

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *MGL*
DATE: MAY 7, 2010



SOUTHLAND WWTP UPGRADE PROJECT UPDATE

ITEM

Mike Nunley of AECOM Engineering re Southland wastewater treatment plant upgrade project status [NO ACTION REQUESTED].

BACKGROUND

Attached is the latest Monthly Report from AECOM along with a draft project Budget.

It should be noted that the Board has already funded the proposed project and the District already owns the land for construction.

RECOMMENDATION

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

ATTACHMENT

- Monthly Report

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\PRESENTATIONS\100512AECOM.DOC

Memorandum

To Michael LeBrun, Intertim General Manager - NCSD Page 1

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

Subject Southland WWTF Upgrade Project – Design Phase Status Report

From Michael K. Nunley, PE

Date May 5, 2010

The Project Team has completed the following items this month:

1. AECOM has been working with District staff on the revised phasing plan, including layout and updated costs.
2. A meeting with the peer reviewers, AECOM, and NCSD staff has been scheduled to go over the revised phasing plan, receive input, and discuss upcoming submittals.
3. AECOM will present the revised Phasing Plan and Cost Opinion to the Southland WWTF Upgrade Project Committee.

Schedule

The latest Project Schedule is attached.

Budget Status

The Invoice Summary is attached. The Invoice Summary indicates an amount invoiced which is consistent with the work completed to date. Amounts charged to Task Group #2 to date reflect work on construction documents for portions of the Frontage Road Sewer Upgrade. The project cost opinion has not been updated since the January 2009 Master Plan, but the summary table is included and will be updated with the WWTF Master Plan Amendment.

