

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 21, 2010



WATERLINE INTERTIE PROJECT UPDATE

ITEM

Mike Nunley of AECOM Engineering re Waterline Intertie Project Update [NO ACTION REQUESTED].

BACKGROUND

Mike Nunley is scheduled to summarize the attached report.

RECOMMENDATION

Staff recommends that your Honorable Board receive the presentation and ask questions as appropriate.

ATTACHMENTS

- December 2009 Monthly Report

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Memorandum

To Michael LeBrun, Intertim General Manager – NCSD Page 1

CC Peter Sevcik, Jon Hanlon, Josh Reynolds, Jim Froelicher, Eileen Shields,
Kirk Gonzalez

Subject Waterline Intertie Project – Design Phase Status Report

From Michael K. Nunley, AECOM

Date January 20, 2010

The Project Team has completed the following work items this month:

1. The pre-application meeting request form regarding creation of a public lot for the pump station / reservoir site was submitted to the County on 1/12/10. The meeting is scheduled for 1/20/10.
2. AECOM met with District staff to review comments on the 90% submittal for Bid Package #2 (Nipomo Improvements), and discuss future submittals and the project schedule.
3. NCSD staff and AECOM participated in a kickoff meeting for the energy evaluation, part of the PG&E Savings By Design program. AECOM has been in contact with PG&E to provide the information requested for the evaluation.
4. AECOM continued work on the layout of the metering station and flow control valve vault on Blosser Road, and the draft final plans and specifications for Bid Packages #3 (Blosser Road Pipeline and Flow Meter) and #4 (Joshua Street Pump Station and Reservoir and Chloramination Systems).
5. AECOM completed the planset for additional potholing and a quote was received for the work. Potholing information will be integrated into the draft final project submittals.
6. On January 19, AECOM participated in an "All Hands" meeting held by District staff to discuss the project schedule and critical path items.

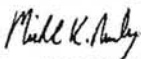
Schedule

The Project Schedule is attached.

Budget Status

As shown on the attached Design Budget and Invoice Summary, our fee earned matches the amount expended. This indicates we are on budget as of this date.

Yours Sincerely



Michael K. Nunley, PE

Enclosures: Design Budget & Invoice Summary; Project Budget Summary; Project Schedule

Item Description	Budgeted Amount May 2008 PER	Updated Amount 17-Mar-09	Updated Amount 22-Apr-09 Concept Design Report	Updated Amount Dec-09 60% Design Plans
1 Mobilization	\$580,000	\$580,000	\$607,000	\$706,800
2 Blosser Extension (18-in)	\$1,247,000	\$1,247,000	\$1,129,000	\$1,148,800
3 Pump Station No. 1 turnout & meter (Blosser Rd)	\$61,000	\$61,000	\$158,000	\$166,400
4 River Crossing (24-in HDD & levee jack & bore)	\$6,135,000	\$6,135,000	\$5,462,500	\$5,414,200
5 24-in Pipeline to Joshua	\$856,000	\$856,000	\$400,000	\$399,500
6 Reservoir (0.5-MG)	\$1,361,000	\$1,361,000	\$1,365,000	\$1,364,700
7 Pump Station No. 2	\$603,000	\$603,000	\$1,572,500	\$1,512,300
8 Pressure Regulators (200 homes)	\$30,000	—	—	—
9 Pressure Reducing Valve Stations	\$18,000	\$72,000	\$243,000	\$290,100
10 Chloramination (Joshua & 5 wellheads)	\$707,000	\$707,000	\$739,500	\$739,200
11 Upgrade Southland to 12-in	\$799,500 (1)	\$780,000 (7)	\$849,000	\$828,900
12 Upgrade Frontage to 12-in	\$1,101,300 (1)	\$880,000 (7)	\$957,000	\$958,600
13 Upgrade Orchard to 12-in	\$509,000	\$1,040,000 (8)	\$1,103,500	\$1,200,800
14 Upgrade Division to 10-in between Allegre and Meridian (6)	\$53,000	—	—	—
15 Oakglen Avenue 12-in main (5)	—	\$420,000	\$457,000	\$472,600
16 Darby Lane 12-in main (5)	—	\$100,000	\$153,000	\$114,100
17 HWY 101 Bore & Jack (5)	—	\$132,000	\$241,000	\$228,700
18 Isolation Valves (5)	—	\$12,000	\$12,000	\$12,000
19 Pump Station All Weather Access Road	—	—	\$128,000	\$127,500
20 Pipe Cleaning Launch Station Stub Out (Blosser Rd)	—	—	—	\$20,400 (13)
Construction Subtotal	\$13,860,800	\$14,785,000	\$15,577,000	\$15,705,600
21 Contingency	\$3,643,000	\$3,696,500 (9)	\$3,115,400 (11)	\$3,141,120
Construction Subtotal + Contingency	\$17,503,800	\$18,481,500	\$18,692,400	\$18,846,720
22 Property Allowance	<i>not included</i> (4)	<i>not included</i> (4)	\$500,000 (4)	\$304,964 (4) (14)
23 Design-Phase Engineering				
Original Agreement (July 2008)		\$744,993	\$744,993	\$744,993
Budget Revision 1 - Pressure Reduction		\$132,788	\$132,798	\$132,798
Budget Revision 2 - Biological Survey for HDD		\$4,050	\$4,050	\$4,050
Budget Revision 3 - Modeling for GSW/Woodlands Turnout		\$8,380	\$8,380	\$8,380
Budget Revision 4 - Additional Survey Services		\$9,900	\$9,900	\$9,900
Budget Revision 5 - Utility Investigation (Potholing)		—	—	\$8,883
Budget Revision 6 - Additional Property Research		—	—	\$805
Budget Revision 7 - PG&E Savings by Design support		—	—	\$4,164
Budget Revision 8 - 60% Design Budget Update		—	—	\$140,872
24 Office Engineering during construction		\$175,837	\$175,837	\$175,837
25 Estimated Construction Management (3)	\$2,428,000 (2)	\$1,507,170 (10)	\$1,507,170 (10)	\$1,507,170 (10)
26 Permitting Fees To Date	—	\$1,573	\$1,573	\$6,173
27 Non-Final Design Funds Spent To Date	<i>not included</i>	<i>not included</i>	\$1,402,879 (12)	\$1,402,879 (12)
28 Estimated Other Costs (Assessment, etc)	<i>not included</i>	<i>not included</i>	\$415,420 (12)	\$415,420 (12)
29 Public Outreach	<i>not included</i>	<i>not included</i>	<i>not included</i>	\$50,000 (15)
WATERLINE PROJECT TOTAL (Rounded to 1000)	\$19,332,000 (4)	\$21,068,000	\$23,596,000	\$23,765,000
A Frontage Road Sewer Replacement	—	—	\$1,239,500 (A)	\$1,658,600 (A) (B)
B Sewer Contingency	—	—	\$247,900 (A)	\$331,720 (A)
FRONTAGE RD SEWER TOTAL (Rounded to 1000)			\$1,487,400 (A)	\$1,990,320 (A)

Notes:

- ENR CCI; March 2008 = 8109
- (1) Costs are from the December 2007 Water and Sewer Master Plan (Cannon).
- (2) Engineering and Construction Management were originally presented as a "lump sum" amount
- (3) Includes material testing, construction staking, and environmental monitoring
- (4) Estimate only. Property allowance not included prior to April 2009 estimate.
- (5) These work items were added to relieve high pressures on Mesa as an alternative to service pressure regulating valves (See Tech Memo 9). One PRV station at Maria Vista was required initially. Four are recommended for revised project. This was design Budget Revision #1.
- (6) Based on review of record drawings, this pipeline is already a 10-in main
- (7) Initial estimate incorporated Master Plan project costs. Revised estimate includes higher unit costs to reflect paving 1 traffic lane, per County standards
- (8) Updated unit costs include higher costs to reflect paving 1 traffic lane, per County standards
- (9) Contingency was modified to 25% which is more appropriate for concept design phase.
- (10) To be provided by CM team - Has not been revised to reflect additional work for construction management of Oakglen, Darby, and Orchard extensions.
- (11) Contingency was modified to 20% which is more appropriate for 30% design phase.
- (12) Estimate provided by District staff.
- (13) Item added during 60% design for potential future pipe cleaning launch station. Cost for potential future receiving station was added to line item #7 (pump station).
- (14) Reduced at 12/9/2009 Board Meeting.
- (15) Added to January 2010 cost opinion per District
- not included* = Item was not included in previous construction cost opinions, but was added to provide a complete assessment of anticipated project costs.
- (A) Frontage Road Sewer to be Part of Bid Package #2, but to be paid for out of funds separate from the Supplemental Water Project
- (B) Includes 1100 LF of 24-in sewer and manholes from Southland Street to WWTP L/R Station, which was not previously included in project scope.

Project Budget Summary

1/1/2010

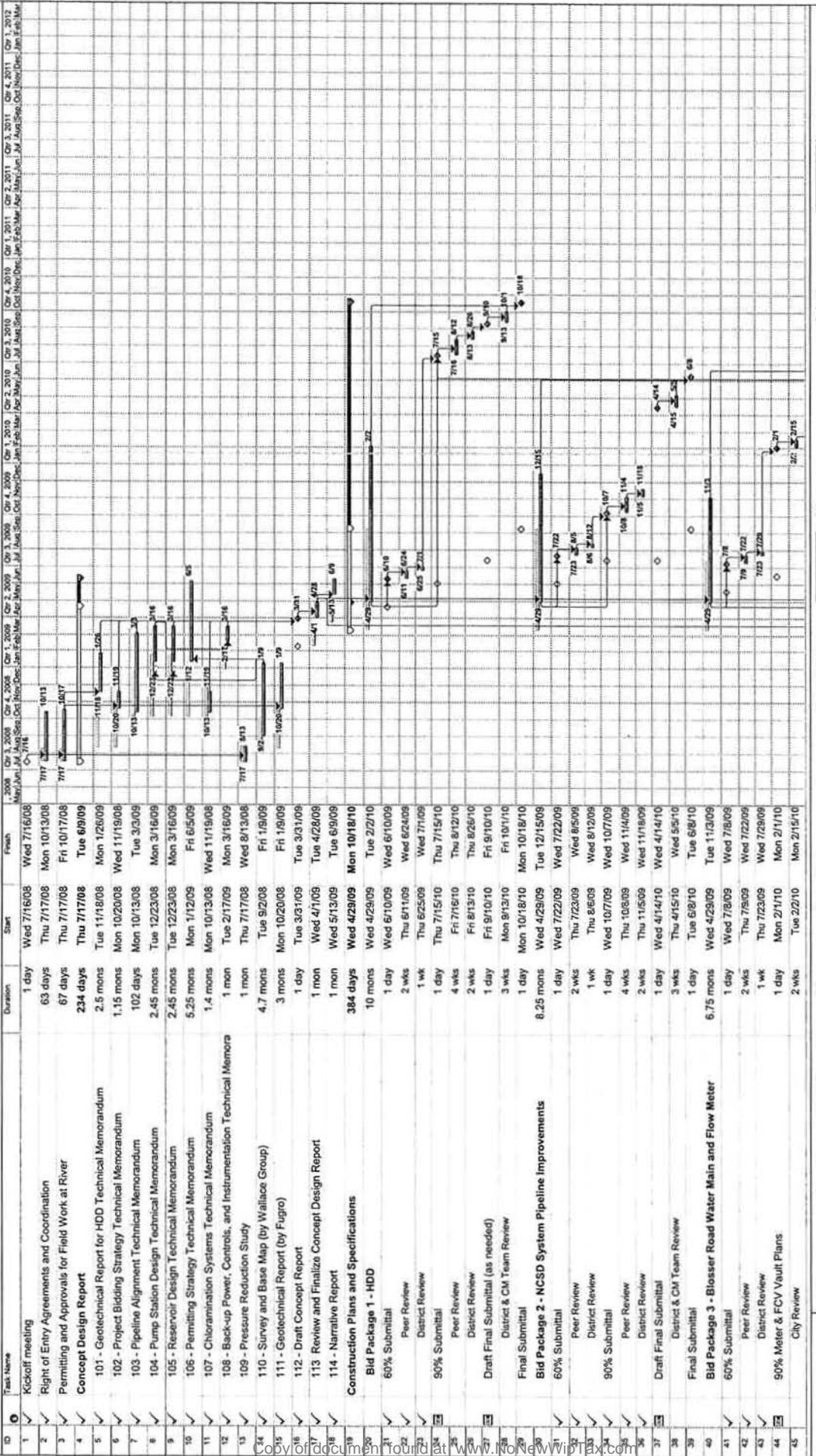
Engineering Services for NCSD - SWP Design

Nipomo CSD

	Total Budget	Amount Previously Invoiced	Current Invoice Amount	% of Budget Earned to date	% of Work Complete
Task Group 1 - Concept Design Report	\$441,553.65	\$425,916.00	\$1,499.85	97%	97%
Task Group 2 - Permitting	\$38,545.92	\$39,703.03	-\$9,052.00	80%	80%
Task Group 3 - Construction Documents	\$442,933.43	\$375,399.27	\$33,660.70	92%	92%
Task Group 4 - Project Management	\$82,869.68	\$39,351.44	\$9,046.80	58%	58%
Task Group 5 - Assistance During Bids	\$48,942.36	\$0.00	\$0.00	0%	0%
Task Group 6 - Office Engineering During Construction (4 Bid Packages)	\$175,836.96	\$1,459.46	\$972.00	1%	1%
Total	\$1,230,682.00	\$881,829.20	\$36,127.35	75%	75%

	Amount Previously Invoiced	Current Invoice Amount	Total Permitting Fees to date
Permitting Fees	\$6,172.91	\$0.00	\$6,172.91

Note: An adjustment of -\$9,052 is being applied to Task Group 2 because the time should have been accrued as part of Task Groups 3 and 4. Therefore, \$9,052 is being distributed to Task Groups 3 and 4, resulting in no net change to billings to date



Project: WIP Design Schedule
 Date: Wed 1/20/10

Task Legend:
 Progress (Solid bar)
 Baseline (Dashed bar)
 Milestone (Diamond)

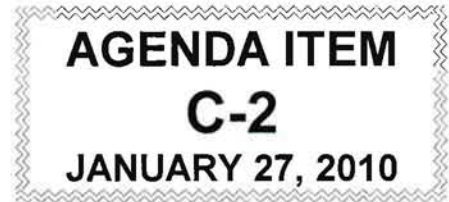
Summary Legend:
 Milestone Summary (Solid bar)
 Baseline Summary (Dashed bar)

Roll Up Legend:
 Rolled Up Task (Solid bar)
 Rolled Up Milestone (Diamond)
 Rolled Up Baseline (Dashed bar)

Split Legend:
 Split (Dashed bar)
 Baseline Split (Dashed bar)
 External Task (Dashed bar)

Project Summary Legend:
 Project Summary (Dotted bar)
 Group By Summary (Dotted bar)
 Deadline (Dotted bar)

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 21, 2010



MONTHLY SUPERINTENDENT UPDATE

ITEM

NCSD Facilitates Superintendent Tina Grietens re Utility Division Activities in 2009 [NO ACTION REQUESTED].

BACKGROUND

Tina Grietens is scheduled to summarize the attached outline.

RECOMMENDATION

Staff recommends that your Honorable Board receive the presentations and ask questions as appropriate.

ATTACHMENTS

- District Utilities Division 2009 Activities Outline

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NIPOMO COMMUNITY

BOARD MEMBERS

JAMES HARRISON, PRESIDENT
LARRY VIERHEILIG, VICE PRESIDENT
ED EBY, DIRECTOR
MIKE WINN, DIRECTOR
BILL NELSON, DIRECTOR



SERVICES DISTRICT

STAFF

MICHAEL LEBRUN, INTERIM GENERAL MANAGER
LISA BOGNUDA, ASSISTANT GENERAL MANAGER
JON SEITZ, GENERAL COUNSEL

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932 Website address: NCSD.CA.GOV

TO: MICHAEL LEBRUN, INTERIM GENERAL MANAGER *MSL*
FROM: TINA GRIETENS, UTILITY SUPERINTENDENT
DATE: JANUARY 21, 2010
SUBJECT: UTILITY DIVISION UPDATE -ANNUAL SUMMARY - 2009

- **Southland Wastewater Plant and Utility Yard**
Installation of security lighting
Training and setup of Emergency Operations Center
Ripped and disced percolation ponds; biosolids removed; aerator motors rebuilt
Electrical control panel maintenance/repair, generator transfer switch; wet well wiring
Assisted AECOM, and Fugro with Southland expansion; facilitated meetings, and tours
Flow meter calibrated
- **Blacklake Wastewater Reclamation Facility**
Aerator repair, portable emergency generator for chlorine pump, flow meters calibrated
- **Sewer Collection system**
Sewer video eqpt, control panels, & Scada demonstrations
Cleaned lift stations as needed; jetted Blacklake sagging sewer line spring/fall
Rebuilt pumps at Tejas lift station
Replaced Palms Lift station pumps
Replaced battery charger and block heater on MVA lift station generator
PG&E problems at Juniper Lift Station resolved
Jetted Oak Glen, Amado and Terrace, and old town near restaurants; replaced damaged manhole rings
Jetted and videoed sewer lines on Frontage Road
Reviewed draft overflow emergency response plan, and FOG program
- **Water Distribution System**
Flushed dead end water lines
Worked with PG&E regarding voltage spikes which caused wells to shut down
Replaced 10" valves at both 500,000 gal tanks; reviewed inspection reports, assisted in repair documents
Secured emergency standby generator
Annual cathodic protection maintenance at water tanks
Blacklake booster generator relay replaced, seal replaced on booster pump
Performed emergency repairs on distribution system as needed
Reviewed plans for standpipe mixing, Willow Road extension, WIP
Exercised valves for pressure test on 12 inch water line on Orchard

- **Wells**
 - Sundale well electrification project delayed by fire in August
 - Replaced damaged water valve collars at Tefft/Mary intersection
 - Ventilation systems installed at Eureka, and Via Concha wells
 - Scada system installed at Olympic well
 - Assisted with radio antenna project at Eureka well site
 - Annual well efficiency testing performed
 - Replaced motor, pump and pipe at Knollwood well
 - Rebuilt motors at Via Concha and Eureka wells
 - Increased security at Standpipe, Quads and all well sites

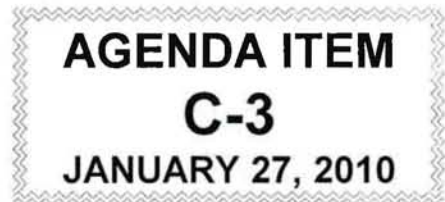
- **Maintenance**
 - Preventive maintenance program developed and implemented
 - Hydrants replaced/painted; meters, angle stops, air vacs and sample stations replaced
 - Purchased new vehicles, equipped and installed safety lights
 - Purchased new loader backhoe tractor
 - Valve and hydrant exercising in eastern portion of Nipomo
 - Rain gauges installed at both WWTP facilities
 - Cleaned/repair fence Folkert Oaks Drainage Basin; secured Hettrick access Road with CALFIRE

- **Compliance**
 - Assisted with Groundwater Rule Triggered Source Monitoring Program
 - Monitored sampling protocol, laboratory results, prepared compliance reports for WWTPs
 - Coordinated Triennial Lead and Copper Sampling program
 - Annual inspection of Water System by California Department of Public Health
 - Reviewed Water System and Wastewater Facilities Annual Reports

- **Incidents/Safety Issues**
 - Sewage spill on Terrace due to blockage of sand from damaged manhole rings-March
 - Battery explosion, minor injury in May
 - Non injury, minor vehicle accident in August
 - Discharge of un-disinfected effluent resulted from power outage- October

- **Other**
 - Support to District Engineer with District Projects
 - Monthly reports to Board of Directors, committee meeting attendance, Strategic planning attendance
 - SEMS training, distribution, regulations, sampling, sewer pump and water well training for staff
 - Staff certifications acquired in Sewer Collections Maintenance, Water Distribution Operation
 - Safety training included Confined Space, Traffic Safety, Electrical and online courses
 - Successfully filled Customer Service/Maintenance and Utility Office Assistant positions

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 21, 2010



WATER CONSERVATION COORDINATOR UPDATE

ITEM

District WCC Celeste Whitlow re 2009 Conservation and Outreach Activities [NO ACTION REQUESTED].

