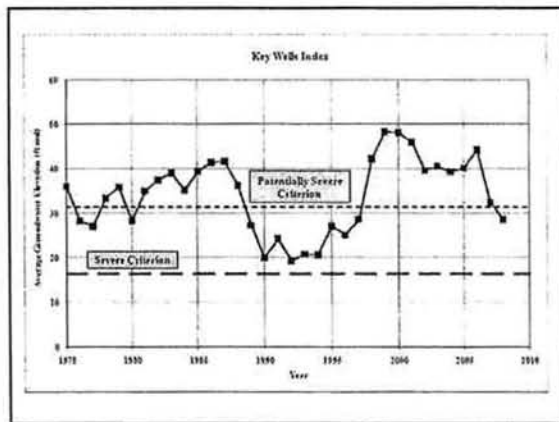
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### Summary of 2008 Findings

- The NMMA aquifer is in a potentially severe water shortage condition based on the Key Well Index (28.7 ft above sea level)
- Spring water levels have declined for the last two years
- Additional technical work is needed to further define the NMMA groundwater aquifer geology
- Total Estimated Groundwater Production
 

Agriculture/Golf	5,300 AF
Urban/Industrial	7,100 AF
<b>Total Production</b>	<b>12,400 AF</b>

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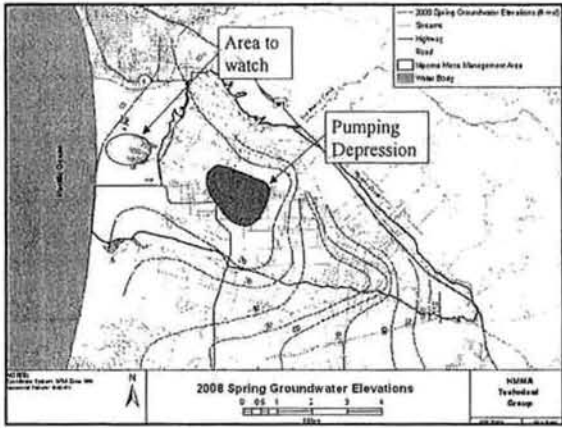
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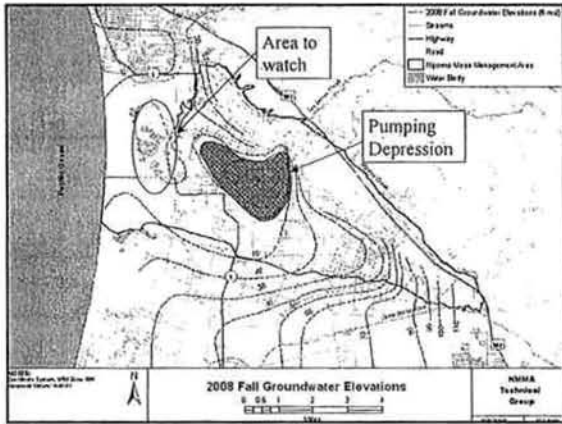
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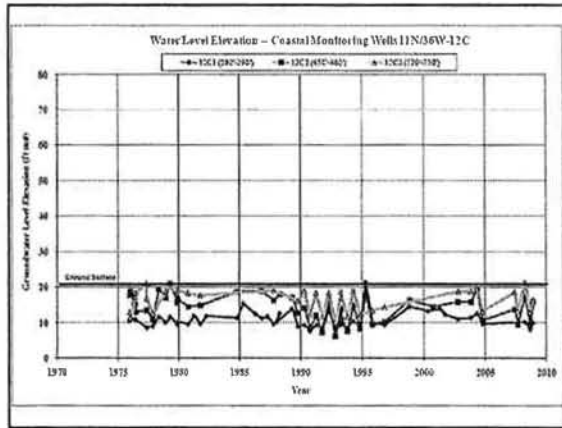
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Technical Group  
Recommendations

- Technical
- Management
- Funding

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Technical Recommendations

- Replacement of the Oso Flaco Lake Coastal Monitoring Well
- Installation of automatic data collection equipment for specific wells
- Collection of data from CIMIS station #202 on a continuous basis
- Collection of construction data for specific wells

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Technical Recommendations (cont)

- Develop Protocols For:
  - Obtaining surface and groundwater quality data
  - Obtaining groundwater elevation data
  - Measuring stream flow in Los Berros Creek & Nipomo Creek
  - Determining relevant land use data

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Technical Recommendations (cont)

- Encourage participation in data collection from all parties
- Further define the hydrogeology of the NMMA
- Evaluation of the costs and benefits of developing a groundwater model

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Management Recommendations

- Develop programs to address water shortages
- Public outreach & education to promote water conservation and NMMA aquifer understanding

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Questions?

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TO: BOARD OF DIRECTORS  
FROM: BRUCE BUEL *BBB*  
DATE: SEPT. 25, 2009

**AGENDA ITEM  
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SEPT. 30, 2009**

COMMITTEE REPORTS

**ITEM**

Review Committee Matters.

**BACKGROUND**

The FAP Committee met at 9am on Friday September 18, 2009. Attached is a copy of the minutes.

The Infrastructure Committee will meet at 2pm on Monday September 28, 2009.

The Parks Committee has called a neighborhood meeting at 6:30pm on Tuesday Sept 29<sup>th</sup> at the NCSD Office to discuss the design of Miller Park.

**RECOMMENDATION**

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

**ATTACHMENT**

- 9/18/09 FAP COMMITTEE MEETING MINUTES

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\BOARD LETTER 2007\COMMITTEE REPORTS 090930.DOC

# NIPOMO COMMUNITY SERVICES DISTRICT

SEPTEMBER 18, 2009

## MINUTES

### FINANCE AND AUDIT COMMITTEE

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

Chairman Vierheilig called the meeting to order at 9:03 a.m. Both Chairman Vierheilig and Director Harrison were in attendance along with staff members Bruce Buel and Lisa Bognuda. There was no public present.

**2. REVIEW AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2009**

Bob Crosby, CPA, reviewed the draft audit report for Fiscal Year ending June 30, 2009. The Committee asked questions of Mr. Crosby and staff. The Committee recommended minor corrections to the report. The final audit report for June 30, 2009, will be presented to the Board of Directors on October 28, 2009.

**3. REVIEW OPTIONS TO ENCUMBER PROPERTY TAX RESERVES**

The Committee reviewed options to encumber Property Tax Reserves. It was unanimously agreed to table this item until the park assessment vote is complete.

**4. SET NEXT MEETING DATE**

No meeting date was set

The meeting was adjourned at 10:08 a.m.