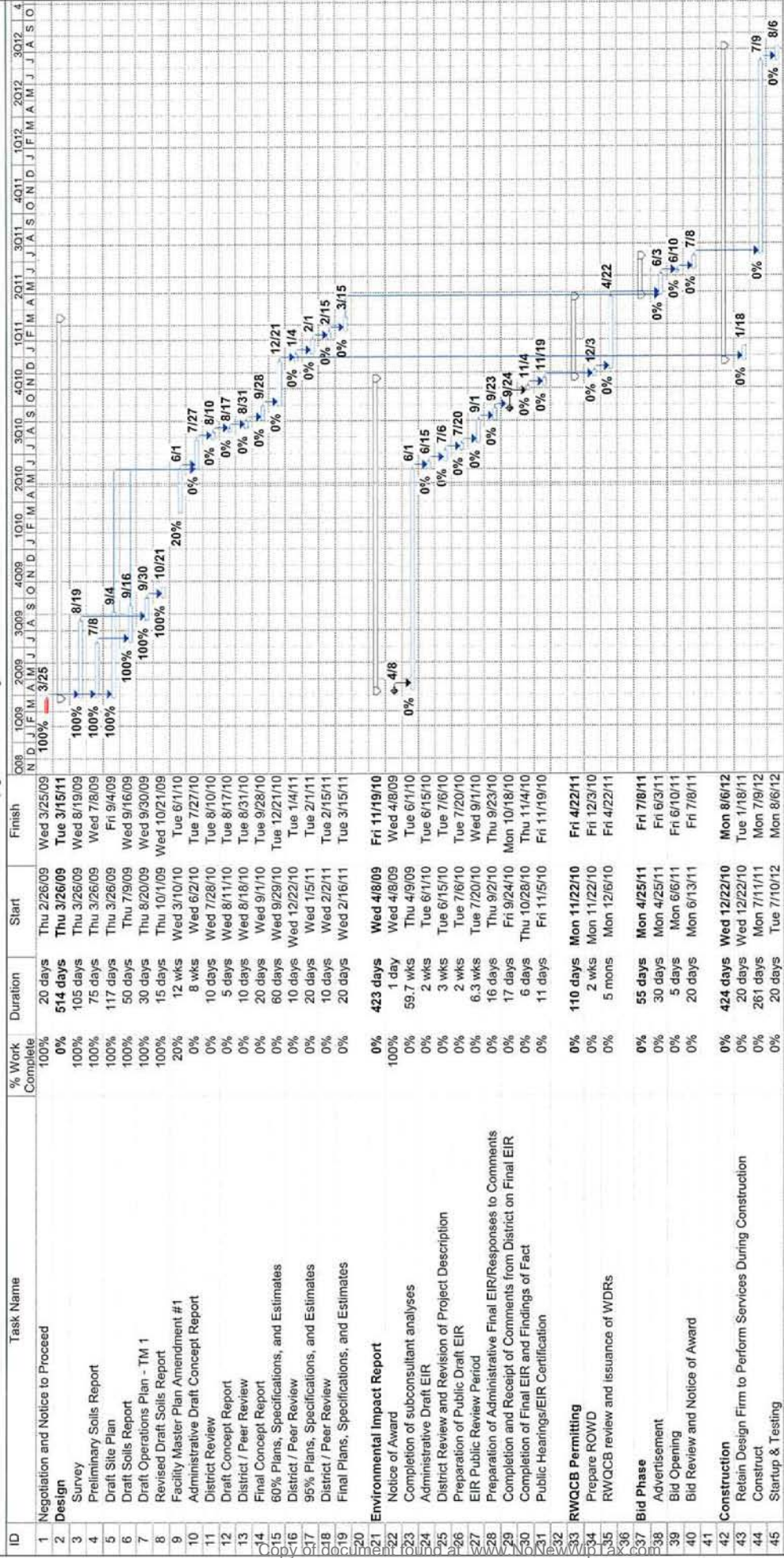
Yours Sincerely



Michael K. Nunley, PE

Enclosures: Project Schedule
Invoice Summary
Project Budget Summary

Southland WWTF Upgrades Design Schedule



Task Progress Baseline Milestone

Project Summary Group By Summary

Rolled Up Progress Split Baseline Split External Tasks

Rolled Up Milestone Baseline Summary Baseline Milestone

Baseline Milestone Summary Rolled Up Task Milestone

Task Progress Baseline Milestone

Project Budget Summary

5/5/2010

Engineering Services for NCSD - Southland WWTF Upgrade

Nipomo CSD

	Total Budget	Amount Previously Invoiced	Current Invoice Amount	% of Budget Earned to date	% of Work Complete
Task Group 1 - Concept Design Phase	\$195,123.00	\$151,536.94	-\$11,088.75	72%	72%
Task Group 2 - Construction Documents	\$478,948.00	\$12,514.50	\$2,126.25	3%	3%
Task Group 3 - Project Management	\$68,787.00	\$20,918.25	\$1,296.00	32%	32%
Task Group 4 - Assistance During Bid	\$39,539.00	\$0.00	\$0.00	0%	0%
Task Group 5 - Office Engineering Services	\$147,198.00	\$0.00	\$0.00	0%	0%
Task Group 7 - Amendment 1 Facility MP	\$37,020.00	\$6,655.50	\$21,802.50	77%	77%
Total	\$966,615.00	\$191,625.19	\$14,136.00	21%	21%

Note: Current amount invoiced for Task Group 1 reflects labor hours moved from Task Group 1 to Task Group 7 for work related to the Master Plan Amendment.

Date Printed 5/5/2010

Item	Description	Budgeted Amount Jan 2009 Master Plan (1)(2)(3)	Updated Amount
1	Frontage Road sewer upgrade (street to influent pump station)	\$366,000 (4) (5)	\$366,000
2	Influent pump station upgrade	\$670,900	\$670,900
3	Influent screening system	\$327,400	\$327,400
4	Grit removal system	\$402,700	\$402,700
5	Phase I Biolac system	\$3,877,500	\$3,877,500
6	Phase I Sludge holding lagoons	\$67,700	\$67,700
7	Phase I Sludge drying beds	\$1,160,700	\$1,160,700
	Construction Subtotal	\$6,872,900	\$6,872,900
8	Contingency	\$2,061,870 (6)	\$2,061,870
9	Design-Phase Engineering	\$923,093	\$923,093
10	Construction Management	\$1,138,777 (7)	\$1,138,777
11	Environmental Mitigation	-- (8)	-- (8)
12	Environmental Monitoring	-- (8)	-- (8)
13	Permitting Fees	-- (8)	-- (8)
	WWTF PROJECT TOTAL (Rounded to 1000)	\$10,997,000	\$10,997,000

13	Frontage Rd Sewer Upgrade Project (Division St to WWTF property)	--	\$1,658,600 (9) (10)
14	Frontage Rd Sewer Upgrade Project Contingency	--	\$331,720 (9) (10)
	FRONTAGE RD SEWER PROJECT TOTAL (Rounded to 1000)	--	\$1,991,000 (9) (10)

Notes:

- (1) ENR CCI: November 2008 = 8602
- (2) Costs are from the January 2009 Southland WWTF Master Plan.
- (3) Costs are escalated by 4 % per year to anticipated midpoint of construction (assumed January 2011).
- (4) The Frontage Rd Sewer Upgrade project includes the sewer main from Division St. to the influent pump station. The portion between the street and the influent pump station is currently included in the Southland WWTF Upgrades project scope of work, but may be moved to the Waterline Intertie Project for expedited construction.
- (5) The cost for this portion of Frontage Rd was estimated by prorating the cost opinion for the Frontage Road Sewer Upgrade (based on linear footage) to arrive at the 2008 Construction Cost Opinion. A 4% per year escalation was used to arrive at the 2011 midpoint of construction cost opinion.
- (6) Contingency is estimated at 30% of construction subtotal.
- (7) To be updated by CM Team, assumed to be 30% of construction subtotal minus the engineering fee.
- (8) Costs to be developed with EIR process
- (9) The Frontage Road Sewer Upgrade Project plans are being developed as part of the Waterline Intertie Project effort, but construction will be paid for using separate sewer funds, not supplemental water funds
- (10) Costs based on the 90% plans and specifications for Bid Package #2 of Waterline Intertie Project (October 2009)

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: MAY 7, 2010



MONTHLY ENGINEER UPDATE

ITEM

NCSD District Engineer Peter Sevcik re Recent District Engineer Activities [NO ACTION REQUESTED].

BACKGROUND

Peter Sevcik is scheduled to summarize the attached outline.

RECOMMENDATION

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

ATTACHMENT

- District Engineer Activities Outline

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\PRESENTATIONS\100512ENG.DOC

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: MAY 7, 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 April 28, 2010 Regular Meeting
Approve Minutes of May 3, 2010 Special Meeting
- D-3) APPROVAL OF THE ENGINEER'S LEVY REPORT AND DECLARATION OF INTENTION TO LEVY ANNUAL ASSESSMENTS FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2010-2011. [RECOMMEND APPROVAL]
- D-4) APPROVE CONTRACT APPOINTING DISTRICT GENERAL MANAGER EFFECTIVE JUNE 1, 2010 [RECOMMEND APPROVAL]
- D-5) APPROVE SALARY ADJUSTMENT ASSISTANT GENERAL MANAGER [RECOMMEND APPROVAL]
- D-6) ADOPT RESOLUTION APPROVING DISTRICT STRATEGIC PLAN 2010 UPDATE [RECOMMEND ADOPT RESOLUTION]

TO: BOARD OF DIRECTORS
 FROM: MICHAEL LEBRUN
 DATE: MAY 7, 2010

**AGENDA ITEM
 D-1
 MAY 12, 2010**

**TOTAL COMPUTER
 CHECKS
 \$249,124.57**

HAND WRITTEN CHECKS

04-28-10	20115	CALIF WATER ENV ASSOC	WATER DIST CERT	264.00
04-28-10	20116	ST WATER RESOURCES CNTL BD	CERT RENEWAL	170.00
05-07-10	20117	D & K HUSTRULID	WASHER REBATE	75.00
05-07-10	20118	CDPH-OCP	OPERATOR CERT	60.00
05-07-10	20119	CDPH-OCP	OPERATOR CERT	70.00

VOID - 17911, 17919, 20110

COMPUTER GENERATED CHECKS

Check Number	Date	Vendor/Organization	Invoice Id	Date	Description/Reference	Period	Amount	Amount Paid
17906	04/30/10	EMP01 EMPLOYMENT DEVELOP DEPT	B00428	04/28/10	STATE INCOME TAX	04-10	1349.99	1349.99
17907	04/30/10	MID01 RABOBANK-PAYROLL TAX DEPOS	B00428	04/28/10	COMBINED CHECK	04-10	5064.91	5064.91
17908	04/30/10	MID02 RABOBANK-DIRECT DEPOSIT	B00428	04/28/10	NET PAY	04-10	27208.65	27208.65
17909	04/30/10	PER01 PERS RETIREMENT	B00428	04/28/10	PERS PAYROLL REMITTANCE	04-10	7442.33	7442.33
17910	04/30/10	STA01 ING-PERS 457 DEFERRED COMP	B00428	04/28/10	457 DEFERRED COMP	04-10	1125.00	1125.00