BACKGROUND

Celeste Whitlow is scheduled to summarize the attached outline.

RECOMMENDATION

Staff recommends that your Honorable Board receive the presentations and ask questions as appropriate.

ATTACHMENTS

- District 2009 Conservation and Outreach Activities Outline

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NIPOMO COMMUNITY SERVICES DISTRICT

148 SOUTH WILSON STREET
POST OFFICE BOX 326
NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932
Web site address www.ncsd.com

MEMORANDUM

TO: MICHAEL LEBRUN, GENERAL MANAGER *MSL*
FROM: CELESTE WHITLOW, CONSERVATION COORDINATOR AND PUBLIC OUTREACH *EW*
DATE: JANUARY 20, 2010
RE: ITEM C-5: WATER CONSERVATION 2009 SUMMARY

Water Conservation Achieved:

Comparing NCSD urban water consumption for years 2007 and 2009 demonstrated a percentage difference of -11.71% (11.71% water conservation!)

Percentage change, 2007—2008 showed a -0.84% water conservation.
Percentage change, 2008—2009 showed a -10.96% water conservation.

The amount of change between 2007 and 2008 was only 7% of the total change in consumption between 2007 and 2009. The amount of change between 2008 and 2009 was 93% of the total change in consumption between 2007 and 2009.

Interpretation: Between the years 2007 and 2009, 11.71% water conservation for NCSD's urban water customers was demonstrated, with the bulk of that conservation (93%) occurring between 2008 and 2009. See attached *Comparison of NCSD Urban Water Consumption*.

Other factors that may influence water consumption include significant differences in climate (ETo), wildfire, an emergency large transfer of water to another agency, and the unusual absence or increased presence of people in the District. The ETo for each of those years, for the months studied, showed less than 1 inch difference, which is an insignificant number in this setting. The ETo for all months of those years was within 1.53 inches difference, which occurred in the year that showed the greatest water conservation (2009) and, intuitively, should have produced more demand/consumption in response to the increased demand by the climate. Otherwise, there were no unusual conditions contributing to the decreased water consumption noted over those three years.

Community Events and Educational Workshops

- Spring Workshops 2009.
- Management of Landscape Maintenance District #1.
- Chipping Event 2009.

NCSD Landscape

- Care and management of NCSD's "Compost Corral."
- Maintenance of "temporary" landscape as demonstration for Spring workshops.
- Monitored landscape. Addressed problems as they arose.

Professional Development

- ConserveTrack project (water conservation tracking software).
- Partners in Water Conservation meetings, Partners in Water Quality meetings, CUWCC workshop on water conservation program elements, implementation and results.

Newsletters, Mailings, Advertising.

- All materials were prepared by Water Conservation Coordinator, including design and preparation of graphics, transfer to InDesign formatting for printing and mailing. No outside services were used.
- Water Conservation newsletters.
- Recycling-related printed materials.
- Preparation of flyers, postcard, ads for workshops.
- Water conservation brochures and other information.
- Newspaper ads (water conservation, Chipping Event 2009, workshops).
- Coordination of bill stuffers.
- Graphics.

Water Conservation Program

- An 11% decrease in water consumption by our urban-water customers in 2009 when compared to 2008, and a 11.7% decrease when 2009 was compared to 2008.
- Water: Use It Wisely.
- ConserveTrack. (purchase/lease, installation, fine-tuning, training).
- Rebate: High-Efficiency Clothes Washers.
- Rebate: Turf-Replacement Program Launch preparation.
- Rebates: Research and follow-up of other possible customer rebates to assist customers with water-conservation measures (research, presentation to Water Conservation Committee, follow-up).
- Water audit program.
- SLO County's plumbing retrofit program for the Nipomo Mesa.

Monitoring Legislation, Ordinances, Regulations.

Legislation monitored: 20 x 2020, AB1366, AB2175, AB474, AB1061, SB 407, SB6.

Other

- Provided advice and support as needed for the Science Discovery Program for Nipomo's elementary schools.
- Customer interaction and advice regarding water conservation, water-efficient landscaping, and other related issues.
- Answered customers' questions regarding water softeners.
- Reviewed many documents, State legislation, studies, policies and programs regarding water conservation and related issues.

ATTACHMENTS

Comparison of NCSD Urban Water Consumption

COMPARISON OF NCSD URBAN WATER CONSUMPTION
January - August for Years 2007, 2008, 2009

	Total AcFt H2O	Years Compared	Difference (H2O AcFt)	%Difference (Change)	ETo Rate Aug-Sep	ETo Rate Jan-Dec
Yr2009	1504.30	Yr2008-2009	-185.17	-10.96%	Yr2009 32.08	44.08
		Yr2007-2008	-14.32	-0.84%		
Yr2008	1689.47	Yr2007-2009	-199.49	-11.71%	Yr2008 32.99	45.02
Yr2007	1703.79				Yr2007 31.99	43.49

FORMULA FOR %DIFFERENCE

First number is A, second number is B.

Formula: $(B/A-1)*100$

Example: for Years Compared Yr2008-2009:

$(1504.30/1689.47-1) \times 100 = -10.96\%$

The months January through August were used for comparison because the consumption figures for September through December are not yet available.

The difference between ETo rates for the three years is less than 1 inch. The ETo for all months of those years was within 1.53 inches difference, which occurred in the year that showed the greatest water conservation (2009) and, intuitively, should have produced more demand/consumption in response to the increased demand by the climate.

Interpretation: Between the years 2007 and 2009, 11.71% water conservation for NCSD's urban water customers was demonstrated, with the bulk of that conservation occurring between 2008 and 2009.

Date

Prepared: 1/20/2010

Water Conservation Program Monthly Update (Item C-5) 1/20/2010 ATTACHMENT

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN
DATE: JANUARY 22, 2010



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
- D-3) ANNUAL INVESTMENT POLICY [RECOMMEND APPROVAL]
- D-4) QUARTERLY INVESTMENT POLICY [RECOMMEND APPROVAL]
- D-5) QUARTERLY FINANCIAL REPORT [RECOMMEND APPROVAL]
- D-6) ACCEPT WATER & SEWER IMPROVEMENTS - TRACT 2663, A FIVE UNIT
SUBDIVISION LOCATED AT THEODORA STREET AND BUCKHORN PLACE
[ADOPT RESOLUTION]
- D-7) TEFFT STREET LIFT STATION EASEMENTS [ADOPT RESOLUTION]

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TO: BOARD OF DIRECTORS
 FROM: MICHAEL LEBRUN
 DATE: JANUARY 22, 2010

**AGENDA ITEM
 D-1
 JANUARY 27, 2010**

**TOTAL COMPUTER
 CHECKS
 \$180,208.31**

HAND WRITTEN CHECKS

01-22-10	20067	Iwerks, Patty	WASHER REBATE	75.00
01-22-10	20068	Hull, Geritt	WASHER REBATE	75.00

VOID - NONE

COMPUTER GENERATED CHECKS

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
17484	01/22/10	EMP01	EMPLOYMENT DEVELOP DEPT	1538.04	.00	1538.04	B00119	STATE INCOME TAX
17485	01/22/10	MID01	RABOBANK-PAYROLL TAX DEPO	4101.11	.00	4101.11	B00119	FEDERAL INCOME TAX
				626.06	.00	626.06	1B00119	FICA
				1044.00	.00	1044.00	2B00119	MEDICARE (FICA)
			Check Total.....	5771.17	.00	5771.17		
17486	01/22/10	MID02	RABOBANK-DIRECT DEPOSIT	30083.18	.00	30083.18	B00119	NET PAY
17487	01/22/10	PER01	PERS RETIREMENT	8699.18	.00	8699.18	B00119	PERS PAYROLL REMITTANCE
17488	01/22/10	STA01	ING-PERS 457 DEFERRED COM	1325.00	.00	1325.00	B00119	457 DEFERRED COMP
017489	01/27/10	ABA01	ABALONE COAST BACTERIOLOG	20.00	.00	20.00	10-15	BL WWTF LAB
				175.00	.00	175.00	10-31	WATER SAMPLES
				20.00	.00	20.00	10-32	BL WWTF LAB
				20.00	.00	20.00	10-44	BL WWTF LAB
				176.00	.00	176.00	10-45	TOWN WWTF LAB
				20.00	.00	20.00	10-57	BL WWTF LAB
				20.00	.00	20.00	10-63	BL WWTF LAB
				20.00	.00	20.00	10-75	BL WWTF LAB
				175.00	.00	175.00	10-91	WATER SAMPLES
				20.00	.00	20.00	10-92	BL WWTF LAB
				20.00	.00	20.00	10-99	BL WWTF LAB
				176.00	.00	176.00	10-100	TOWN WWTF LAB
				100.80	.00	100.80	10-113	WATER SAMPLES
				20.00	.00	20.00	10-114	BL WWTF LAB
				20.00	.00	20.00	10-117	BL WWTF LAB
				97.00	.00	97.00	09-2725	TOWN WWTF LAB
				176.00	.00	176.00	09-2844	TOWN WWTF LAB
			Check Total.....	1275.80	.00	1275.80		
017490	01/27/10	AME02	AMERICAN INDUSTRIAL SUPPL	35.91	.00	35.91	204897	SUPPLIES
017491	01/27/10	AME03	AMERI PRIDE	103.03	.00	103.03	F172854	UNIFORMS ETC
				109.75	.00	109.75	F178931	UNIFORMS ETC
			Check Total.....	212.78	.00	212.78		
017492	01/27/10	ATT01	AT&T/MCI	185.76	.00	185.76	1091227	PHONE
017493	01/27/10	BEE01	BEE SAFE LOCK & KEY	128.02	.00	128.02	80079	SERVICE CALL & 9 KEYS
017494	01/27/10	BOB02	BOB MURRAY & ASSOCIATES	3943.75	.00	3943.75	3742	MANAGER RECRUITMENT
017495	01/27/10	CAL14	CALIFORNA WATER	69.00	.00	69.00	DAVISON10	GRADE 1 RENEWAL 090321013
				74.00	.00	74.00	MOTLEY 10	GRADE 2 RENEWAL 090322010
			Check Total.....	143.00	.00	143.00		
017496	01/27/10	CAN02	CANNON ASSOCIATES	87.50	.00	87.50	47866	PALMS TRANSDUCER MAINT
				110.00	.00	110.00	47868	SCADA MAINT
				475.00	.00	475.00	47890	WILLOW RD WATERLINE
				2023.02	.00	2023.02	47892	MISTY GLEN PHASE 1
				120.00	.00	120.00	47865-R	SUNDALE WELL SCADA PANEL
				660.00	.00	660.00	47867-R	GARDENIA LS TRANSDUCER
				1000.00	.00	1000.00	47871-R	EUREKA WELL ANTENNA
			Check Total.....	4475.52	.00	4475.52		
017497	01/27/10	CLA02	CLAY'S SEPTIC & JETTING	600.00	.00	600.00	39600	PUMP LFT STNS
				1200.00	.00	1200.00	39656	PUMP LIFT STNS
			Check Total.....	1800.00	.00	1800.00		

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS JANUARY 22, 2010**

**AGENDA ITEM
D-1
JANUARY 27, 2010
PAGE TWO**

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
017498	01/27/10	COR01	CORBIN WILLITS SYSTEMS	750.83 750.83	.00 .00	750.83 750.83	A912151 B001151	COMPUTER SUPPORT-DEC COMPUTER SUPPORT-JAN
			Check Total.....:	1501.66	.00	1501.66		
017499	01/27/10	DES01	DESIGN PROS	694.42	.00	694.42	354	INVASIVE PLANTS BROCHURES
017500	01/27/10	DKF01	DKF SOLUTIONS GROUP, LLC	350.00	.00	350.00	1062	SAFETY SUBSCRIPTION
017501	01/27/10	EBY01	EBY, ED	100.00	.00	100.00	012710	REG BD MEETING 012710
017502	01/27/10	ENV01	ENVIRONMENTAL EQUIP ENG	6458.76	.00	6458.76	3824	WWTF MOTOR
017503	01/27/10	FGL01	FGL ENVIRONMENTAL	81.00 306.00 306.00 331.00 56.00 331.00 56.00	.00 .00 .00 .00 .00 .00 .00	81.00 306.00 306.00 331.00 56.00 331.00 56.00	130A 131A 912453A 912944A 912945A 913081A 913082A	BL WWTF LAB TOWN WWTF LAB TOWN WWTF LAB TOWN WWTF LAB BL WWTF LAB TOWN WWTF LAB BL WWTF LAB
			Check Total.....:	1467.00	.00	1467.00		
017504	01/27/10	FUG01	FUGRO WEST, INC.	17447.26	.00	17447.26	3596.5.12	SOUTHLAND EXPANSION PASQU
017505	01/27/10	GRA07	GRAND PERFORMANCE	125.56	.00	125.56	220	REPAIR MIKES IN BD RM
017506	01/27/10	HAR02	HARRISON, JAMES	100.00	.00	100.00	012710	REG BD MEETING 012710
017507	01/27/10	HAY01	HAYES ADVANCED DESIGN	650.00	.00	650.00	501946	ASPHALT REPAIR VINTAGE
017508	01/27/10	JOB01	JOBS AVAILABLE INC	315.00	.00	315.00	T03033	UTILITY WORKER AD
017509	01/27/10	JOH01	JOHNSON, DONNA	65.96	.00	65.96	011510	SUPPLIES
017510	01/27/10	JWC01	JWC ENVIRONMENTAL	23391.20	.00	23391.20	32162	GRINDER PUMP SOUTHLAND WW
017511	01/27/10	LIN02	LINC DELIVERY	231.00	.00	231.00	47175+	DELIVERY TO LAB
017512	01/27/10	MCG01	MCGRAW HILL CONSTRUCTION	69.00	.00	69.00	010810	SUBSCRIPTION
017513	01/27/10	MOR02	MORE OFFICE SOLUTIONS	210.64 382.26	.00 .00	210.64 382.26	531536 531627	COPIER MAINT COPIER MAINT
			Check Total.....:	592.90	.00	592.90		
017514	01/27/10	MUL01	MULLAHEY FORD	30432.27	.00	30432.27	PO1463	2010 P250 DIESEL
017515	01/27/10	NEL01	NELSON, WILLIAM J	100.00	.00	100.00	012710	REG BD MEETING 012710
017516	01/27/10	NEX01	NEXTEL COMMUNICATIONS	421.15	.00	421.15	87314-098	CELL PHONES
017517	01/27/10	NIP08	NIPOMO CSD	269.80	.00	269.80	011010	LANDSCAPE MAINT WATER TR
017518	01/27/10	NIP09	NIPOMO MARKET PLACE	142.39	.00	142.39	462261	FUEL FOR GENERATORS
017519	01/27/10	OFF01	OFFICE DEPOT	187.82 45.41 327.86	.00 .00 .00	187.82 45.41 327.86	503642705 503643516 505293665	SUPPLIES SUPPLIES SUPPLIES
			Check Total.....:	561.09	.00	561.09		
017520	01/27/10	POO01	POOR RICHARD'S PRESS	243.83	.00	243.83	208743	PRINT DOOR HANGERS
017521	01/27/10	RAY02	RAY'S AUTO PARTS	49.76	.00	49.76	011610	VEHICLE SUPPLIES
017522	01/27/10	SAI01	SAIC	165.00 4000.75 6157.26	.00 .00 .00	165.00 4000.75 6157.26	625858 641157 644993	OSO FLACO REPLACE WELL GENERAL CONSULTATION NMMA TG
			Check Total.....:	10323.01	.00	10323.01		
017523	01/27/10	SAN04	SANTA MARIA TIMES	459.50	.00	459.50	649514	WATER TANK BID AD

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS JANUARY 22, 2010**

**AGENDA ITEM
D-1
JANUARY 27, 2010
PAGE THREE**

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
017524	01/27/10	SAN09	SAN LUIS MAILING SERVICE	208.58	.00	208.58	208369M	MAILING BILLS
				1057.36	.00	1057.36	208369P	POSTAGE FOR BILLS
			Check Total.....:	1265.94	.00	1265.94		
017525	01/27/10	SHI01	SHIPSEY & SEITZ, INC	14786.90	.00	14786.90	123109	LEGAL SERVICES
017526	01/27/10	SLO02	DIV OF ENVIRON HEALTH	265.00	.00	265.00	66894	HAZ MAT FEE
017527	01/27/10	TAF01	TAFT ELECTRIC	407.44	.00	407.44	30497R	EUREKA WELL MAINT
017528	01/27/10	TIT01	TITAN INDUSTRIAL & SAFETY	234.03	.00	234.03	1039095	SUPPLIES
				123.95	.00	123.95	1039159	SUPPLIES
			Check Total.....:	357.98	.00	357.98		
017529	01/27/10	USA01	USA BLUEBOOK	1134.76	.00	1134.76	964100	FLOAT SWITCH FOR LFT STNS
017530	01/27/10	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	012710	REG BD MEETING 012710
017531	01/27/10	WAL01	WALLACE GROUP	290.00	.00	290.00	29212	GIS DATA MAINT
				3490.31	.00	3490.31	29229	MILLER PARK FUNDING
				906.50	.00	906.50	29230	INTERTIE ASSMT DIST
			Check Total.....:	4686.81	.00	4686.81		
017532	01/27/10	WIN01	WINN, MICHAEL	100.00	.00	100.00	012710	REG BD MEETING 012710
017533	01/27/10	\P004	PALOMAR HOMES,	415.91	.00	415.91	000B00101	MQ CUSTOMER REFUND FOR PA
017534	01/27/10	\P005	EMMETT VALLEY CONSTRUC,	234.26	.00	234.26	000B00101	MQ CUSTOMER REFUND FOR PG
017535	01/27/10	\V002	VOLENTINE, J.M.	273.68	.00	273.68	000B00101	MQ CUSTOMER REFUND FOR VO

NIPOMO COMMUNITY SERVICES DISTRICT*Celebrating 44 - Years of Service 1965 - 2009***DRAFT MINUTES****JANUARY 13, 2010 AT 9AM**

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

JAMES HARRISON, **PRESIDENT**
 LARRY VIERHEILIG, **VICE PRESIDENT**
 MICHAEL WINN, **DIRECTOR**
 ED EBY, **DIRECTOR**
 BILL NELSON, **DIRECTOR**

PRINCIPAL STAFF

MICHAEL LEBRUN, **INTERIM GENERAL MANAGER**
 LISA BOGNUDA, **ASSIST. 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 its customers with reliable, quality, and cost-effective services now and in the future.

00:00:00

A. CALL TO ORDER AND FLAG SALUTE

Director Harrison called the Regular Meeting of the Nipomo Community Services District Board of Directors to order at 9:00 a.m. and led the flag salute.

00:00:45

B. ROLL CALL AND ACKNOWLEDGEMENT OF 2010 OFFICERS

At Roll Call, all Directors were present.

Michael LeBrun, Interim General Manager, announced the Board re-elected Director Harrison for President and Director Vierheilig for Vice President at the December 9, 2009 Regular Meeting, to be effective January 1, 2010.

00:01:33

C. PRESENTATIONS AND PUBLIC COMMENT**C-1) SHERIFF COMMANDER BRIAN HASCALL**

Update re: South County Law Enforcement Activities

Commander Brian Hascall reported that a golf cart missing from Nipomo High School was recovered and led to recovery of items from 10 other thefts.

A search warrant for a residence on Silva Place led to recovery of 10 stolen hand guns and rifles.

A transient in Oceano was arrested in possession of over 1,000 child pornography photos in his van.

C-2) CAL FIRE BATTALION CHIEF BILL FISHER

Update re: South County Cal Fire Activities

Michael DiLeo substituted for Chief Fisher.

He gave an update of the CalFire activities on the Nipomo Mesa and reviewed the activity report given to the Board and public.

In December 2009, Nipomo Station #20 had a total of 103 calls: 11 fire calls, 12 vehicle accidents, 56 medical aids and 24 other calls.

Mesa Station #22 had a total of 65 calls: 4 fire calls, 5 vehicle accidents, 42 medical aids and 14 other calls.

C-3) NCSD DISTRICT ENGINEER PETER SEVCIK

Update re: 2009 Summary of Activities

Peter Sevcik, District Engineer, reviewed the District activities for the year 2009. He answered question from the Board. The Board thanked Mr. Sevcik for his report.