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
017912	05/03/10	EBY01	EBY, ED	100.00	.00	100.00	050310	SPECIAL BD MEETING 050310
017913	05/03/10	HAR02	HARRISON, JAMES	100.00	.00	100.00	050310	SPECIAL BD MEETING 050310
017914	05/03/10	NEL01	NELSON, WILLIAM J	100.00	.00	100.00	050310	SPECIAL BD MEETING 050310
017915	05/03/10	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	050310	SPECIAL BD MEETING 050310
017916	05/03/10	WIN01	WINN, MICHAEL	100.00	.00	100.00	050310	SPECIAL BD MEETING 050310
017917	05/04/10	EBY01	EBY, ED	100.00	.00	100.00	050410	FINANCE COMMITTEE 050410
017918	05/04/10	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	050410	FINANCE COMMITTEE 050410
017920	05/12/10	A&T01	A&T ARBORISTS & VEGETATIO	2830.00	.00	2830.00	2111	TREE PROTECTION WIP
017921	05/12/10	ABA01	ABALONE COAST BACTERIOLOG	160.00	.00	160.00	10-829	TOWN WWTF LAB
				20.00	.00	20.00	10-856	BL WWTF LAB
				175.00	.00	175.00	10-863	WATER SAMPLES
				115.20	.00	115.20	10-864	WATER SAMPLE
				20.00	.00	20.00	10-865	BL WWTF LAB
				20.00	.00	20.00	10-877	BL WWTF LAB
				176.00	.00	176.00	10-878	SWWTF LAT
				20.00	.00	20.00	10-889	BL WWTF LAB
				20.00	.00	20.00	10-898	BL WWTF LAB
				20.00	.00	20.00	10-910	BL WWTF LAB
				20.00	.00	20.00	10-923	BL WWTF LAB
				175.00	.00	175.00	10-924	WATER SAMPLES
				25.00	.00	25.00	10-925	QUAD TANK SAMPLE
				20.00	.00	20.00	10-939	BL WWTF LAB
				176.00	.00	176.00	10-940	SWWTF LAB
				20.00	.00	20.00	10-956	BL WWTF LAB
				20.00	.00	20.00	10-961	BL WWTF LAB
			Check Total.....:	1202.20	.00	1202.20		
017922	05/12/10	ADV01	ADVANTAGE ANSWERING PLUS	142.15	.00	142.15	112066	ALARM MONITORING
017923	05/12/10	AEC01	AECOM USA INC	17235.45	.00	17235.45	7076073	SOUTHLAND WWTF UPGRADE
				1463.23	.00	1463.23	7077316	FRONTAGE RD SEWER MAIN RE
				2592.00	.00	2592.00	7077318	WATER SCADA SYS UPGRADE
				2073.60	.00	2073.60	7077319	WATER SCADA SYS UPGRADE
				6819.66	.00	6819.66	7077325	WIP DESIGN
			Check Total.....:	30183.94	.00	30183.94		
017924	05/12/10	ALX01	ALEXANDER'S CONTRACT SERV	3242.08	.00	3242.08	4260012	METER READS
017925	05/12/10	AME03	AMERI PRIDE	170.63	.00	170.63	65281	UNIFORMS ETC
				140.18	.00	140.18	71105	UNIFORMS ETC
			Check Total.....:	310.81	.00	310.81		

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS MAY 7, 2010**

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MAY 12, 2010
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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
017926	05/12/10	ATT01	AT&T/MCI	153.62 26.21 152.63	.00 .00 .00	153.62 26.21 152.63	1316658 1316910 1316980	PHONE PHONE PHONE
			Check Total.....:	332.46	.00	332.46		
017927	05/12/10	AVC01	AVCO FIRE EXTINGUISHER C.	270.00	.00	270.00	2468	FIRE EXT SERVICE
017928	05/12/10	AWW02	AMERICAN WATER WORKS ASSO	498.00	.00	498.00	224528	STANDARDS ON CD
017929	05/12/10	BHI01	BHI MANAGEMENT CONSULTING	3238.50	.00	3238.50	010-33	STRATEGIC PLAN UPDATE
017930	05/12/10	BOB02	BOB MURRAY & ASSOCIATES	3027.06	.00	3027.06	3813	MANAGER RECRUITMENT
017931	05/12/10	BRE02	BRENNTAG PACIFIC INC.	439.93 658.42	.00 .00	439.93 658.42	BPI989187 BPI989188	CHLORINE CHLORINE
			Check Total.....:	1098.35	.00	1098.35		
017932	05/12/10	BRE03	BREWER, REED	120.00	.00	120.00	031710	REIMB FOR BOOTS
017933	05/12/10	CAL03	CALIFORNIA ELECTRIC SUPPL	5423.33	.00	5423.33	408780	SUNDALE WELL SUPPLIES
017934	05/12/10	CLE06	CLEVER DUCKS	967.50	.00	967.50	10402	COMPUTER SUPPORT
017935	05/12/10	COA02	COASTAL ROLLOFF	255.30	.00	255.30	49485	SHOP TRASH REMOVAL
017936	05/12/10	COR01	CORBIN WILLITS SYSTEMS	750.83	.00	750.83	B004151	BILLING SUPPORT
017937	05/12/10	CSD02	CALIFORNIA SPECIALTY DIST	514.26	.00	514.26	160079	PUMP SUPPLIES
017938	05/12/10	DEW01	J B DEWAR INC	415.25 1218.42	.00 .00	415.25 1218.42	914813 915319	OIL FOR WELLS SUNDALE SUPPLIES
			Check Total.....:	1633.67	.00	1633.67		
017939	05/12/10	EBY01	EBY, ED	100.00	.00	100.00	041210	REG BD MEETING 051210
017940	05/12/10	FAR02	FAR WEST EXPRESS	25.00	.00	25.00	E18830+	DELIVERY
017941	05/12/10	FER01	FERGUSON ENTERPRISES INC	397.40 3101.36	.00 .00	397.40 3101.36	6055207 6055207-1	SUPPLIES AIR VAC CANNISTERS ETC
			Check Total.....:	3498.76	.00	3498.76		
017942	05/12/10	FGL01	FGL ENVIRONMENTAL	306.00 63.00 174.00 331.00 81.00 306.00 320.00 56.00 331.00	.00 .00 .00 .00 .00 .00 .00 .00 .00	306.00 63.00 174.00 331.00 81.00 306.00 320.00 56.00 331.00	2807A 3270A 3271A 3273A 3491A 3492A 3731A 3732A 3733A	SWWTF LAB BL WWTF LAB BL WWTF LAB SWWTF LAB BL WWTF LAB SWWTF LAB WATER SAMPLES BL WWTF LAB SWWTF LAB
			Check Total.....:	1968.00	.00	1968.00		
017943	05/12/10	FIS01	FISHER PUMP SERVICE	4120.00	.00	4120.00	1351	VIA CONCHA WELL MAINT
017944	05/12/10	GAS02	GAS COMPANY, THE	66.94 15.31	.00 .00	66.94 15.31	042210 042710	OFFICE HEAT SHOP HEAT 04163737945
			Check Total.....:	82.25	.00	82.25		
017945	05/12/10	GIL01	GLM, INC.	365.99	.00	365.99	042910	LANDSCAPE MAINT
017946	05/12/10	GOV01	GOVERNMENT FINANCE OFFICE	160.00	.00	160.00	125001	MEMBERSHIP DUES
017947	05/12/10	GWA01	GWA INC	53.00 85.00 85.00 50.00	.00 .00 .00 .00	53.00 85.00 85.00 50.00	100400640 100402062 100402107 100406402	ALARM MONITORING ALARM MONITORING ALARM MONITORING REMOTE PROGRAMMING
			Check Total.....:	273.00	.00	273.00		
017948	05/12/10	HAR04	HARPER & ASSOCIATES ENG I	1988.60	.00	1988.60	ENG-4109	CONST MGMT WATER TANKS
017949	05/12/10	HEA01	HEACOCK TRAILERS & TRUCK	4044.88	.00	4044.88	31979	CONFINED SPACE TRAILER
017950	05/12/10	LAN02	LANDMARK LANDSCAPE CO INC	214.00	.00	214.00	48492	LNDSCP MAINT VISTA VERDE
017951	05/12/10	MAA01	MAACO REPAIR & AUTO	1939.65	.00	1939.65	11812	VEHICLE REPAIR
017952	05/12/10	MIN02	MINER'S ACE HARDWARE	315.35	.00	315.35	604527+	OPERATING SUPPLIES