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

C-4) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors Items of District & Community Interest

Director Vierheilig

The Air Pollution Control District (APCD) had a workshop in December concerning particulate matter blowing from the dunes area at the beach. Tests will be performed to determine the amount of particulate matter generated during a normal day as compared to a busy weekend. After the report is completed, it will be posted on their website at slocleanair.org.

Director Winn

01-06-10 – Water Resources Advisory Council (WRAC) met. Mike Winn and Sue Luft were re-elected as Chairperson and Vice Chairperson respectively. Water use in vineyards and coastal water use were discussed and new representatives for appointed by the BoS for those issues.

01-12-10 SLO Board of Supervisors meeting, Dan O'Grady appointed as new Planning Commissioner. Willow Road changes were approved. Mr. Miller, lobbyist from the Ferguson Group for the County gave a report on Federal funding. Deadline for project proposals to Senator Feinstein's office is Feb. 5 and to Senator Boxer's office is Feb. 12.

01-14-10 Planning Commission meeting at 1:30 p.m. It received a proposal from an oil company to do drilling in Huasna.

01-15-10 Interview with a group of people to talk see if CSD's pursuing projects to use

01-18-10 South County Advisory Committee (SCAC) Land Use Sub-Committee will meet at 9:00 a.m.

01-25-10 SCAC regular monthly meeting at 6:30 p.m.

01-22-10 NCSO Conservation Committee will meet at 9:00 a.m. in the District boardroom.

01-28-10 SLO Planning Commission will hold a scoping meeting for the EIR for the Land Use Element.

01-29-10 Will be attending UCLA for annual update on Land Use and Water Law.

02-19-10 The SLO County chapter of the California Special Districts Association will have its annual meeting at Blacklake Resort.

Department of Water Resources – California 2009 drought study update available on the web. A report on "20 by 2020" has come out.

Would like some consideration about bids for the Waterline Intertie Project.

Director Eby

SCAC yearly elections schedule:

Accept Nomination Applications	Mon, Feb. 8 to Mon, March 8, 2010	6:30 p.m.
Town Hall Meeting/Introduce Candidates	Mon, March 8, 2010	6:30 p.m.
SCAC Advisory Council Election Day	Mon, March 15, 2010	5:00 to 8:00 p.m.
Seat Elected SCAC Members	Mon, March 22, 2010	6:30 p.m.

01-18-10 SCAC Land Use 9:00 a.m. – Key issue – Minor Use Permit application for a medical marijuana facility at 425B N. Frontage. This issue will also be on the 1-25-10 meeting agenda.

01-21-10 LAFCO elections will be held to replace retired member Barbara Mann.

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

C-4) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST

Director Harrison

02-06-10 – Nipomo Incorporation Committee for Education (NICE) will hold a candidates' forum in the Avila Room at Trilogy.

NCSD will not be coordinating the chipping event this year.

C-5) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

Peg Miller, NCSD resident, stated that she has received three requests for renting one of her units for the medical marijuana facility. She turned down all three.

00:41:50

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES

Approve Minutes of December 9, 2009, Regular Meeting.

Approve Minutes of December 16, 2009, Special Meeting

D-3) CONFIRM 2010 BOARD MEETING SCHEDULE

The Board pulled Items D-4 and D-5 for separate consideration.

There was one correction in Item D-3 on the Board Meeting Schedule for 2010. The March 20 date should have been March 24. There was no public comment.

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

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

D-4) RATIFY 2010 COMMITTEE APPOINTMENTS

The Board discussed the proposed 2010 Committee/Delegate assignments.

Jon Seitz, District Legal Counsel, explained that Ad Hoc Committees will be appointed on an as-needed basis. There was no public comment. Upon motion by Director Winn and seconded by Director Eby, the Board unanimously approved the following assignments, as modified and to send a letter to WRAC explaining the general manager situation. Vote 5-0.

Supplemental Water Project Design & Construction	Ed Eby	Jim Harrison
Finance and Audit	Larry Vierheilig	Ed Eby
Parks	Jim Harrison	Bill Nelson
Southland Wastewater Treatment Facility Upgrade	Michael Winn	Jim Harrison
Water Conservation	Michael Winn	Larry Vierheilig
Personnel	Larry Vierheilig	Jim Harrison
DELEGATES	MEMBER	ALTERNATE
SCAC	Michael Winn	None per SCAC Bylaws
Water Resources Advisory Committee (WRAC)	Ed Eby	
Chamber of Commerce	Bill Nelson	Jim Harrison
City of Santa Maria/CCWA	Jim Harrison	Ed Eby
Olde Towne Nipomo Association	Larry Vierheilig	Jim Harrison
Blacklake Village Council/Committees	Bill Nelson	Jim Harrison
Liaison to the Nipomo Incorporation Committee for Education (NICE)	Jim Harrison	Larry Vierheilig
Representative to the Board of Supervisors	Jim Harrison	Michael Winn
Representative to the Planning Commission	Michael Winn	Jim Harrison

D-4) RATIFY 2010 COMMITTEE APPOINTMENTS (CONTINUED)

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

D-5) APPROVE PURCHASE OF TRUCK AND VALVE EXERCISER

Michael LeBrun, Interim General Manager, reviewed the proposal to purchase a truck and a valve exerciser.

Tina Grietens, Utility Superintendent, answered questions from the Board concerning the quotes received. There was no public comment. Upon motion by Director Vierheilig and seconded by Director Nelson, the Board unanimously approved the purchase of the valve exercising equipment from E.H. Wachs Company and the ¾ ton F-250 truck from Mullahey Ford. Vote 5-0.

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

The Board took a break at 10:12 a.m. and returned at 10:22 a.m.

E. ADMINISTRATIVE ITEMS

The Board considered Item E-2 next.

01:10:12

E-2) REVIEW MILLER PARK ASSESSMENT VOTE

Michael LeBrun, Interim General Manager, reviewed the events of the Miller Park Assessment vote. The consensus before the vote was taken, consisting of a phone survey and citizens attending information meetings, seemed to be in favor of the park.

Jon Seitz, District Legal Counsel, answered questions about LAFCO approval and other items concerning formation of park powers. LAFCO requires funding be available before approval of a park.

The following members of the public spoke:

Christy Laschiver, NCS D resident, asked if the Zone-of-Benefit were to be extended, how far would it go.

Jon Seitz, District Legal Counsel, stated that he will check with the assessment district engineers to get that answer.

Jim Tefft, Nipomo resident, thanked the Board and the Parks Committee for all the work and commitment that NCS D has made into formation of the park so far. He asked the Board to continue its efforts.

Paul Teixeira, representative for Supervisor Achadjian, asked the Board not to give up. Supervisor Achadjian fully supports the park.

Peg Miller, NCS D resident, expressed appreciation to NCS D and to Olde Towne for efforts to beautify downtown Nipomo. She asked that the Board continue its efforts and not give up.

The Board discussed different aspects of continuing efforts for the park in some way: possibly postponing until supplemental water is resolved, until the voters can be asked why they voted as they did, finding about property taxes, and checking on the time limits involved. Director Harrison would like to continue with the park project.

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

E-2) REVIEW MILLER PARK ASSESSMENT VOTE

Upon motion by Director Vierheilg and seconded by Director Winn, the Board agreed to request staff to learn about time limits required from LAFCO and about the MOU with the County and bring that information back to the Board.

The following member of the public spoke:

Jim Tefft, Nipomo resident, asked if the District could ask LAFCo could change its resolution in light of the vote.

Jon Seitz, District Legal Counsel, suggested that the District ask LAFCO if the time condition can be changed.

Vote 4-1, with Director Harrison voting no.

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

The Board considered Item E-1 next.

02:03:00

E-1) CONSIDER SAIC PROPOSAL FOR SERVICES AND BUDGET FOR 2010 SERVICES RELATED TO NMMA TECHNICAL GROUP

Michael LeBrun, Interim General Manager, reviewed the proposal from Science Application International Corporation (SAIC) for professional services related to the NMMA Technical Group and general consultation.

The Board discussed the services included in the proposal. Those things that should be included are: an annual groundwater index, general advice concerning the pipeline, etc, an representation with the NMMA Technical Group.

There was no public present to comment.

Upon motion by Director Eby and seconded by Director Vierheilg, the Board unanimously authorized the President to execute an amendment to the March 23, 2006 SAIC Agreement extending the term through December 2010 and authorizing a total budget of \$100,000 for the two Task Orders, limiting the General Manager's authority to net increase up to \$10,000 without Board approval. Vote 5-0.

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

02:31:15

E-3) CONSIDER STRATEGIC PLAN UPDATE PROPOSAL

Michael LeBrun, Interim General Manager, reviewed the proposal from BHI Management Consulting to prepare and update the District's Strategic Plan.

The Board discussed the proposal and the work to be accomplished.

There was no public present to comment. Upon motion by Director Winn and seconded by Director Vierheilg, the Board unanimously approved the proposal from BHI and directed staff to execute a contract. Vote 5-0.

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

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

03:11:02

E-4) WATERLINE INTERTIE PROJECT OUTREACH AND EDUCATION DISCUSSION

Michael LeBrun, Interim General Manager, reviewed the proposal to hire an outreach and education consultant to assist with the Waterline Intertie Project. A successful assessment vote, expected to be conducted this year, is necessary to help fund a significant portion of the \$23.6M project.

Jon Seitz, District Legal Counsel, and Mr. LeBrun answered questions from the Board and made suggestions for the RFP.

There was no public present to comment. Upon motion by Director Eby and seconded by Director Winn, the Board unanimously agreed to direct staff to develop a Request for Proposal for the next meeting and to provide a list of interested firms. Vote 5-0.

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

The Board considered Closed Session next.

I. CLOSED SESSION ANNOUNCEMENTS

Jon Seitz, District Legal Counsel, announced the following items to be considered during Closed Session:

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9 SMVWCD VS. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
2. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC SECTION 54956.9; NCSD VS. COUNTY SLO, ET AL. (CASE #CV090010)
3. INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (1 CASE)

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 11:42 a.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board returned to Open Session at 1:19 p.m.

Jon Seitz, District Legal Counsel, announced that the three items were discussed, with no reportable action taken.

03:16:12

E-5) WASHINGTON D.C. LOBBYING TRIP

Michael LeBrun, Interim General Manager, reviewed the proposal for representatives from NCSD to travel to Washington, D. C. in an effort to promote the Waterline Intertie Project and to pursue Federal funds. To date, \$80,000 has been expended on lobbying efforts to secure funds.

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

E-5) WASHINGTON D.C. LOBBYING TRIP (CONTINUED)

There was no public present to comment. Upon motion by Director Winn and seconded by Director Eby, the Board unanimously authorized to send two representatives of the NCSD to Washington, D. C. to meet with Congresswoman Lois Capps and others concerning the funding for the Waterline Intertie Project. Vote 5-0.

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

03:31:12

E-6) LAFCO REQUEST FOR NOMINATIONS TO FILL COMMISSION'S VACANT SPECIAL DISTRICT MEMBER SEAT

Michael LeBrun, Interim General Manager, asked the Board to consider nominations for a LAFCO Special District member to fill the position vacated by the resignation of Barbara Mann.

Director Winn nominated Director Eby for the position. There were no other nominations. There was no public comment. Upon motion by Director Winn and seconded by Director Vierheilig, the Board unanimously agreed to nominate Director Eby for LAFCO Special District Member. Vote 5-0.

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

03:35:00

F. MANAGER'S REPORT

Michael LeBrun, Interim General Manager, reviewed the Manager's Report and answered questions from the Board. He provided the Board and the public with a copy of a letter from the California Regional Water Quality Control Board, Central Coast Region, outlining the Regional Board's authority, responsibilities, goals, etc. There will be a Waterline Intertie all-hands meeting January 19th.

G. COMMITTEE REPORT

The Minutes of the Parks Committee are in the Manager's Report.

04:05:01

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Winn

Asked staff to check into Water Master Plan for San Luis Obispo County Planning Area 13. The Northern Cities Management Area is a critical member of the Santa Maria Groundwater Settlement, but will not be a separate management area in the Master Water Plan.

Land Use and Circulation Element EIR to be addressed at the Planning Commission meeting January 14, 2010 at 1:30 p.m.

Would like to get Northern Cities to release well data at least quarterly.

When APCD's particulate matter study comes out, please inform Board.

Asked about letters from District Counsel to Chuck Baker and SLO County concerning water movement to the NCMA and new wells there.

ADJOURN

President Harrison adjourned the meeting at 2:57 p.m.

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 22, 2010

**AGENDA ITEM
D-3
JANUARY 27, 2010**

ADOPT 2010 INVESTMENT POLICY

ITEM

Adopt 2010 Investment Policy

BACKGROUND

The California Government Code Section 53646 (2) requires local government entities adopt an annual investment policy.

GC§ 53646(2) reads as follows:

In the case of any other local agency, the treasurer or chief fiscal officer of the local agency shall annually render to the legislative body of that local agency and any oversight committee of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting. Any change in the policy shall also be considered by the legislative body of the local agency at a public meeting.

The Board of Directors reviewed the policy in-depth last year due to the economic conditions.

There have not been any changes to the Government Code relating to investment policies for local government agencies since the last review and adoption. Staff does not propose any changes to the Investment Policy.

RECOMMENDATION

Staff recommends that the Board approve Resolution 2010-invest adopting the Year 2010 District Investment Policy.

ATTACHMENTS

Resolution and Investment Policy

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-XXX**

**A RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE YEAR 2010 DISTRICT INVESTMENT POLICY**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("District") believes that public funds should, so far as is reasonably possible, be invested in financial institutions to produce revenue for the District rather than to remain idle, and

WHEREAS, from time to time there are District funds which for varying periods of time will not be required for immediate use by the District, and which will, therefore, be available for the purpose of investing in financial institutions with the objectives of safety, liquidity, yield and compliance with state and federal laws and policies.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District as follows:

1. The District hereby adopted the Investment Policy attached hereto as Exhibit "A" as the District's Investment Policy;
2. The District General Manager shall act as Treasurer/Finance Officer of the District and is authorized to invest and re-invest funds in accordance with the Investment Policy for the succeeding twelve (12) month period or until such time as the delegation of authority is revoked.

PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services District this 27th day of January, 2010, on the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Harrison, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
District Legal Counsel

RESOLUTION 2010-xxx
EXHIBIT A

YEAR 2010 INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT

1. INTRODUCTION

The purpose of this written *Investment Policy* is to establish the guidelines for the prudent investment of Nipomo Community Services District funds (herein referred to as District's funds). The objectives of this policy are safety, liquidity, yield, and compliance with state and federal laws and policies.

District funds are to be managed with a high degree of care and prudence. Though all investments contain a degree of risk, the proper concern for prudence, maintenance of high level of ethical standards and proper delegation of authority reduces the potential for any realized loss.

This policy establishes the standards under which the District's Finance Officer will conduct business with financial institutions with regard to the investment process.

2. FINANCE OFFICER

The Board of Directors appoints the General Manager as the District Finance Officer and Treasurer. The District's Assistant General Manager shall serve as the District's Finance Officer and Treasurer in the absence of the District's General Manager.

3. SCOPE

The District investment portfolio shall consist of money held in a sinking fund of, or surplus money in, the District's treasury not required for the immediate necessities of the District. The District's investment portfolio shall be invested in accordance with this policy.

4. OBJECTIVES

The primary objectives are safety, liquidity, yield, and compliance.

A. SAFETY

The investment portfolio shall be managed in a manner that ensures the preservation of capital. The objective is to minimize credit risk and interest rate risk.

B. LIQUIDITY

The investment portfolio shall remain sufficiently liquid to meet all operating requirements. This shall be accomplished by structuring the investment portfolio so that investments mature concurrent with cash needs.

C. YIELD

Yield shall be a consideration only after the requirements of safety and liquidity have been met.

D. COMPLIANCE

This Investment Policy is written to be in compliance with California and Federal law.

**RESOLUTION 2010-xxx
EXHIBIT A**

**YEAR 2010 INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT**

5. STANDARDS OF CARE

A. PRUDENCE

The Finance Officer will manage the portfolio pursuant to the "Prudent Investor Standard." When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds in the District's investment portfolio, the Finance Officer shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District.

B. DISCLOSURES

Finance Officer shall disclose any material interest in financial institutions with which he/she conducts the District business.

6. INVESTMENTS AUTHORITY

A. PERMITTED INVESTMENTS

The District Finance Officer is authorized to invest in the following institutions:

1. County pooled funds (California Government Code § 61730)
2. The Local Agency Investment Fund created by the California State Treasury (California Government Code § 16429.1)
3. One or more FDIC insured Banks and/or Savings and Loan Associations that are designated as District depositories by resolution of the Board of Directors (California Government Code § 61053).
4. Such other financial institutions or securities that may be designated by the Board of Directors from time to time in compliance with California and Federal law.

B. PROHIBITED INVESTMENTS

The District's Finance Officer shall not invest in:

1. Inverse floaters, range notes or interest only strips that are derived from a pool of mortgages.
2. Any security that could result in a zero interest accrual if held to maturity.
3. A state or federal credit union, if a member of the District's Board of Directors or an administrative officer also serves on the Board of Directors, or any committee appointed by the Board of Directors, or the credit committee or supervisory committee, of the state or federal credit union.

C. DIVERSIFIED INVESTMENTS

Investments, other than investments referenced in paragraphs A (1) and (2) above, will be diversified to avoid losses that may be associated with any one investment.

**RESOLUTION 2010-xxx
EXHIBIT A**

YEAR 2010 INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT

7. REPORTS

A. MONTHLY REPORT

Finance Officer/Treasurer shall make monthly reports to the Board of investments made or retired during the preceding month.

B. QUARTERLY REPORT

Finance Officer shall file a quarterly report that identifies the District's investments and their compliance with the District's Investment Policy. The quarterly report must be filed with the District's auditor and considered by the District's Board of Directors within thirty (30) days after the end of each quarter (i.e., by May 1, August 1, November 1, and February 1) (California Government Code § 53646). Required elements of the quarterly report are as follows:

1. Type of Investment
2. Institution
3. Date of Maturity (if applicable)
4. Amount of deposit or cost of the security
5. Current market value of securities with maturity in excess of twelve months (if applicable)
6. Rate of Interest
7. Statement relating the report to the Statement of Investment Policy
8. Statement of the District's ability to meet cash flow requirements for the next six months.
9. Accrued Interest (if applicable)

C. ANNUAL REPORT

Prior to February 1, of each year, the Finance Officer shall file and submit an annual report to the District's auditor and Board of Directors which will contain the same information required in the quarterly report.

The annual report will include a recommendation to the Board of Directors to either:

1. Readopt the District's then current annual Investment Policy; or
2. Amend the District's then current Investment Policy.

D. LIMITED QUARTERLY REPORT

If the District has placed all of its investments in the Local Agency Investment Fund (LAIF), created by California Government Code § 16429.1, or in Federal Deposit Insurance Corporation, insured accounts in a bank or savings and loan association, in a County investment pool, or any combination of these, the Finance Officer may submit to the Board of Directors, and the auditor of the District the most recent statement or statements received by the District from these institutions in lieu of the information required in paragraph 7.B, above. This special reporting policy does not relieve the Finance Officer of the obligation to prepare an annual investment report as identified in paragraph 7.C, above.

TO: BOARD OF DIRECTORS
 FROM: MICHAEL LEBRUN *med*
 DATE: JANUARY 22, 2010

**AGENDA ITEM
 D-4
 JANUARY 27, 2010**

INVESTMENT POLICY – FOURTH QUARTER REPORT

The Board of Directors have adopted an Investment Policy for NCSD which states that the Finance Officer shall file a quarterly report that identifies the District's investments and their compliance with the District's Investment Policy. The quarterly report must be filed with the District's auditor and considered by the Board of Directors.

Below is the December 31, 2009 Quarterly Report for your review. The Finance Officer is pleased to report to the Board of Directors that the District is in compliance with the Investment Policy.

As District Finance Officer and Treasurer, I am pleased to inform the Board of Directors that the District is in compliance with the 2009 Investment Policy and that the objectives of safety, liquidity, and yield have been met. The District has the ability to meet cash flow requirements for the next six months.

After Board consideration and public comment, it is recommended that your Honorable Board accept the quarterly report by motion and minute order.

INVESTMENT POLICY-FOURTH QUARTER REPORT 12/31/09

Investment	Institution	Amount of Deposit 12/31/09	Rate of Interest	Quarterly Interest Earned or Accrued 12/31/09	Amount of Deposit 12/31/08	Rate of Interest	Quarterly Interest Earned or Accrued 12/31/08
Money Market	Rabaobank	\$33,742.11	.00%	\$0.00 (1)	\$88,740.78	.10%	\$33.58
Savings	Rabobank	\$926.31	.15%	\$.35	\$924.77	.25%	\$0.59
Pooled Money Investment	Local Agency Investment Fund (LAIF)	\$21,878,970.31	.60%	\$33,069.62	\$22,527,816.82	2.54%	\$142,325.36
Certificate of Deposit (COP)	Rabobank	N/A	N/A	N/A	\$2,033,377.36	2.40%	\$13,874.05
Certificate of Deposit Account Registry Service (CDARS)	Mission Community Bank	\$2,052,512.73	.65%	\$3,364.18	N/A	N/A	N/A

N/A – Not Applicable

(1) Account placed on Analyzed Services (Los Padres Bank and Wells Fargo Bank would place NCSD on Analyzed Services if accounts were moved to their bank)

ATTACHMENTS

None

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *msl*
DATE: JANUARY 22, 2010

**AGENDA ITEM
D-5
JANUARY 27, 2010**

ACCEPT QUARTERLY FINANCIAL REPORT

ITEM

ACCEPT QUARTERLY FINANCIAL REPORT [RECOMMEND APPROVAL]

BACKGROUND

The District's fiscal year is now 50% complete. The consolidated operating revenues are at 46.47% of the budget, operating expenditures are at 43.35% of the budget and general and administrative expenditures are at 37.90 % of the budget.

Attached are the following which provide an overview of the first three months of the fiscal year:

Page 1	Summary of Approved Budget Amendments
Page 2	Summary of Revenues, Expenses and Cash Balances by Fund
Page 3	Consolidated Balance Sheet
Page 4-5	Consolidated Income Statement
Page 6-7	Graphs for Consolidated Revenues and Expenses
Page 8-10	Graphs for major funds (Water, Town Sewer, and Blacklake Sewer)

Detailed information by fund is available in the office.

RECOMMENDATION

It is recommended that your Honorable Board accept and direct Staff to file the quarterly financial report for the first quarter of fiscal year 2009-2010.

NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF APPROVED BUDGET AMENDMENTS
FIRST QUARTER ENDING SEPTEMBER 30, 2009

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
8/20/09	Transfer from EOC Set Up line item to Ford Ranger	Fund #110	\$14,000	\$2,619	\$16,619
			\$10,000	(\$2,619)	\$ 7,381
9/9/09	Purchase Back Hoe	Fund #600	\$0	\$83,322	\$83,322
		Fund #125	\$14,453	(\$14,453)	\$0
		Fund #130	\$4,818	(\$4,818)	\$0
		Fund #150	\$2,628	(\$2,628)	\$0
9/30/09	Willow Road Waterline Phase 1	Fund #700	\$1,000,000	\$150,506	\$1,150,506

SECOND QUARTER ENDING DECEMBER 31, 2009

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
10/14/09	EOC Radio Purchase & Set Up	Fund #700	\$11,000	\$6,600	\$17,600
		Fund #710	\$7,600	\$2,200	\$9,800
		Fund #830	\$1,400	\$1,200	\$2,600
12/9/09	General Manager Replacement (recruitment, overlap of wages and legal)	Fund #110	\$0	\$51,000	\$51,000

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NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF REVENUES AND EXPENSES BY FUND
SIX MONTHS ENDING DECEMBER 31, 2009

FUND	FUND #	YTD REVENUES	YTD EXPENSES	FUNDED REPLACEMENT	YTD SUPRLUS/ (DEFICIT)
Administration	110	175,153	(175,153)	0	0
Water	125	1,910,755	(1,156,882)	(350,000)	403,873
Town Sewer	130	707,287	(438,642)	(186,150)	82,495
Blacklake Sewer	150	186,617	(115,889)	(10,000)	60,728
Blacklake Street Lighting	200	10,637	(11,138)	0	(501)
Street Landscape Maintenance	250	4,727	(9,815)	0	(5,088)
Solid Waste	300	35,589	(17,195)	0	18,394
Drainage Maintenance	400	6,694	0	0	6,694
Supplemental Water Capacity Fees	500	9,453	0	0	9,453
Property Taxes	600	248,646	(72,392)	0	176,254
Water Capacity Fees	700	16,303	0	0	16,303
Town Sewer Capacity Fees	710	18,320	(227,245)	0	(208,925)
Funded Replacement-Water	805	24,506	0	350,000	374,506
Funded Replacement-Town Sewer	810	13,115	0	186,150	199,265
Funded Replacement-BL Sewer	830	0	0	10,000	10,000
Town Sewer Sinking Fund	880	319,419	0	0	319,419
TOTAL		3,687,221	(2,224,351)	0	1,462,870

CASH BALANCE OF EACH FUND
AS OF DECEMBER 31, 2009

FUND	FUND #	CASH BALANCE 12/31/2009
Administration	110	(33,925)
Water	125	2,472,089
Town Sewer	130	378,868
Blacklake Sewer	150	142,908
Blacklake Street Lighting	200	39,395
Street Landscape Maintenance	250	16,411
Solid Waste	300	626,335
Drainage Maintenance	400	11,743
Supplemental Water (Incl COP)	500	2,619,852
Property Taxes	600	1,467,670
Water Capacity Fees	700	4,109,731
Town Sewer Capacity Fees	710	4,595,824
Funded Replacement-Water	805	3,346,515
Funded Replacement-Town Sewer	810	3,567,980
Funded Replacement-BL Sewer	830	(13,252)
Sinking Fund-Town Sewer	880	551,888
Funds held by Trustee		249,026
TOTAL		24,149,058

NIPOMO COMMUNITY SERVICES DISTRICT
BALANCE SHEET - CONSOLIDATED
AS OF DECEMBER 31, 2009

ASSETS

Cash and Cash Equivalents	24,149,058.84
Accounts Receivable - Utility Billing	245,105.44
Unbilled Accounts Receivable	642,500.00
Property, Plant & Equipment	44,287,969.81
Accumulated Depreciation	(13,288,115.72)
Prepaid Expenses	24,265.74
Accrued Interest Receivable	35,583.06
Notes Receivable - BL Sewer	203,172.91
Notes Receivable - BL Water Merger	222,243.00
Reservation Fee	37,500.00
Loan Fees - SRF Loan	256,834.00
Accumulated Amortization - SRF Loan Fees	(177,433.08)
Revenue COP's Bond Discount	178,100.60
Accumulated Amortization - Bond Discount	(36,361.92)

Total Assets	56,780,422.68
=====	

LIABILITIES

Accounts Payable	182,890.26
Other Payables	1,091.20
Refunds Payable	105.88
Construction Meter Deposits	3,500.00
Compensated Absences Payable	75,493.00
Deposits	54,555.62
Payroll Taxes Payable	2,887.48
Deposit - Maintenance Guarantee	3,657.55
Deposit - Pomeroy Rd Water Line	24,170.00
Deferred Revenue	6,300.00
Notes Payable - Property Tax Fund	203,172.91
Notes Payable - BL Water Merger	222,243.00
Revenue Bonds - Current Portion	10,000.00
SRF Loan #110 - Current Portion	34,868.35
SRF Loan #120 - Current Portion	42,180.25
Revenue COP's-Current Portion	85,000.00
Revenue Bonds Payable - Long Term Portion	100,000.00
SRF Loan #110 Payable - Long Term Portion	313,815.15
SRF Loan #120 Payable - Long Term Portion	421,802.50
Revenue COP's - Long Term Portion	3,425,000.00

Total Liabilities	5,212,733.15
=====	

FUND EQUITY

Contributed Capital - Assets	11,820,955.78
Contributed Capital - Capacity Fees (CY)	53,426.00
Contributed Capital - Supplemental Water Fees (CY)	13,858.00
Contributed Capital - Capacity Fees (FY)	17,405,450.62
Contributed Capital - Supplemental Water Fees (FY)	2,961,414.75
Contributed Capital - Right of Way	70,100.00
Contributed Capital - Assessment Districts	1,256,794.00
Contributed Capital - Grants	2,674,618.66
Retained Earnings-Reserved (Debt Service)	15,600.00
Retained Earnings-Reserved (Emergencies)	50,000.00
Retained Earnings-Reserved (Sewer Grant)	330,000.00
Retained Earnings-Reserved (Funded Replacement)	7,678,315.38
Retained Earnings - Unreserved	5,774,285.51
CURRENT EARNINGS	1,462,870.83

Total Fund Equity	51,567,689.53

Total Liabilities and Fund Equity	56,780,422.68
=====	

NIPOMO COMMUNITY SERVICES DISTRICT
INCOME STATEMENT - CONSOLIDATED
FOR THE PERIOD ENDING DECEMBER 31, 2009

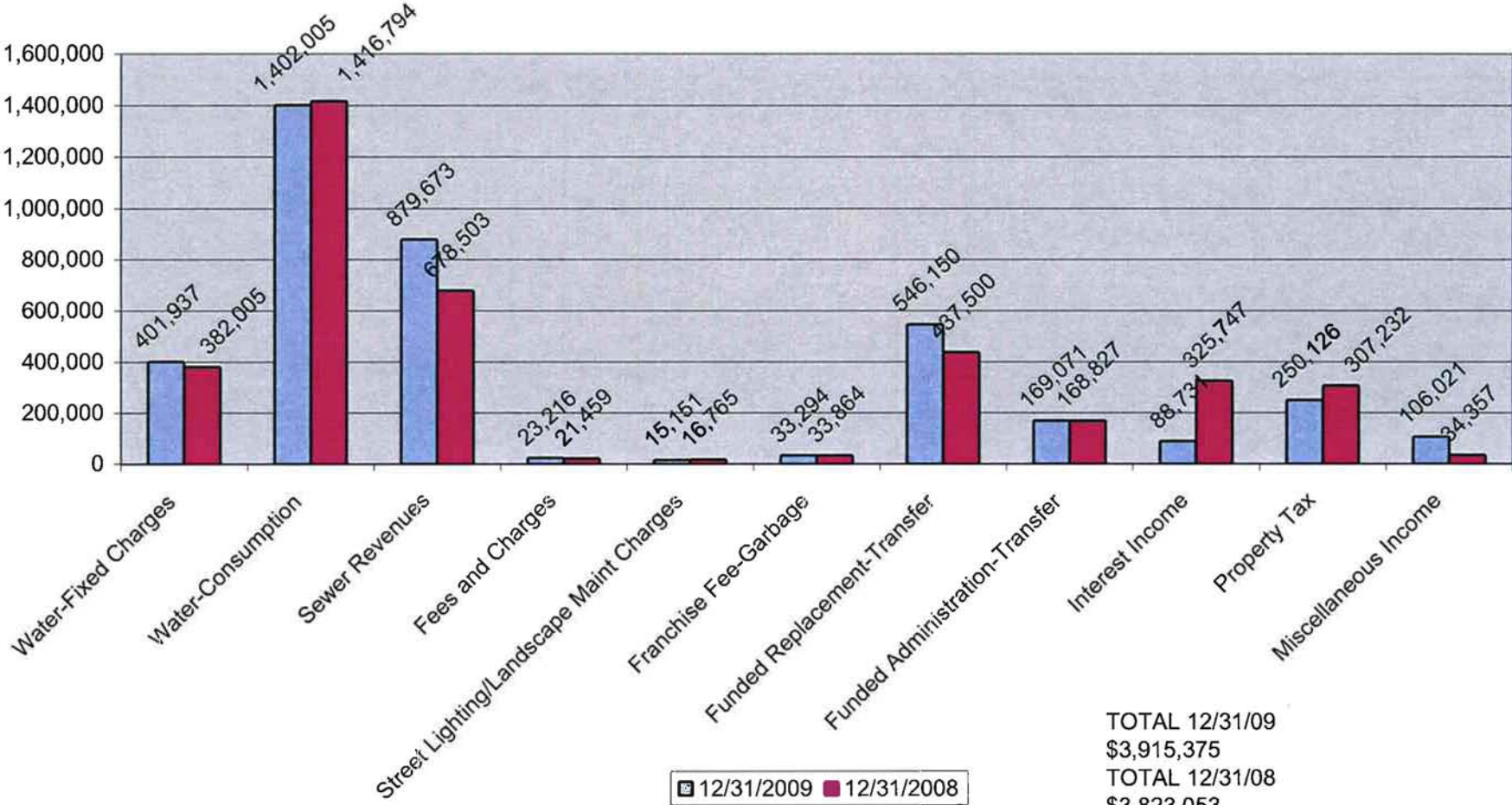
	YTD ACTUAL =====	ANNUAL BUDGET =====	% OF BUDGET =====
REVENUES			
Water - Fixed Charge	401,936.65	951,400.00	42.25 %
Water - Usage	1,374,795.84	3,003,900.00	45.77 %
Construction Water	24,982.06	35,000.00	71.38 %
Fire System Fee	2,226.70	4,000.00	55.67 %
Sewer Charges	879,672.62	1,872,000.00	46.99 %
Fees and Penalties	22,291.05	44,895.00	49.65 %
Meters	825.00	0	.00 %
Plan Check & Inspection Fees	100.00	0	.00 %
Franchise Fees	33,293.53	91,980.00	36.20 %
Miscellaneous Income	81,224.78	34,500.00	235.43 %
Street Lighting Charges	10,498.00	18,836.00	55.73 %
Landscape Maintenance Dist Charges	4,652.59	8,450.00	55.06 %
Operating Transfers In - Funded Administration	169,070.56	485,440.00	34.83 %
Operating Transfers In - Funded Replacement	546,149.94	1,092,300.00	50.00 %
Total Revenues	3,551,719.32	7,642,701.00	46.47 %
OPERATIONS AND MAINTENANCE			
Wages and Benefits	328,660.95	876,754.00	37.49 %
Electricity	362,831.00	623,620.00	58.18 %
Natural Gas	11,191.08	0	.00 %
Chemicals	14,331.42	32,000.00	44.79 %
Lab Tests	30,034.40	78,000.00	38.51 %
Operating Supplies	43,145.36	150,000.00	28.76 %
Outside Services	18,201.28	40,020.00	45.48 %
Permits and Operating Fees	24,957.81	25,500.00	97.87 %
Repairs and Maintenance	105,954.90	422,200.00	25.10 %
Engineering	37,846.80	13,000.00	291.13 %
Fuel	12,767.88	45,000.00	28.37 %
Paging Service	3,109.91	9,805.00	31.72 %
Meters - New Installation	0	10,000.00	.00 %
Meters - Replacement Program	0	48,000.00	.00 %
Uniforms	3,418.57	9,000.00	37.98 %
Landscape Maintenance & Water	9,758.85	8,080.00	120.78 %
Clean Up	0	9,460.00	.00 %
Conservation Program	16,150.50	126,000.00	12.82 %
Street Sweeping/Trash Collection	1,014.72	2,040.00	49.74 %
Operating Transfers Out - Funded Replacement	546,149.94	1,092,300.00	50.00 %
Subtotal - O & M	1,569,525.37	3,620,779.00	43.35 %
GENERAL AND ADMINISTRATIVE			
Wages and Benefits	325,689.19	695,694.00	46.82 %
Utilities	7,171.57	11,600.00	61.82 %
Audit	8,000.00	8,500.00	94.12 %
Bank Charges and Fees	905.09	1,500.00	60.34 %
Computer Expense	22,783.58	49,000.00	46.50 %

NIPOMO COMMUNITY SERVICES DISTRICT
 INCOME STATEMENT - CONSOLIDATED
 FOR THE PERIOD ENDING DECEMBER 31, 2009

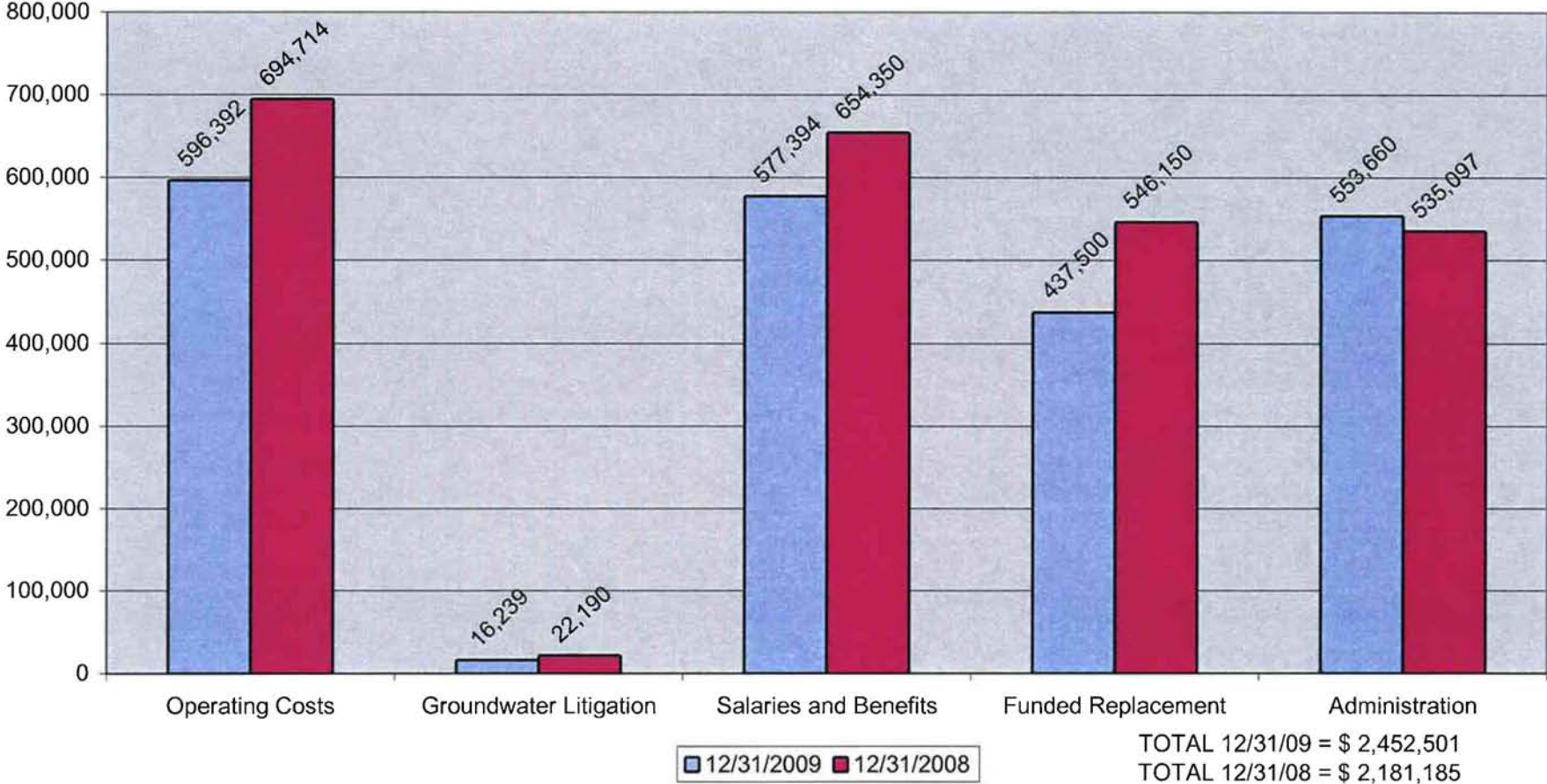
	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
Director Fees	9,923.25	25,220.00	39.35 %
Dues and Subscriptions	9,385.50	15,000.00	62.57 %
Education and Training	3,138.37	31,000.00	10.12 %
Insurance - Liability	22,605.35	44,000.00	51.38 %
LAFCO Funding	23,358.54	20,350.00	114.78 %
Landscape and Janitorial	6,560.31	13,665.00	48.01 %
Legal - General Counsel	49,967.36	144,000.00	34.70 %
Legal - Water Counsel	22,190.15	150,000.00	14.79 %
Professional Services	80,671.24	209,000.00	38.60 %
Miscellaneous	1,856.80	6,000.00	30.95 %
Newsletters & Mailers	1,940.49	11,000.00	17.64 %
Office Supplies	4,757.28	23,000.00	20.68 %
Outside Service	2,788.42	13,505.00	20.65 %
Postage	9,690.39	19,465.00	49.78 %
Public Notices	1,794.38	15,350.00	11.69 %
Repairs and Maintenance	4,274.60	83,000.00	5.15 %
Property Taxes	1,069.84	1,040.00	102.87 %
Telephone	3,786.41	8,980.00	42.16 %
Travel and Mileage	3,654.36	17,500.00	20.88 %
Operating Transfer Out - Funded Administration	169,070.56	485,440.00	34.83 %
Subtotal - G & A	797,033.03	2,102,809.00	37.90 %
NON OPERATING INCOME			
Interest Income	88,731.18	492,630.00	18.01 %
Property Tax Revenues	250,125.55	508,140.00	49.22 %
BL Sewer Surcharge	12,240.78	17,625.00	69.45 %
BL Water Surcharge	12,555.32	25,779.00	48.70 %
Subtotal - Non Operating Income	363,652.83	1,044,174.00	34.83 %
NON OPERATING EXPENSES			
Interest Expense	29,442.92	171,725.00	17.15 %
Other Post Employment Benefits (OPEB)	56,500.00	113,000.00	50.00 %
Subtotal - Non Operating Expenses	85,942.92	284,725.00	30.18 %
Net Surplus/(Deficit)	1,462,870.83	2,678,562.00	54.61 %

UNAUDITED

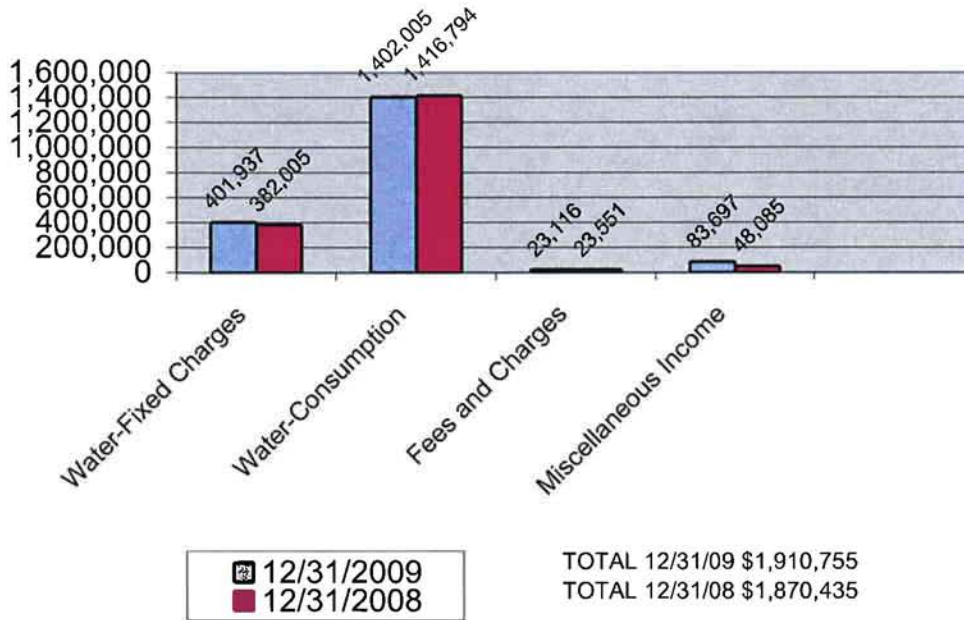
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED REVENUES FOR ALL FUNDS
 SIX MONTHS ENDED
 DECEMBER 31, 2009 AND DECEMBER 31, 2008**



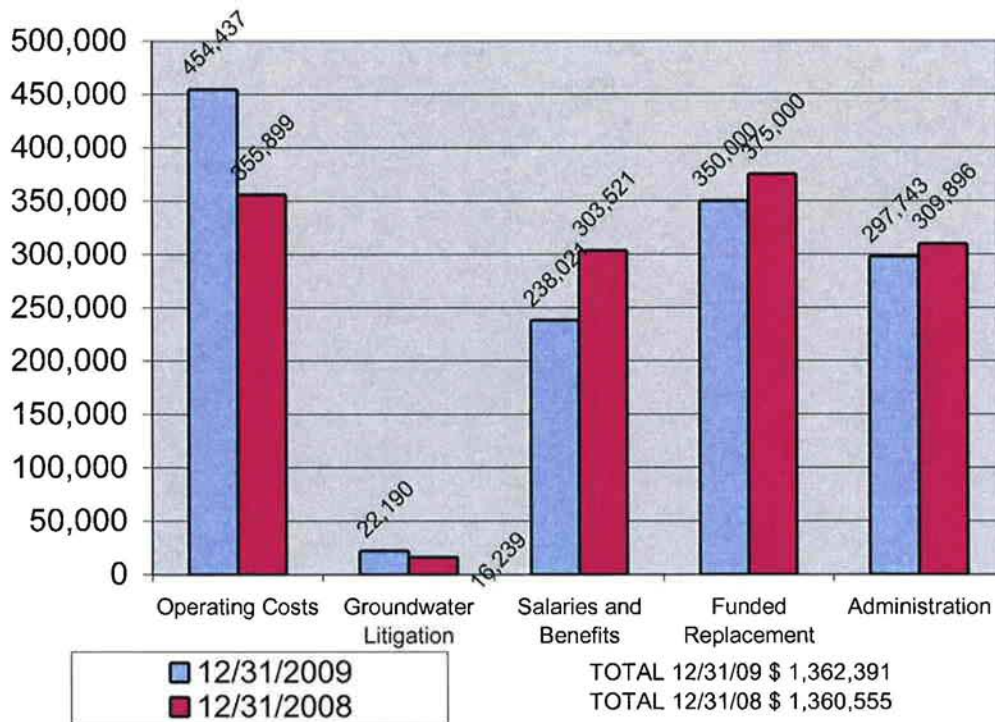
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED EXPENDITURES FOR ALL FUNDS
 SIX MONTHS ENDED
 DECEMBER 31, 2009 AND DECEMBER 31, 2008**



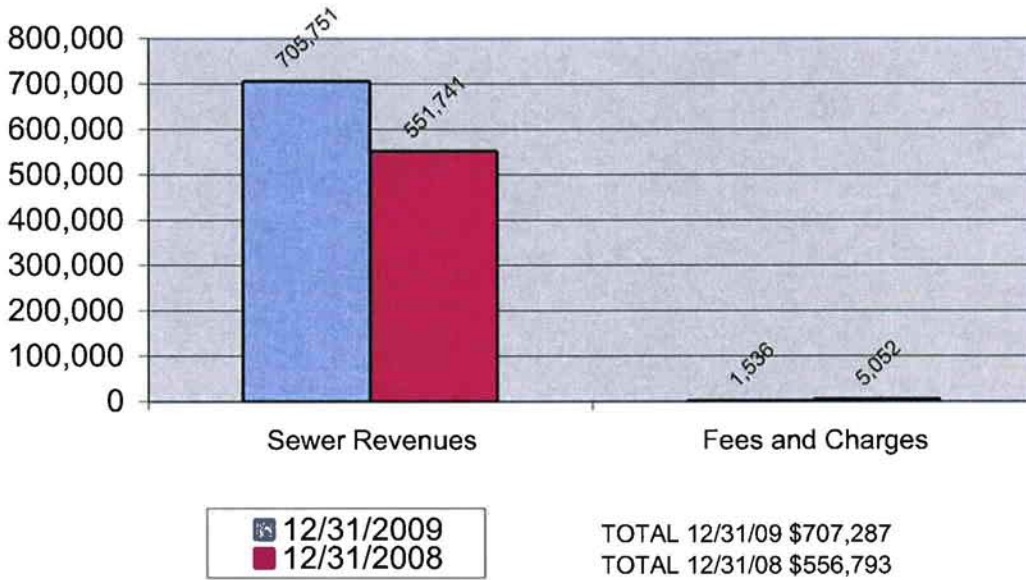
**NIPOMO COMMUNITY SERVICES DISTRICT
WATER FUND #125
REVENUES-DECEMBER 31 2009 AND DECEMBER 31, 2008**



**NIPOMO COMMUNITY SERVICES DISTRICT
WATER FUND #125
EXPENDITURES-DECEMBER 31, 2009 AND DECEMBER 31, 2008**



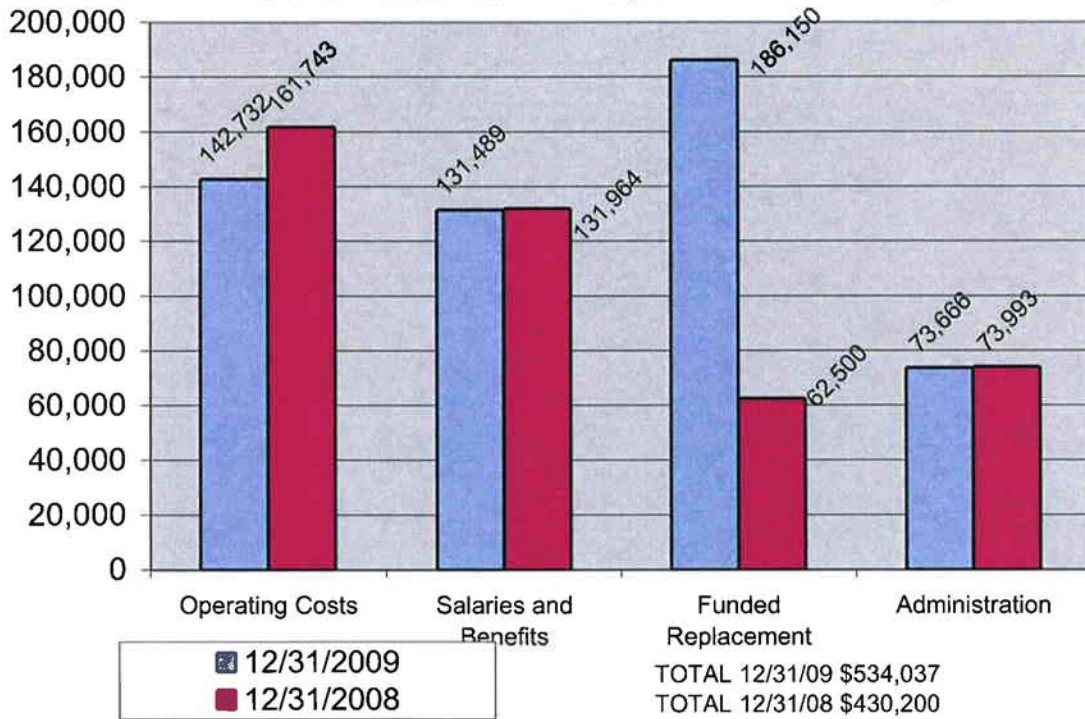
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
REVENUES-DECEMBER 31, 2009 AND DECEMBER 31, 2008**



■ 12/31/2009
■ 12/31/2008

TOTAL 12/31/09 \$707,287
 TOTAL 12/31/08 \$556,793

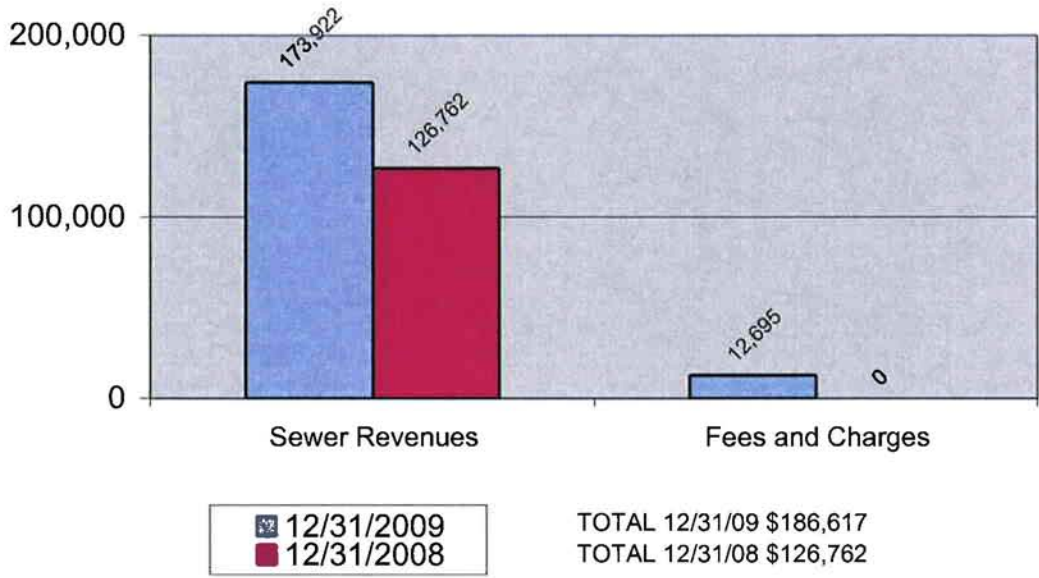
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
EXPENDITURES-DECEMBER 31, 2009 AND DECEMBER 31, 2008**



■ 12/31/2009
■ 12/31/2008

TOTAL 12/31/09 \$534,037
 TOTAL 12/31/08 \$430,200

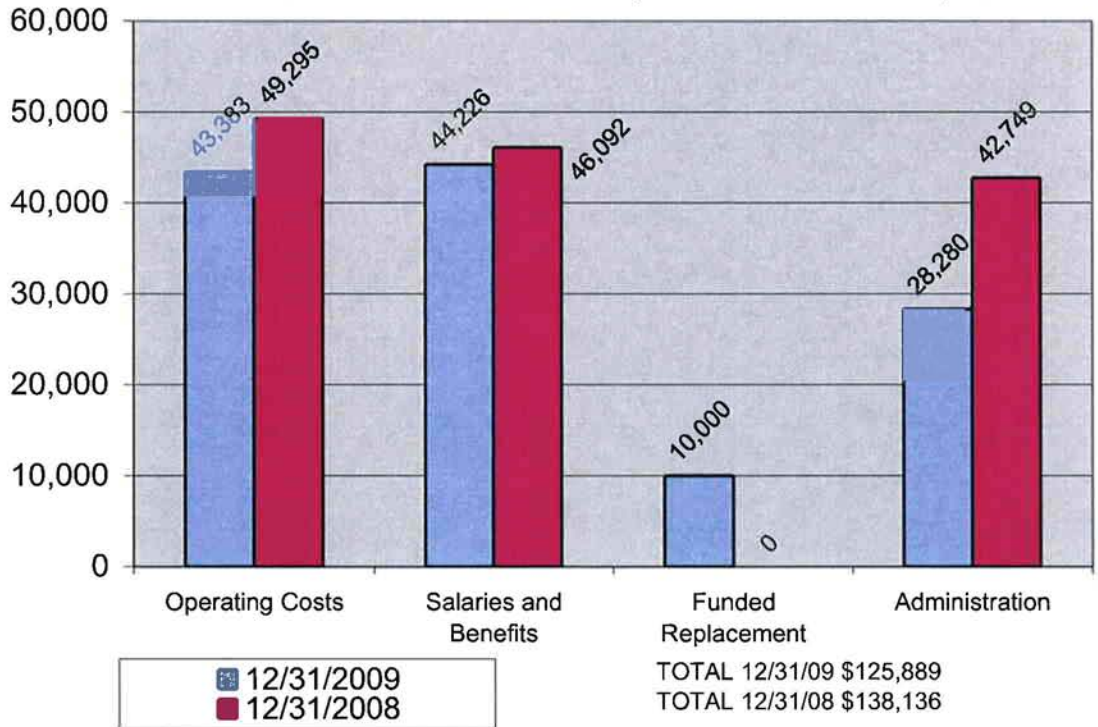
**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
REVENUES-DECEMBER 31, 2009 AND DECEMBER 31, 2008**



■ 12/31/2009
■ 12/31/2008

TOTAL 12/31/09 \$186,617
 TOTAL 12/31/08 \$126,762

**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
EXPENDITURES-DECEMBER 31, 2009 AND DECEMBER 31, 2008**



■ 12/31/2009
■ 12/31/2008

TOTAL 12/31/09 \$125,889
 TOTAL 12/31/08 \$138,136

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *msl*
DATE: JANUARY 20, 2010



ACCEPT WATER AND SEWER IMPROVEMENTS FOR TRACT 2663

ITEM

ACCEPT WATER AND SEWER IMPROVEMENTS FOR TRACT 2663, A FIVE LOT SUBDIVISION LOCATED AT THEODORA STREET AND BUCKHORN PLACE IN NIPOMO [ADOPT RESOLUTION].

BACKGROUND

Upon completion of a developer's project, the District accepts improvements for the project after all requirements have been met. Bud Kelley, the developer for TRACT 2663, a five lot subdivision located at Theodora Street and Buckhorn Place, has installed water and sewer improvements to District standards and has met the District's standard conditions:

- Installed the improvements
- Paid associated capacity fees
- Provided the necessary paperwork, including the Offer of Dedication and the Engineer's Certification

Regarding the Plan Check and Inspection Fees, the developer owes the District for inspection and other costs that have yet to be billed to the District. Historically, the District has recovered these costs after the Board accepts the project as part of staff's project close out procedure. Staff will not physically set the meters for the new units until all of these costs are paid.

RECOMMENDATION

Staff recommends that your Honorable Board approve Resolution 2010-XXXX Accept Tract 2663, accepting the water and sewer system improvements for Tract 2663.

ATTACHMENTS

Resolution 2010-XXXX Accept Tract 2663

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

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING WATER AND SEWER IMPROVEMENTS FOR TRACT 2663**

WHEREAS, the District approved the construction plans on November 19, 2007, for the water and sewer improvements to be constructed; and

WHEREAS, the water and sewer improvements have been constructed and said improvements are complete and certified by the Owners' Engineer; and

WHEREAS, on October 15, 2009, the Owner offered the water and sewer improvements to the Nipomo Community Services District; and

WHEREAS, this District has accepted such offer without obligation except as required by law; and

WHEREAS, all water and sewer capacity fees for service, required in conformance with District ordinances, have been paid for TRACT 2663.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AS FOLLOWS:

1. That the water and sewer improvements to serve TRACT 2663 in Nipomo are accepted by this District.
2. That staff is authorized to set water meters to serve the project once all legal costs and the Plan Check and Inspection Agreement costs have been paid by the Owner.

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

AYES:
NOES:
ABSENT:
CONFLICT:

the foregoing resolution is hereby adopted this 27^h day of January, 2010.

James Harrison, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
General Counsel

T:\BOARD MATTERS\RESOLUTIONS\RESOLUTIONS 2010\2010-XXXX ACCEPT TRACT 2663.DOC

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN
DATE: JANUARY 21, 2010



TEFFT STREET LIFT STATION EASEMENTS

ITEM

Adopt a Resolution approving Tefft Street sewer facility and water well easement transfers with County [RECOMMEND APPROVAL].

BACKGROUND

During the District's effort to establish park powers and create a pocket park in Olde Towne, we became aware of historic easements that were either not recorded or unused. The subject parcel is APN 090-142-007 located on the south side of Tefft street across from the proposed park property.

Currently, the District holds a water well easement that is no longer required. Additionally, the District's Tefft Street lift station is not covered by an easement and thus exists on County owned and controlled property.

The District and the County have agreed, as outlined in the MOU adopted by the County on March 24, 2009, to correct this historical condition. The proposed Resolution initiates the granting of an easement by the County to the District in support of existing District sewer facilities and quick claim of a District well site easement back to the County.

FISCAL IMPACT

Staff has expended budget time and legal fees.

RECOMMENDATION

Staff recommends that your Board adopt the Resolution and direct staff to coordinate the easement transfer with the County.

ATTACHMENTS

- Draft resolution and exhibits

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\TEFFT LIFT STATION EASEMENTS.DOC

RESOLUTION NO. 2010- xxx

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
QUITCLAIMING THE DISTRICTS INTEREST IN
A WATER WELL EASEMENT TO THE COUNTY OF SAN LUIS OBISPO
AND ACCEPTING A SANITARY LIFT STATION AND
PIPELINE EASEMENT FROM THE COUNTY OF SAN LUIS OBISPO**

WHEREAS, The County of San Luis Obispo (the "County") is the owner of certain real property identified as Assessor Parcel Number 090-142-007 (herein the "County Property"). The County Property is situated within the Nipomo Community Services District (the "District") and is located between Tefft Street and Dana Street, Nipomo, California; and

WHEREAS, There is currently constructed a District sewer pipeline and lift station (Sewer Facilities) on the County Property without benefit of a recorded easement; and

WHEREAS, In 1984, the County granted District a seventy-five foot by seventy-five foot (75'x75') water well easement (the "Water Well Easement") on the County Property; and

WHEREAS, The County Property, the Sewer Facilities, the Water Well Easement and an existing gas line easement are depicted on Exhibit "1" attached hereto and incorporated herein by this reference; and

WHEREAS, During the month of January 2009, the District and the County entered into an Agreement titled "Memorandum of Understanding between the County of San Luis Obispo and the Nipomo Community Services District Regarding the Transfer of Ownership in County Owned Real Property" (the "MOU"); and

WHEREAS, The MOU, in part, requires the following:

- A. The County to grant District an easement (Sewer Facility Easement) to clarify District's access to District Sewer Facilities within the County Property as depicted in Exhibit "1"; and
- B. The District to Quitclaim the District's interest in the Water Well Easement to the County as depicted in Exhibit "1"; and

WHEREAS, Based on the staff report, staff presentation and public comment the District makes the following findings regarding the Quitclaim (Exhibit A) of the District's interest in the Water Well Easement to the County:

- A. The Water Well Easement has not been used for the purposes for which it was required for five (5) consecutive years immediately proceeding adoption of this Resolution.
- B. The Water Well Easement is not necessary for present or perspective District purposes; and

WHEREAS, Based on the staff report, staff presentation and public comment the District makes the following findings regarding the granting and acceptance of the Sanitary Lift Station and Pipeline Easement, aka Sewer Facility Easement (Exhibit B):

- A. The granting and acceptance of the proposed Sewer Facility Easement (Exhibit B) clarifies the legal authority for the District to enter the County property for the purpose of operating and maintaining the District Sewer Facilities.
- B. The area of the Water Well Easement Quitclaimed to the County is approximately the area of the Sewer Facility Easement.
- C. The County Property is burdened with an existing gas line easement as depicted in Exhibit "1".
- D. The granting and acceptance of the proposed Sewer Facility Easement does not increase the size or capacity of the existing Sewer Facilities.
- E. The granting and acceptance of the Sewer Facility Easement will not change the land use of the County's property.
- F. The granting and accepting of the Sewer Facility Easement will not result in a direct or reasonably foreseeable indirect physical change to the environment.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE NIPOMO COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

- 1. The above recitals and findings are true and correct and incorporated herein by reference.
- 2. The President of the District Board of Directors is authorized to execute the Quitclaim Deed attached to this Resolution as Exhibit "A", quitclaiming the District's interest in the Water Well Easement back to the County.
- 3. The District staff is authorized to forward the Sewer Facility Easement attached hereto as Exhibit "B" to the County of San Luis Obispo for approval by the Board of Supervisors.
- 4. The District President is authorized to execute the Certificate of Acceptance upon the County of San Luis Obispo executing the Sewer Facility Easement.
- 5. District staff is authorized to record the Quitclaim Deed (Exhibit A) upon receipt from the County of a fully executed Sewer Facility Easement.
- 6. Based on the recitals and findings of this Resolution the District Board of Directors finds that Quitclaiming the Water Well Easement to the County and acceptance of the Sewer Facility Easement, that clarifies the District's authority to operate and maintain Sewer Facilities, does not constitute a project within the meaning of CEQA, because it can be seen with certainty that the transfers will not result in a direct or reasonably foreseeable indirect physical change in the environment.

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

AYES:
 NOES:
 ABSENT:
 CONFLICT:

the foregoing resolution is hereby adopted this _____ day of _____, 2010.

James Harrison, President
Nipomo Community Services District

ATTEST:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz, Esq.
General Counsel

FOR REDUCED PLANS
ORIGINAL SCALE 1/8" = 1'



SURVEY NOTES
The lines of blocks for this survey as the indicated line between block boundaries per Block 107 as shown herein.

Block of Eliphotonga
This block is bounded by the 100' front boundary line of Block 107 and the 100' rear boundary line of Block 108. The block is bounded on the east by the 100' side boundary line of Block 107 and on the west by the 100' side boundary line of Block 108.

Encumbrances
There are no encumbrances shown on this block.

Comments
Corner shown in blue.

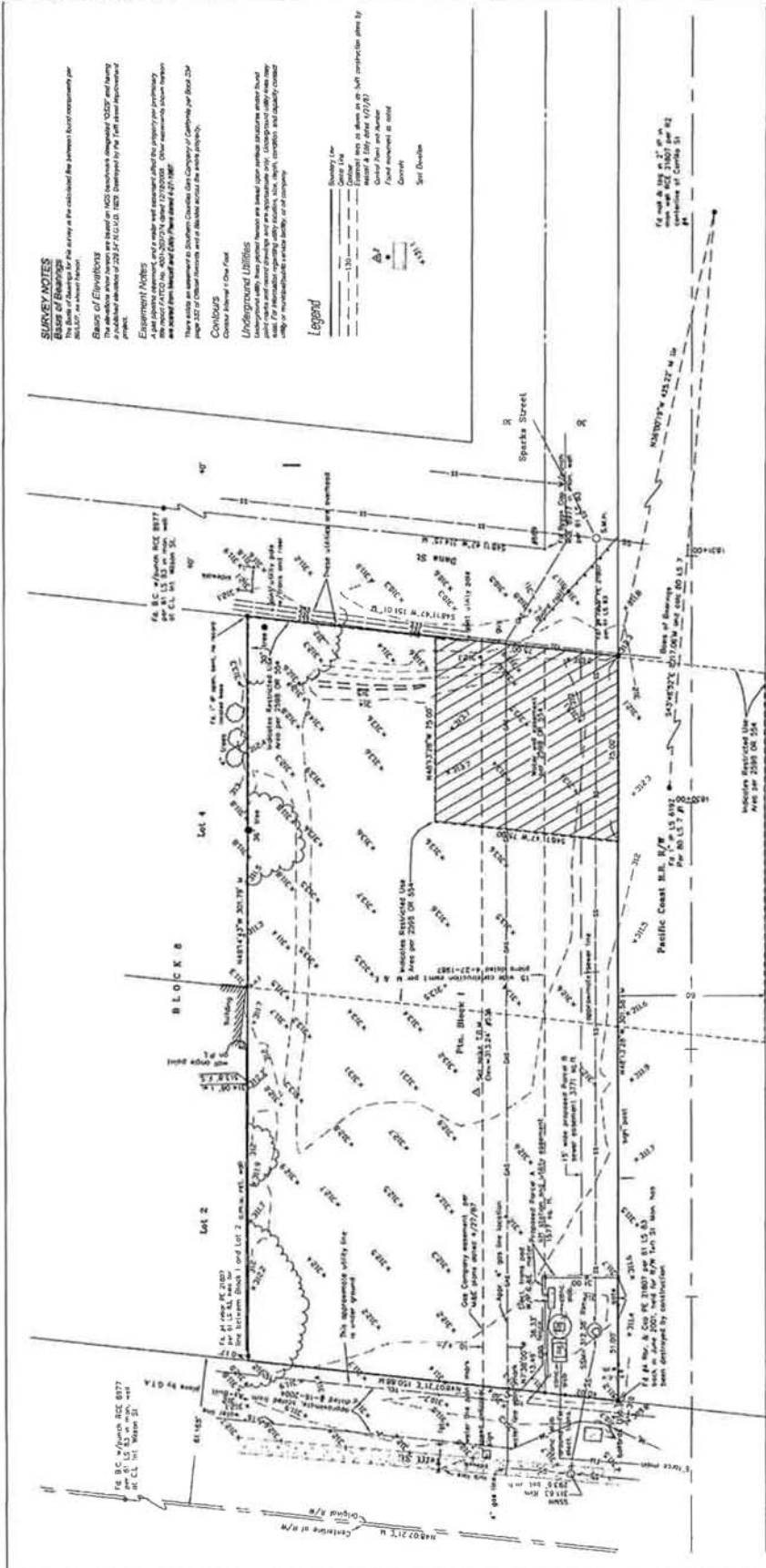
Underground Utilities
Underground utilities have been shown as being under structures under the block. For information regarding utility status, size, depth, contents, and liability, contact the utility companies or other agencies in the area.

WALLACE GROUP
10000 Eliphotonga Blvd., Suite 100
San Luis Obispo, CA 93401
Tel: 805.781.1000
Fax: 805.781.1001
www.wallacegroup.com

NO.	DATE	DESCRIPTION
1	8/21/08	Original Survey
2	8/21/08	As Shown
3	8/21/08	As Shown
4	8/21/08	As Shown
5	8/21/08	As Shown
6	8/21/08	As Shown
7	8/21/08	As Shown
8	8/21/08	As Shown
9	8/21/08	As Shown
10	8/21/08	As Shown

**Topographic Survey of a Portion of
Block 1 Town of Nipomo per A/MB/27 as shown on 6/15/93
County of San Luis Obispo, California**

SHEET NO. 1
OF 1 SHEET



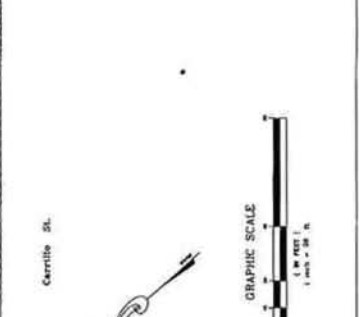
Survey Control as follows:

Point	1	2	3	4	5	6	7	8	9	10
Northing	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88
Easting	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88	4777.88

Station: Nipomo
Elevation: 100.00
Date: 8/21/08
Scale: 1/8" = 1'

Legend

- Boundary Line
- Center Line
- Estimated line as shown on both inspection sites by Control Data and Number
- Found Improvements in Block
- Corner
- Spot Double



Surveyor's Seal:
Professional Seal of the State of California
Surveyor License No. 100000008
August 7, 2008, to August 21, 2008
Name: Eugene J. Thomas

Surveyor's Certificate:
This map and plat were prepared under my direction and the signature of the Surveyor as shown on the map and plat.
August 21, 2008
Name: Eugene J. Thomas

FOR REDUCED PLANS
ORIGINAL SCALE IS IN INCHES



SURVEY NOTES

Basis of Bearings

The Basis of Bearings for this survey is the calculated line between found monuments per 80/LS/7, as shown hereon.

Basis of Elevations

The elevations show hereon are based on NGS benchmark designated "Q529" and having a published elevation of 329.54' N.G.V.D. 1929. Destroyed by the Tefft street improvement project.

Easement Notes

A gas pipeline easement, and a water well easement affect the property per preliminary title report FATCO No. 4001-2637374 dated 12/12/2006. Other easements shown hereon are scaled from Metcalf and Eddy Plans dated 4-27-1987.

There exists an easement to Southern Counties Gas Company of California per Book 334 page 352 of Official Records and is Blanket across the entire property.

Contours

Contour Interval = One Foot.

Underground Utilities

Underground utility lines plotted hereon are based upon surface structures and/or found paint marks and record drawings and are approximate only. Underground utility lines may exist. For information regarding utility location, size, depth, condition, and capacity contact utility or municipal/public service facility, or oil company.

Legend

	Boundary Line
	Center Line
	Contour
	Easement lines as shown on as-built construction Metcalf & Eddy dated 4/27/87
	Control Point and Number
	Found monument as noted
	Concrete
	Spot Elevation

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

Clerk of the Board of Supervisors
County of San Luis Obispo
1055 Monterey Street
San Luis Obispo, CA 93408

SPACE ABOVE THIS LINE FOR RECORDER'S USE

COUNTY BUSINESS-FREE. THIS DOCUMENT PRESENTED FOR RECORDING PURSUANT TO
GOVT. CODE SECTION 27383.

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**the Nipomo Community Services District , a community services district of the State
of California**

hereby remise, release and forever quitclaim to

The County of San Luis Obispo, a Public Entity in the State of California

the following described real property in the County of San Luis Obispo, State of California, to wit:

**the water well easement and restricted use area described in Articles VI and VII,
respectively, in the Grant of Easement and Water Service Agreement Affecting Real
Property recorded on May 29, 1984 in Document No. 27332 filed in Book 2598 at Page
554 of Official Records in the Office of the County Recorder of the County of San Luis
Obispo, State of California.**

APNs: 090-142-007

NIPOMO COMMUNITY SERVICES DISTRICT

BY: _____
President, Board of Directors

Attest:

Secretary, Board of Directors

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN LUIS OBISPO)

On _____, before me, _____, County of San Luis Obispo, State of California, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that **he/she** executed the same in his/her authorized capacity, and that by **his/her** signature on the instrument the person, or the entity upon of which the person acted, executed the instrument.

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

By:

(SEAL)

RECORDING REQUESTED BY
NIPOMO COMMUNITY SERVICES DISTRICT

WHEN RECORDED, RETURN TO:
Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444-0326
Attn: Michael Lebrun, District Manager

No recording fee per Government Code § 6103
No Documentary Transfer Tax per Revenue & Taxation Code § 11922

**SANITARY SEWER LIFT STATION AND PIPELINE EASEMENT
AND AGREEMENT**

Exhibit A – Legal Description of Grantor’s property
Exhibit B – Legal Description of Easement
Exhibit C – Depiction of the Easement Area

APN: 090-142-007

For valuable consideration, receipt of which is hereby acknowledged, and subject to the terms and conditions of this Sanitary Sewer Lift Station and Pipeline Easement and Agreement, the County of San Luis Obispo, a political subdivision of the State of California, hereinafter referred to as “Grantor”, hereby grants to the Nipomo Community Services District, a community services district of the State of California, hereinafter referred to as “Grantee”, a perpetual sanitary sewer lift station and pipeline easement described in Exhibit B and depicted in Exhibit C (the “Easement”), for purposes of installing, inspecting, repairing, maintaining, replacing, accessing, and improving existing pipeline and sanitary lift station improvements (including appurtenances), and for other public utility purposes, on, over, under and across real property (the “Real Property”) owned by Grantor, which property is more particularly described in Exhibit A.

THE EASEMENT(S) DESCRIBED HEREIN SHALL BE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. Exhibits A, B and C are attached hereto and incorporated herein by this reference.
2. Grantee shall be responsible for the construction, installation, improvement, operation, repair, maintenance and replacement of the pipeline improvements and lift station facilities and appurtenances (collectively “District Facilities”) that are located within the Easement.
3. Plans and specifications for District Facilities as they exist from time to time will be maintained at the Grantee’s principal office and available for inspection by Grantor.

4. Grantee shall have the right of reasonable ingress and egress over Grantor's Real Property to access to the Easement and District Facilities.

5. Subject to the prior written consent of Grantee, which shall not be unreasonably withheld or delayed, Grantor may grant concurrent easements within the Easement that do not unreasonably interfere with Grantee's use of the Easement area.

6. Grantor shall keep clear from the Easement all explosives, buildings, structures, walls, and other facilities of a permanent nature that have the potential to interfere with Grantee's use of the Easement.

7. Subject to the terms and conditions of this Easement, Grantor retains the right to make any use of the Real Property described in Exhibit A.

8. Any amendment to this Sanitary Sewer Lift Station and Pipeline Easement and Agreement shall be of no force and effect unless it is in writing and signed by the Grantor and Grantee.

9. In the event that any arbitration or litigation or other action or proceeding of any nature between the Grantor and the Grantee becomes necessary to enforce or interpret all or any portion of this Sanitary Sewer Lift Station and Pipeline Easement and Agreement or because of an alleged breach by either party of any of the terms hereof, it is mutually agreed that the losing or defaulting party shall pay the prevailing party's reasonable attorney's fees, costs, and expenses incurred in connection with the prosecution or defense of such action or proceeding.

10. The terms and conditions of this Sanitary Sewer Lift Station and Pipeline Easement and Agreement are declared to be covenants which shall run with the land and will be binding on the successors and assigns of the Grantor and the Grantee.

IN WITNESS WHEREOF, the parties hereto have executed this Sanitary Sewer Lift Station and Pipeline Easement and Agreement as of the day and year written below.

GRANTOR:
COUNTY OF SAN LUIS OBISPO

Date: _____

By: _____
Frank Mecham, Chairman
San Luis Obispo County Board of Supervisors

ATTEST:

By: _____
Clerk of the Board of Supervisors

State of California)
County of San Luis Obispo)

On _____ before me, _____, Notary Public,

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf
of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Seal)

CERTIFICATE OF ACCEPTANCE

This is to certify that the **NIPOMO COMMUNITY SERVICES DISTRICT**, Grantee
herein, hereby accepts for public purposes the Real Property, or interest therein, described in the
foregoing Sanitary Sewer Lift Station and Pipeline Easement and Agreement dated
_____, 2010, from the **COUNTY OF SAN LUIS OBISPO**, Grantor
therein, and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____,
2010.

NIPOMO COMMUNITY SERVICES DISTRICT

By: _____
James Harrison, President
Nipomo Community Services District Board of Directors

ATTEST:

By: _____
Secretary to the Board of Directors

EXHIBIT "A"

LEGAL DESCRIPTION

Real property in the City of Nipomo, County of San Luis Obispo, State of California, described as follows:

PARCEL ONE:

ALL THAT PORTION OF LOT "I", IN THE TOWN OF NIPOMO, COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO MAP FILED AUGUST 18, 1882 IN BOOK A, PAGE 27 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT "I" LYING NORTHWESTERLY OF THE SOUTHWESTERLY PROLONGATION OF THE NORTHWEST LINE OF TEFFT STREET.

APN: 090-141-006

PARCEL TWO:

ALL THAT PORTION OF LOT "I", IN THE TOWN OF NIPOMO, COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, AS PER MAP RECORDED AUGUST 18, 1882 IN BOOK A, PAGE 27 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

THAT PORTION OF SAID LOT "I" LYING SOUTHEASTERLY OF THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEAST LINE OF TEFFT STREET AND NORTHWESTERLY OF THE NORTHWESTERLY LINE OF DANA STREET.

APN: 090-142-007

First American Title

Exhibit "B"
LEGAL DESCRIPTION
SANITARY SEWER LIFT STATION, UTILITY, AND SEWER LINE EASEMENT

File no: 0673.0004 (0200)

January 20, 2010

A portion of Block I of the Town of Nipomo, State of California according to the map filed in Book A of Maps at Page 27 in the Office of the County Recorder of San Luis Obispo County, said portion described as Parcels A and B as follows:

Parcel A - LIFT STATION:

Beginning at the most westerly corner of that portion of said Block I as shown on the Record of Survey map filed in Book 61 of Licensed Surveys at Page 83 in said County Recorder's Office, said corner also being on the southeasterly line of Tefft Street and the northeasterly line of the Pacific Coast Railroad right of way as shown on said Record of Survey, said point bearing south 39°02'28" west 387.49 feet, (S 38° 56' 02" W 387.44' calculated from 61/LS/83), from the found brass disk at the centerline intersection of Tefft and Wilson Streets;

Thence along the line common with said Block I and said Pacific Coast Rail Road right of way line south 48°13'28" east 51.00 feet, (L1);

Thence leaving said common line north 41°46'32" east 31.00 feet, (L2);

Thence north 48°13'28" west 36.33 feet, (L3);

Thence north 7°38'00" west 13.49 feet (L4), to a point of the said southeasterly right of way line of Tefft Street;

Thence along said Tefft Street right of way line south 48°07'21" west 40.02 feet, (L5) to the True Point of Beginning.

Containing 1,577 square feet more or less.

Parcel B - SEWER PIPELINE:

The southwesterly fifteen feet (15') of said Block I being bounded on the northwest by the southeasterly line, (L2), of the above described Parcel A.

Containing 3,771 square feet more or less.

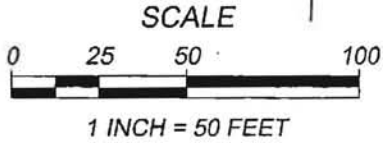
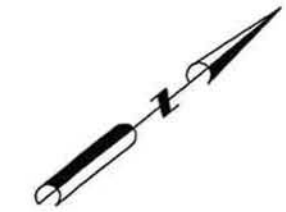
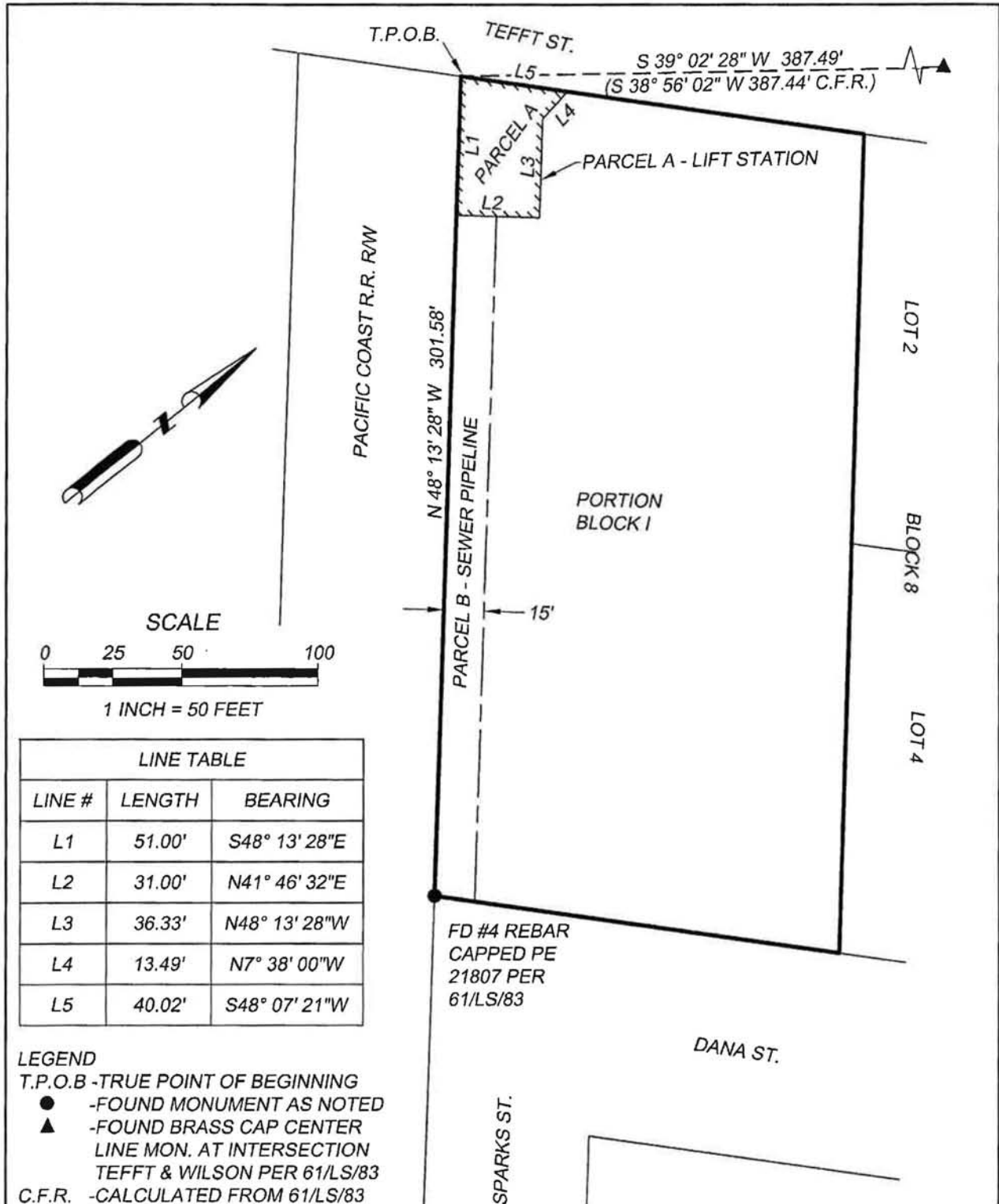
The above-described parcels of land are graphically shown on Exhibit "C" attached hereto and made a part hereof.

End Description

Joseph T. Morris

Joseph T. Morris P.L.S. 6192
License expires 3/31/10





LINE TABLE		
LINE #	LENGTH	BEARING
L1	51.00'	S48° 13' 28"E
L2	31.00'	N41° 46' 32"E
L3	36.33'	N48° 13' 28"W
L4	13.49'	N7° 38' 00"W
L5	40.02'	S48° 07' 21"W

LEGEND
 T.P.O.B - TRUE POINT OF BEGINNING
 ● - FOUND MONUMENT AS NOTED
 ▲ - FOUND BRASS CAP CENTER LINE MON. AT INTERSECTION TEFFT & WILSON PER 61/LS/83
 C.F.R. - CALCULATED FROM 61/LS/83

612 CLARION COURT
 SAN LUIS OBISPO, CA 93401
 T 805 544-4011
 F 805 544-4294
 www.wallacegroup.us

EASEMENT EXHIBIT EXHIBIT "C"

JOB No. :	0673-004
DRAWING :	EASE DRAWING
DRAWN BY :	MM
DATE :	1/20/2010
SCALE :	1" = 50'

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 21, 2010



REVIEW MILLER PARK

ITEM

Discuss direction forward on Miller Park and activation of park powers [Direct staff].

BACKGROUND

December 16, 2009, the District held a protest hearing for Park Maintenance District No. 1. The protest *succeeded* and therefore the Assessment *failed*. The Assessment would have covered 60% of the estimated annual operations and maintenance costs of the proposed park. The remainder of O&M and \$500,000.00 to initiate construction of the park were previously committed to the park project by your Board. The source of these funds is District property tax funds. Since 2006, the District has incurred nearly \$109,000.00 in cost attributable to developing park powers and conducting the protest vote, including a May of 2007 phone survey conducted by a consulting firm (see attached summary of expenses). These costs do not reflect the staff time dedicated to this effort over the past three years.

On January 5, 2010, the Park Subcommittee held a Special Meeting to discuss the Assessment results. Assessment Engineer Kari Wagner summarized the Assessment Report. Public comment was received and considered.

The Sub Committee supported the District moving forward with activating park powers and constructing Miller Park and directed staff to gather additional information for a discussion and decision by the full Board of Directors on January 13, 2010.

On January 13, 2010, your Board considered information provided and received public testimony. Your Board expressed concerns both for delaying the project and continuing to advance the project in light of the assessment vote results which can be interpreted as an expression of 'the will of the people'. Your Board directed staff to contact San Luis Obispo County and the Local Agency Formation Commission to discuss the Memorandum of Understanding (County) and Conditional Approval for Activation of Park Powers (LAFCO) – see attached documents. In particular, your Board sought information on the expiration of these documents/agreements.

The County MOU includes a three year time period constraint that begins when the park property is transferred from the County to the District. The property transfer will not occur until certain conditions of the MOU are met, including LAFCO activation of District park powers.

LAFCO's conditional approval of District park powers does not contain an expressed expiration date. District Staff spoke with LAFCO Executive Officer David Church. Mr. Church informed staff LAFCO's conditional approval has a 1-year expiration. A onetime 1-year extension is allowed and requires Commission action.

RECOMMENDATION

Staff recommends your Board consider the Committee recommendation and information presented and provide staff direction.

ATTACHMENTS

- 2009 MOU Between County and District
- Excerpts of August 20, 2009 LAFCO Meeting Minutes

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\100127 MILLER PARK DIRECTION.DOC

MEMORANDUM OF UNDERSTANDING
BETWEEN THE COUNTY OF SAN LUIS OBISPO AND
THE NIPOMO COMMUNITY SERVICES DISTRICT
REGARDING THE TRANSFER OF OWNERSHIP IN
COUNTY-OWNED REAL PROPERTY

This Memorandum of Understanding (“MOU”) is entered by and between the County of San Luis Obispo (hereinafter “County”) and the Nipomo Community Services District (hereinafter “District”) with reference to the following Recitals:

RECITALS

- A. The District is a Community Services District formed and operated pursuant to California Government Code, Sections 61000 et seq. Pursuant to said code, the District is authorized to acquire, construct, improve, maintain, and operate recreational facilities, including, but not limited to, parks and open space; and
- B. The District is considering the activation of Park Powers pursuant to the Cortese-Knox-Hertzberg Act and the rules and regulations of the Local Agency Formation Commission (hereinafter “LAFCO”); and
- C. The County is the owner of certain real property consisting of approximately one (1) acre located at the northeast corner of West Tefft and Carrillo Street (APN 090-141-006) along with the adjacent 60-foot-wide strip of land to the west of this parcel, formerly a railroad right-of-way (a portion of APN 090-151-008), hereinafter referred to as “Property”, as depicted in Exhibit “A”; and
- D. The District has requested the County to transfer ownership of the Property to the District, without compensation, for the purpose of constructing and operating a park; and
- E. The District has a 75’ by 75’ easement for water well purposes on County land across the street from said Property on APN 090-142-007, recorded on May 29, 1984 as Document No. 27332; and
- F. The District has not developed this site for water well purposes and no longer requires the easement; and
- G. The District requires an easement for a sewer lift station and sewer lines installed in the early 1980’s on County-owned land, APN 090-142-007; and
- H. District requests a grant of easement from County for the sewer lift station and sewer lines and offers, in lieu of monetary compensation, to quitclaim the 75’ x 75’ water well easement currently held by District, described in Paragraph E above; and

- I. Pursuant to Government Code, Section 56824.14, in order to maintain a public park, the District's exercise of Park Powers must be approved by LAFCO; and
- J. Pursuant to Government Code, Section 25365, the Board of Supervisors may, upon determination that said Property is not required for County use and with a four-fifths vote of the Board, transfer fee title of said Property to District; and
- K. It is the purpose of this MOU to identify the responsibilities of the parties in developing the Property for use as a park and the transfer of the property to the District as well as the trading of easements.
- L. County wishes to cooperate with District's request to transfer the property to the District in order to provide a park to the community of Nipomo.

NOW, THEREFORE, the parties agree as follows:

1. County hereby determines that subject Property is not required for County use.
2. In lieu of monetary compensation and in consideration of District's offer to construct and maintain a public park on the Property, County intends to transfer ownership of the Property to District free of charge following completion of the steps outlined below. Nothing contained in this MOU shall be interpreted to predetermine the transfer of the property or to restrict County's full review and implementation of environmental review related to the transfer of this Property pursuant to CEQA. Said transfer shall require a future public hearing before the Board of Supervisors pursuant to Government Code Section 25365 after the environmental determination and General Plan Conformity Report are completed.
3. District will develop a plan identifying park features and improvements for approval by County Planning and Building Department.
4. District will provide County an analysis of the costs and the funding sources for construction of park improvements and for ongoing operation and maintenance. If such funding shall require the formation of an assessment district, transfer of ownership of the Property shall not occur prior to approval of the assessment district by the affected property owners.
5. Transfer of the property shall not occur prior to LAFCO activation of the District's Park Powers.
6. If required, District shall apply for a public lot split with County Planning and Building Department and provide all documentation necessary to obtain approval of the County Subdivision Review Board prior to recordation of the Quitclaim Deed. District shall provide, at District's expense, a legal description of the property to be transferred, which shall be an original exhibit to the Quitclaim

Deed. District agrees to submit a Voluntary Merger or Certificate of Compliance Application and processing fees, if required, to County Planning and Building Department.

7. County shall process a General Plan Conformity Report and Environmental Determination for the transfer of the Property. Transfer of the property shall not occur prior to filing of the General Plan Conformity Report and Environmental Determination with the County Planning Commission or, if appealed, approval by the County Board of Supervisors.
8. The Property shall be improved in substantial conformity to development plans as submitted to County and shall be open to the public within three years following date of recordation of the Quitclaim Deed.
9. The Property must be used for public park purposes. The property may not be used to provide a parking in-lieu program for nearby commercial development.
10. The Quitclaim Deed shall contain a reversionary clause giving County the right to require the Property to be transferred back from District to the County if the requirements of paragraphs 7 and 8 are not fulfilled.
11. District shall, at District's sole cost and expense, prepare an Easement Deed with original stamped legal description attached describing easement to be granted by County to District for sewer lift station area and sewer lines.
12. District shall, at District's sole cost and expense, provide an Environmental Determination for said sewer lift station and sewer line easement for review and approval by County Environmental Coordinator. Said Environmental Determination must be reviewed by the County Board of Supervisors prior to granting of the easement.
13. District shall, at District's sole cost and expense, prepare an Easement Quitclaim Deed to release the 75' x 75' water well easement on APN 090-142-007, recorded on May 29, 1984 as Document No. 27332.
14. Easement Quitclaim Deed for water well shall be signed by District in a timely manner and delivered to County along with a signed Certificate of Acceptance for the Easement Deed for sewer lift station and sewer lines. This action shall proceed independently of actions related to transfer of Property for park purposes. County staff shall present the Easement Quitclaim Deed to the County Board of Supervisors concurrently with the Easement Deed for sewer lift station and sewer lines in District's name. Subject to approval by the County Board of Supervisors, both documents shall be recorded concurrently. In the event that County Board of Supervisors does not approve the Easement Deed, Easement Quitclaim deed shall be returned by County to District

15. District does not object to County's intention to develop their vacant land across the street from the Property (APN 090-142-007 and adjacent 60-foot-wide strip of land to the west of this parcel, formerly a railroad right-of-way, portion of APN 090-151-008) for future County facilities, so long as said development is consistent with the County's existing General Plan, General Plan policies, and zoning regulations.
16. Good Faith and Fair Dealing: Where the terms of this Agreement provide for action to be based upon opinion, judgment, approval, review or determination of either party hereto, such terms are not intended to and shall never be construed to permit such opinion, judgment, approval, review or determination to be arbitrary, capricious or unreasonable. The County and the District shall each act in good faith in performing their respective obligations as set forth in this Agreement.

/////////////////////////////////NOTHING FURTHER PAST THIS POINT EXCEPT SIGNATURES/////////////////////////////////

COUNTY OF SAN LUIS OBISPO:

By: Russ S. Gibson
 Chairman of the Board of Supervisors

Approved by the Board of Supervisors this
24th day of MARCH, 2009.

ATTEST:
JULIE L. RODEWALD

 Clerk of the Board of Supervisors
 By: Sandy Currens
 Deputy Clerk

**APPROVED AS TO FORM AND
 LEGAL EFFECT:**

WARREN R. JENSEN
 County Counsel
 By: Warren R. Jensen
 Assistant County Counsel

Date: 1/13/09

**NIPOMO COMMUNITY SERVICES
 DISTRICT:**

By: Jim Harrison
 Jim Harrison, President

Dated: _____

ATTEST:
[Signature]
 District Secretary

**APPROVED AS TO FORM AND
 LEGAL EFFECT:**

[Signature]
 Jon S. Seitz, District Legal Counsel
 Nipomo Community Services District

Dated: 1-20-09

Mr. Bruce Buel, NCSD General Manager, 148 South Wilson Street, Nipomo, CA stated the District had \$1.5 million in its reserve fund and that the NCSD Board of Directors had authorized use of \$500,000 for the construction of the park.

There was discussion among the Commissioners and Mr. Buel regarding the District's reserve funds and interest thereon.

Commissioner Mann asked about the possible loss of property taxes from the area that would become parkland.

Mr. Buel stated that there would be an on-going cost of park maintenance and that the District had agreed to pay 40% of the cost from property taxes. Sixty percent of the cost would equal approximately \$12,000.

Mr. Buel stated that a zone-of-benefit had been created with 417 properties within the zone. He also stated that Old Town Nipomo was within the zone of benefit and the merchants supported the park project.

Vice Chairman Picanco asked Mr. Buel about provision of water services for the park.

Deputy Executive Officer Church stated that the park was within the District's service area and that the District would be responsible for providing water to the park.

There was further discussion between Vice Chairman Picanco, Mr. Buel and Mr. Church regarding provision of water to the park.

Mr. Ed Eby, LAFCO Alternate Commissioner, 520 Camino Roble, Nipomo, CA, speaking as a resident of the NCSD, urged the Commission to activate the District's latent powers so that Nipomo could have this park.

Commissioner Achadjian stated that he was in support of this project.

Motion was made by Commissioner Achadjian to approve the attached Notice of Exemption from CEQA and Conditionally approve the Nipomo Community Services District's request to add the Parks Power (61100(e) to its list of active powers with the following conditions:

- 1) Prior to the Executive Officer filing the Certificate of Completion, the NCSD shall conduct a successful Proposition 218 vote. Documentation confirming the successful vote approving the formation of an Assessment District shall be submitted to LAFCO;**
- 2) Prior to the Executive Officer filing the Certificate of Completion, the NCSD shall adopt appropriate CEQA documentation, including the Notice of Determination, and submit such documentation to LAFCO;**
- 3) The NCSD shall comply with the provisions set forth in the Memorandum of Understanding between San Luis Obispo County and the NCSD relative to development and operation of Miller Park;**

4) The NCS D and San Luis Obispo County shall enter into an agreement prior to the District providing park services other than Miller Park within the District's Service Area.

Commissioner Mann seconded the motion.

The motion carried with a unanimous roll call vote.

AYES: Commissioner Achadjian, Commissioner Mann, Commissioner Gibson, Alternate Commissioner Murray, Vice Chairman Picanco, Alternate Commissioner Vardas, and Chairman Brooks

NAYS: None

ABSTAIN: None

Special Matters:

Item C-1: Determination of Commission's Attendance at the 2009 CALAFCO Annual Conference to be held at the Tenaya Lodge on October 28-20, 2009.

Mr. Hood introduced this item stating that LAFCO had budgeted for four Commissioners to attend the conference:

- One County member;
- One City member;
- One Special Districts member; and
- One Public member.

Mr. Hood stated that Commissioners Roberts (public member), Settle (county member), and Chairman Brooks (special districts member) had already stated their desire to attend the conference. Since no Board members could attend, Commissioner Mann stated her interest in attending. The Commission, as an entity, agreed that those four members could attend the conference.

Mr. Hood reminded the Commissioners to make note of the cancellation dates for both conference registration and hotel registration, asking the Commissioners to notify LAFCO staff if their plans changed.

Alternate Commissioner Murray stated that he would like to attend the conference if a cancellation arose.

Vice Chairman Picanco stated that he had an interest in attending the conference and would pay his own expenses if he decided to attend.

Item C-2: Appointment of Voting Delegates for the CALAFCO 2009 Annual Conference.

Mr. Hood stated that, traditionally, the Chairman and Vice Chairman were the voting delegates at the CALAFCO conventions. Chairman Brooks stated that he would assume the responsibility of being the delegate and that Commissioner Settle could be the alternate delegate. The Commission informally voted to follow this plan.

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 21, 2010

**AGENDA ITEM
E-2
JANUARY 27, 2010**

**CONSIDER REQUEST TO MODIFY EXISTING
INTENT-TO-SERVE LETTER FOR PARCEL 2 OF CO 06-0225**

ITEM

CONSIDER REQUEST TO MODIFY EXISTING INTENT-TO-SERVE LETTER FOR WATER AND SEWER SERVICE FOR A 20 UNIT MULTI-FAMILY DEVELOPMENT ON BLUME STREET AT FLINT STREET, PURSUANT TO DISTRICT'S REVISED WATER ALLOCATION ORDINANCE [APPROVE, DENY OR CONTINUE].

BACKGROUND

Parcel 2 of CO 06-0225 is a proposed twenty (20) unit multi-family development on Blume Street at Flint Street. The project is being developed by Bill Kengel, Mesa Dunes Investments Inc. and the engineer of record for the project is Terry Orton, Westland Engineering. The District issued an Intent-to-Serve letter for the project on September 9, 2009, a copy of which is attached.

Both the phasing and the calculation of the projected water demand for a project are determined by the District's allocation ordinance. At the time the Intent-To-Serve Letter for the project was approved, the projected demand was based on a .50 AFY per multiple-family dwelling unit demand allocation and thus the total water demand allocation for the project was 10 acre-feet per year (20 x .5). The Board moved unallocated water into the multi-family category to provide a total of 5 AFY water allocation for the project in the first year and subsequent years were phased as follows:

- No more than 10 units (5 acre-feet) prior to September 30, 2009
- No more than 12 units (6 acre-feet), cumulative, prior to September 30, 2010
- No more than 15 units (7.5 acre-feet), cumulative, prior to September 30, 2011
- No more than 18 units (9 acre-feet), cumulative, prior to Sept. 30, 2012
- No more than 20 units (10 acre-feet), cumulative, prior to Sept. 30, 2013

The District's water allocation ordinance was subsequently revised by Ordinance No. 2009-114. The ordinance revised the water demand allocation for multi-family dwelling units to .33 AFY per unit. Based on the revised allocation ordinance, the total water allocation for the project would be 6.6 acre-feet per year (20 X .33). In addition, since the current Intent-to-Serve letter was issued, the applicant secured a Will Serve letter from the District and recorded a parcel map that allocated .69 AFY of water to the parcel. With the .69 AFY credit, the total water allocation required for the project could be further reduced to 5.91 AFY.

The District received the attached request dated January 21, 2010 that the District reconsider the phasing of the current Intent-to-Serve letter based on the new ordinance and the .69 AFY water allocated to the project from the recently recorded parcel map. Based on the previously approved water allocation for the project of 5 AFY for the Water Year ending September 30, 2009, the .69 AFY allocated to the project from the recently recorded parcel map, and a multi-family unit demand of .33 AFY, an additional .91 AFY in the current Water Year is sufficient to provide the required total water allocation for the project.

RECOMMENDATION

Staff requests your Honorable Board provide staff with direction to approve, deny or continue the applicant's request.

If the Board desires to approve the applicant's request, then staff should be directed to issue a revised Intent-to-Serve letter with the following changes:

1. Delete the following condition:

Will-Serve letters for the project will be issued in "phases" as follows:

- No more than 10 units (5 acre-feet) prior to September 30, 2009;
- No more than 12 units (6 acre-feet), cumulative, prior to September 30, 2010;
- No more than 15 units (7.5 acre-feet), cumulative, prior to September 30, 2011;
- No more than 18 units (9 acre-feet), cumulative, prior to Sept. 30, 2012;
- No more than 20 units (10 acre-feet), cumulative, prior to Sept. 30, 2013;
- Phasing may be adjusted in the future if NCSD amends water allocation ordinance

2. Add the following condition:

Will-Serve letters for the project will be issued in "phases" as follows:

- No more than 10 units (5 acre-feet) prior to September 30, 2009;
- No more than 20 units (5.91 acre-feet), cumulative, prior to September 30, 2010;

3. All other conditions of the Intent-to-Serve letter issued September 9, 2009, remain in effect.

If the Board desires to deny the applicant's request, the applicant can apply for a new Intent-To-Serve letter for the project based on the District's current requirements.

ATTACHMENTS

- Current ITS Letter dated September 9, 2009
- Applicant's Request Letter dated January 21, 2010

NIPOMO COMMUNITY

BOARD MEMBERS

JAMES HARRISON, PRESIDENT
LARRY VIERHEILIG, VICE PRESIDENT
MICHAEL WINN, DIRECTOR
ED EBY, DIRECTOR
BILL NELSON, DIRECTOR



SERVICES DISTRICT

STAFF

BRUCE BUEL, GENERAL MANAGER
LISA BOGNUDA, ASSISTANT GENERAL MANAGER
JON SEITZ, GENERAL COUNSEL
PETER SEVCIK, P.E., DISTRICT ENGINEER

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932 Website address: ncsd.ca.gov

September 9, 2009

Bill Kengel
Mesa Dunes Investments, Inc.
P.O. Box 267
Avila Beach, CA 93424

This is not a Will Serve letter

SUBJECT: INTENT-TO-SERVE WATER AND SEWER SERVICE
CO 06-0225 PARCEL 2, PORTION OF APN 092-130-012
MULTI-FAMILY RESIDENTIAL DEVELOPMENT IN NIPOMO, CA

This is an Intent-to-Serve letter for District services including water and sewer service for a twenty (20) unit Apartment Complex to be constructed on Parcel 2 of CO 06-0225, Portion of APN 092-130-012, (the "Project"), is granted.

This Intent-to-Serve-letter is limited to the Project as described above.

This Intent-to-Serve Letter shall be effective upon Owner's signature below.

The following conditions must be satisfied prior to the District issuing a Will Serve Letter:

GENERAL CONDITIONS

- This Project shall obtain solid waste, sewer and water service for all units, existing and planned.
- Will-Serve letters for the Project will be issued in "phases" as follows:
 - No more than 10 units (5 acre-feet) prior to September 30, 2009;
 - No more than 12 units (6 acre-feet), cumulative, prior to September 30, 2010;
 - No more than 15 units (7.5 acre-feet), cumulative, prior to September 30, 2011;
 - No more than 18 units (9 acre-feet), cumulative, prior to Sept. 30, 2012;
 - No more than 20 units (10 acre-feet), cumulative, prior to Sept. 30, 2013;
- Project shall be located on a single parcel and water service for the entire Project shall be served by a single meter for indoor uses and a separate meter for landscape areas.
- On-site fire service (e.g. fire sprinklers) will require a dedicated service lateral. CAL FIRE of SLO County must approve the development plans prior to District approval. Fire capacity charges will be applicable.

This is not a Will Serve letter

- Any existing well(s) on the parcel shall be properly abandoned in accordance with federal, state and local requirements. Prior to the District issuing a Will-Serve Letter, the owner shall provide proof to the satisfaction of the District that all existing wells on the above referenced parcel (APN 092-130-012) have been abandoned.
- Comply with District water conservation program.
- Pay all appropriate District fees associated with this development. The capacity charges are currently estimated at \$509,448 for a 6 inch water service, \$127,362 for a 6 inch fire service, \$81,510 for a 2 inch irrigation meter and \$ 223,867 for sewer service. Fees are subject to change by Board of Directors and will be based on actual meter sizes required to serve the project in accordance with District standards.
- Applicant shall provide the District with a copy of any changes to County conditions of Project approval.
- Enter into a Plan Check and Inspection Agreement and provide a deposit.
- Submit improvement plans in accordance with District Rules, Regulations, Standards and Specifications for review and approval.
Note: Easements required for water and sewer improvements must be offered to the District prior to final improvement plan approval.
- Make a non-refundable deposit ("Deposit") in an amount equal to the then calculated Fees for Connection (including Capacity Charges).
Note: Fees for Connections shall be calculated and owing as of the date the District sets the water meter(s) to serve the affected property from which the amount of the Deposit will be deducted.
- A Will-Serve letter for the Project will be issued after improvements plans are approved and signed by the General Manager.

CONDITIONS TO SETTING WATER METERS

- Construct the improvements in accordance with the Plan Check and Inspection Agreement including the submission of the following for District approval:
 - Reproducible "As Builts" - A mylar copy and digital format disk (AutoCad) which includes engineer, developer, tract number and water improvements
 - Offer of Dedication
 - Engineer's Certification
 - A summary of all water and sewer improvement costs
- The District will set water meter(s) upon proof of a building permit from the County of San Luis Obispo and provided that the District has accepted improvements to be dedicated to the District, if applicable
- Proof that the Project is provided with solid waste removal services.

AUTOMATIC TERMINATION

- Intent-to-Serve Letters shall automatically terminate on the first to occur:
 - Failure of the applicant to provide District with written verification that County application for the Project has been deemed complete within two hundred forty (240) calendar days of the date the Intent-to-Serve Letter is issued; or
 - Two (2) years. However, applicant shall be entitled to a one year extension upon proof of reasonable due diligence in processing the Project.

This is not a Will Serve letter

This "Intent-to-Serve" letter shall be subject to the current and future rules, regulations, fees, resolutions and ordinances of the Nipomo Community Services District. This "Intent-to-Serve" letter may be revoked as a result of conditions imposed upon the District by a Court or availability of resources, or by a change in ordinance, resolution, rules, fees or regulations adopted by the Board of Directors for the protection of the health, safety, and welfare of the District. The District reserves the right to revoke this "Intent-to-Serve" letter at any time.

This Intent-to-Serve letter is void if land use is other than the construction of an Apartment Complex (the Project) located on a single parcel.

which takes .99

Please be aware, all dwellings in your development, existing and new, will be required to be connected to District water and sewer service. Water and sewer laterals serving one parcel and crossing subsequent parcel(s) prior to joining main-lines are not allowed unless they are within dedicated easements acceptable to the District.

If you have any questions, please call.

Very truly yours,

NIPOMO COMMUNITY SERVICES DISTRICT


Bruce Buel
General Manager

I, William G. Kengel, have read the foregoing Intent-to-Serve Letter for solid waste, sewer and water service for Parcel 2 of CO 06-0225 and by my signature below, agree to the conditions contained herein.

Date: 9/30/09

Owner 
William G. Kengel, Pres
Print Name (Owner)

WESTLAND ENGINEERING, INC.

CIVIL ENGINEERING
LAND SURVEYING
LAND PLANNING

3480 SOUTH HIGUERA STREET, SUITE 130 • SAN LUIS OBISPO, CA 93401

info@westlandengr.com • TELEPHONE: (805) 541-2394 • FAX: (805) 541-2439


January 21, 2010
#08.026Peter Sevcik
Nipomo Community Services District
P O Box 326
Nipomo, CA 93444**RE: RECONSIDERATION OF PHASING FOR CURRENT INTENT TO SERVE
LETTER FOR A PORTION OF APN 092-130-012 / MESA DUNES,
INVESTMENT, INC.**

Dear Mr. Sevcik:

We are requesting a reconsideration of the phasing for the current intent to serve letter dated September 9, 2009. We understand that this new phasing plan would be consistent with the current phasing of water allocations according to the recently adopted Ordinance No. 2009-114. We further understand the letter will include the water from the recently recorded Parcel Map CO 06-0225 for Parcel 2 and the 2nd year allocations which we are now in.

If you should have any questions or need additional information, please give our office a call at 541-2394. Thank you for your time and consideration.

Sincerely,


Terence K. Orton, P.E, 21,807
Expires 9/30/2011

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 22, 2010



REVIEW DRAFT REQUEST FOR PROPOSALS FOR EDUCATION AND OUTREACH SERVICES ASSOCIATED WITH WATERLINE INTERTIE PROJECT

ITEM

Review draft RFP prepared by staff, provide direction and input, and authorize circulation of the Request. [RECOMMEND AUTHORIZE]

BACKGROUND

In 2010, the District expects to conduct an assessment vote to fund a significant portion of the \$23.6M Waterline Intertie Pipeline project. The value of an educated voting public will play in achieving a successful assessment vote cannot be overstated.

An draft Request for Proposal for outreach services is attached. Staff estimates these services may cost upwards of \$50,000.00 depending on the level and length of service requested. The cost would maybe shared among the other purveyors taking part in the project on a pro rata basis. Costs for these services can be included in the Bond for the project once an Assessment District is successfully formed.

FISCAL IMPACT

Staff estimates up to \$100,000.00 could be shifted from the Property Acquisition line of the Waterline Intertie Project budget, thereby not impacting overall Project costs. Alternatively, the 20% Contingency reserves for construction costs of the project could be reduced by an amount equivalent to the cost of these services. The costs for preparing this proposal are funded by COPs and Supplemental Water Capacity Charges.

RECOMMENDATION

Review materials, authorize circulation of RFP.

ATTACHMENTS

- Draft Request for Proposals - NOTE : this attachment was not available at the time of Agenda mailing and will be published and circulated on Monday January 25, 2010.

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *MSL*
DATE: JANUARY 22, 2010



DISCUSS THE COLLECTION OF DISTRICT FEES FOR NEW DEVELOPMENT

ITEM

Discuss the timing of collection of water and sewer fees for new development. [PROVIDE GUIDANCE, DIRECT STAFF]

BACKGROUND

Your Honorable Board directed staff to provide an opportunity for review and discussion of District procedure for collection of supplemental water capacity charges. On December 16, 2009, your Board discussed fee collection and directed staff to further investigate District schedule of fee collection with consideration for delaying development related fee collection across all categories of development.

On Monday January 4, 2010, staff met with representatives of San Luis Obispo County Home Builders association. HBA outlined the financial difficulties posed by the Districts current fee collection policy relative to tract map development. District Policy requires a 100% deposit of fees at the time a Will Serve Letter is issued. The County requires a Will Serve letter from the District prior to filing a Final Tract Map. Developers are unable to obtain building loans in the current financial climate until after a final Tract Map is obtained. Further, the filing of a Final Track Map often precedes development and the need for sewer and water service by a number of years.

The Home Builders asked the District to consider delaying the collection of fees until the issuance of a building permit by the County, similar to the way School Districts throughout the County require and facilitate fee collection.

On January 21, 2010, District staff and legal counsel met with senior County planning staff to discuss the potential for County verification of District fee payment prior to the issuance of a building permit. County staff indicated such a process would be possible by the inclusion of a District-wide 'flag' on all parcels that would trigger a District fee verification for any building permit issuance.

District staff also investigated fee collection policy of other Community Services Districts in the County and found procedures similar to the District's current policy.

District fees included connection and capacity charges and are set to represent a buy in to existing infrastructure and cost of developing additional resources and infrastructure to serve the new development. Delaying fee collection, or a portion of fee collection, on new development, in the current financial climate, would not be expected to have a significant fiscal impact on the District. However, during aggressive development climates, a multi-year delay in fee collection over a prolonged period could substantially limit the District's ability to pursue new resources and capacity. Water resources and sewer capacity development can take significantly longer than residential and commercial development.

Additional concerns staff has identified through this consideration effort include:

- Issuance of a Will Serve letter, which commits the District - with very little recourse and no expiration - to supplying a future development without the collection of fees is problematic.

- Relying on another agency, in this case the County, to insure those fees are collected is problematic. If County staffing is significantly reduced due to budgetary constraints, would confirmation of District fee payment remain a priority to the County?
- The change in procedure could lead to a request for service prior to the District's acceptance of development infrastructure
- The change in procedure could lead to an unaware buyer being sold a lot where substantial fees are due.

Among other changes, staff foresees the potential for recordation of legal documents on property title and subsequent re-recordation as the property morphs with filing of a final Tract map, in order to avoid some of the problems outlined above. Delaying the collection of District fees will require a thorough analysis of District development acceptance procedure to insure the numerous steps between application for service and setting of meters for water service are considered and adjusted to properly protect District interests.

FISCAL IMPACT

Development of this material did use previously budgeted staff time and legal consulting cost.

RECOMMENDATION

Staff recommends that the Board consider and discuss the current District policy and direct staff.

ATTACHMENTS

None

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\FEE COLLECTION POLICY DISCUSSION.DOC

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 21, 2010



APPOINTMENT OF AN AD-HOC COMMITTEE

ITEM

Form and Ad-Hoc committee for WIP Education and Outreach [RECOMMEND FORM COMMITTEE APPOINT MEMBERS].

BACKGROUND

The Board desires to form an Ad-Hoc committee to assist in the public outreach and education related to the District's waterline intertie project.

FISCAL IMPACT

Staff has expended previous budgeted time.

RECOMMENDATION

Staff recommends that your Board form an Ad-Hoc committee and appoint members.

ATTACHMENTS

- None

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\ADD HOC FOR WIP OUTREACH.DOC

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: JANUARY 21, 2010



MANAGER'S REPORT

ITEM

Standing report to your Honorable Board --*Period covered by this report January 7, 2010 through January 21, 2010.*

DISTRICT BUSINESS

Administrative

Maria Vista Estates has set a total of ten water meters

Recruitment for open field positions is progressing.

Staff has made progress on the MOU with the County and partner purveyors in support of WIP Assessment.

Retired General Manager Bruce Buel retirement date set for January 29, 2010.

Development of the District's 2010/2011 Budget will begin in February.

The District initiated a pilot turf replacement program.

Manager attended or led the following meetings:

- January 8, 2010; AECOM WIP team meeting to discuss project 90% submittals
- January 13; District Board meeting
- January 19; WIP All Hands meeting to discuss project critical path and timeline
- January 21; Staff met with County planning staff on fee collection process and Nipomo Mesa Groundwater Conservation Area development review.

Safety Program - No incidents, accidents or safety issues to report.

RECOMMENDATION

Staff seeks direction and input from your Honorable Board.

ATTACHMENTS

- WIP Monthly Accounting reports for December 2009

NIPOMO COMMUNITY SERVICES DISTRICT
WATERLINE INTERTIE PROJECT
MONTHLY REPORT TO THE BOARD OF DIRECTORS
DECEMBER 2009 (FY JUNE 30, 2010)

REVENUES FY 2009-2010 (1)	<u>MONTH OF</u> <u>DECEMBER</u>	<u>FISCAL YEAR</u> <u>7/1/2009 TO</u> <u>6/30/2010</u>
Supplemental Water Capacity Fees Collected	0.00	13,858.00
Interest Income (monthly & quarterly posting)	2,060.75	9,453.85
Revenue Subtotal	2,060.75	23,311.85
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	1,645.60	5,557.58
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	8,000.00
1590-C2 Property Negotiations (Hamner Jewell)	0.00	8,087.50
1590-C3 Property Acquisitions	0.00	0.00
<u>FINANCIAL</u>		
1590-D1 Reed Group and Wallace Group	0.00	4,476.25
1590-D2 Lobbying	9,000.00	27,000.00
<u>ENGINEERING</u>		
1590-E1 Preliminary Engineering Design (AECOM)	0.00	0.00
1590-E2 Water Modeling by Carollo (City of Santa Maria)	0.00	0.00
1590-E3 Alternative Water Supplies (AECOM)	0.00	0.00
1590-E4 Project Information (AECOM)	0.00	0.00
1590-E5 Project Design (AECOM)	47,279.71	128,337.63
1590-E6 Pressure Testing	0.00	0.00
1590-E7 Peer Review	290.00	8,030.70
1590-E8 Pot Holing	0.00	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	13,500.74
1590-H2 SLO County Reimbursement Agreement for JPA	10,000.00	10,000.00
<u>CONSTRUCTION</u>		
1590-I1 Construction Management (MNS)	0.00	9,810.00
<u>SALARY AND BENEFITS (3)</u>		
1590-Z1 Wages-Capitalized	5,765.16	23,059.09
1590-Z2 Payroll Taxes-Capitalized	310.64	580.95
1590-Z3 Retirement-Capitalized	957.52	5,777.48
1590-Z4 Medical-Capitalized	358.10	2,148.60
1590-Z5 Dental/Vision-Capitalized	49.32	288.94
1590-Z6 Workers Compensation-Capitalized	31.30	132.52
Expenditure Subtotal	77,687.35	278,066.03
Net Revenues less Expenditures	(75,626.60)	(254,754.18)
Beginning Fund Balance as of July 1, 2009		2,830,850.76
Ending Fund Balance as of December 31, 2009		2,576,096.58

(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**

<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>7/1/2009 TO 6/30/2010</u>	<u>GRAND TOTAL</u>
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	Est/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	5,557.58	66,642.88
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	8,000.00	34,170.00
1590-C2	Property Negotiations (Hamner Jewell)	0.00	0.00	0.00	0.00	15,250.00	8,087.50	23,337.50
1590-C3	Property Acquisitions	0.00	0.00	0.00	0.00	673.00	0.00	673.00
1590-D1	Reed Group and Wallace Group	0.00	2,809.85	0.00	0.00	7,585.45	4,476.25	14,871.55
1590-D2	Lobbying	0.00	0.00	0.00	38,801.11	38,950.00	27,000.00	104,751.11
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	128,337.63	880,657.29
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	8,030.70	10,966.75
1590-E8	Pot Hoing	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	13,500.74	96,531.45
1590-H2	SLO County Reimb Agreement-JPA	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00
1590-I1	Construction Management (MNS)	0.00	0.00	0.00	0.00	4,635.00	9,810.00	14,445.00
1590-Z1	Wages-Capitalized	0.00	29,076.92	35,884.51	28,197.08	31,926.57	23,059.09	148,144.17
1590-Z2	Payroll Taxes-Capitalized	0.00	587.22	587.42	455.96	504.53	580.95	2,716.08
1590-Z3	Retirement-Capitalized	0.00	8,418.08	10,344.53	8,110.84	8,690.47	5,777.48	41,341.40
1590-Z4	Medical-Capitalized	0.00	2,861.36	3,367.02	2,564.88	2,757.36	2,148.60	13,699.22
1590-Z5	Dental/Vision-Capitalized	0.00	0.00	247.90	328.23	348.15	288.94	1,213.22
1590-Z6	Workers Compensation-Capitalized	0.00	260.35	341.83	225.21	259.81	132.52	1,219.72
		103,938.03	225,459.74	562,634.14	334,404.32	1,055,642.22	278,066.03	2,560,144.48

**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

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

PROJECT	DEVELOPER	SUMMARY	DATE PAID	WATER SUPPLY PORTION	PIPELINE PORTION	SUPPLEMENTAL TOTAL
CO 06-0225	KENGLE	DEPOSIT FOR 2 ONE INCH METERS AND CREDIT FOR 1 ONE INCH METER EXISTING	11/3/2009			13,858.00
		FISCAL YEAR 2009-2010	SUBTOTAL	0.00	0.00	13,858.00
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
GRAND TOTAL				2,635,970.76	325,443.99	2,975,272.75