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS MAY 7, 2010**

**AGENDA ITEM
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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Payment Information	
							Invoice #	Description
017953	05/12/10	MUL01	MULLAHEY FORD	827.77	.00	827.77	205792	04 TRUCK MAINT
017954	05/12/10	NEL01	NELSON, WILLIAM J	100.00	.00	100.00	041210	REG BD MEETING 051210
017955	05/12/10	NIP08	NIPOMO CSD	572.62	.00	572.62	051010	LANDSCAPE MAINT WATER TR
017956	05/12/10	OFF01	OFFICE DEPOT	272.91	.00	272.91	517433015	SUPPLIES
017957	05/12/10	ONE01	1-800-CONFERENCE	362.15	.00	362.15	120069812	CONFERENCE CALLS
017958	05/12/10	PAS01	PASQUINI, CHARLES	750.00	.00	750.00	041210	REIMB FOR LEGAL FEES SWWT
017959	05/12/10	PGE01	P G & E	37762.06	.00	37762.06	042710	ELECTRICITY 4449664603-3
017960	05/12/10	PRE01	PRECISION JANITORIAL	650.00	.00	650.00	199	APRIL JANITORIAL SERVICE
017961	05/12/10	PRO02	PRO CARE JANITORIAL SUPPL	95.73	.00	95.73	37176	JANITORIAL SUPPLIES
017962	05/12/10	SAI01	SAIC	22422.50	.00	22422.50	821683	NMMA TG
017963	05/12/10	SAN01	SANTA MARIA TIRE INC	270.23	.00	270.23	457055	TRUCK MAINT
017964	05/12/10	SAN04	SANTA MARIA TIMES	278.06	.00	278.06	673998+	EMPLOYMENT AD
017965	05/12/10	SHI01	SHIPSEY & SEITZ, INC	15528.30	.00	15528.30	033110	LEGAL SERVICES
017966	05/12/10	SOU01	SOUTH COUNTY SANITARY	34.92	.00	34.92	2910257	TRASH COLLECTION
				169.12	.00	169.12	2911681	OLDE TOWNE TRASH COLLECTI
			Check Total.....:	204.04	.00	204.04		
017967	05/12/10	SOU03	SOUTH COUNTY SANITARY	1317.10	.00	1317.10	APRIL2010	SOLID WASTE TAX LIENS
017968	05/12/10	STA07	SRF ACCOUNTING OFFICE	42180.25	.00	42180.25	88191010	SRF LOAN CONTRACT NO 8819
017969	05/12/10	STA08	STAPLES	171.54	.00	171.54	B78311900	SUPPLIES
017970	05/12/10	STA12	STATE OF CALIFORNIA	125.00	.00	125.00	SEVCIK 10	CIVIL ENG CERT RENEWAL
017971	05/12/10	TAF01	TAFT ELECTRIC	760.87	.00	760.87	30617E	MISC REPAIRS
017972	05/12/10	TIT01	TITAN INDUSTRIAL & SAFETY	227.41	.00	227.41	1040774	SUPPLIES
				23.41	.00	23.41	1040775	SUPPLIES
			Check Total.....:	250.82	.00	250.82		
017973	05/12/10	USB01	US BANK TRUST	218.15	.00	218.15	042210	BD MEETING SUPPLIES
				31.00	.00	31.00	042210A	TRAVEL EXP
				3693.11	.00	3693.11	042210B	COMPUTER EXPENSE
				209.85	.00	209.85	042210C	SUPPLIES
				250.00	.00	250.00	042210E	EMPLOYMENT AD
				221.74	.00	221.74	042210F	OFFICE SUPPLIES
			Check Total.....:	4623.85	.00	4623.85		
017974	05/12/10	VER01	VERIZON	37.73	.00	37.73	041910	BL PHONE
017975	05/12/10	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	041210	REG BD MEETING 051210
017976	05/12/10	WAT05	WATER WORKS INDUSTRY SOLU	220.00	.00	220.00	1473	TRAINING VIDEOS
017977	05/12/10	\C003	D/C CONSTRUCTION,	285.20	.00	285.20	000B00501	MQ CUSTOMER REFUND FOR CO
017978	05/12/10	\K004	KENNY, J.A.	475.84	.00	475.84	000B00501	MQ CUSTOMER REFUND FOR KE
017979	05/12/10	\N004	RH NEWDOLL CONSTRUCTION,	453.20	.00	453.20	000B00501	MQ CUSTOMER REFUND FOR NE

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 45 Years of Service 1965 - 2010

D2

DRAFT MINUTES

APRIL 28, 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

President Harrison called the April 28, 2010 Regular Board Meeting to order at 9:00 a.m. and led the flag salute.

00:00:40

B. ROLL CALL

At Roll Call, all directors were present.

00:00:51

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) MIKE NUNLEY OF AECOM

Update re: Waterline Intertie Project

Michael LeBrun, Interim General Manager, introduced some information in the report to be given by Mr. Mike Nunley. He explained some of the changes in the "Design Budget and Schedule" as of April 2010.

Mike Nunley, AECOM Engineering Project Manager, reviewed the report presented in the Board letter and answered questions from the Board.

C-2) NCSD SUPERINTENDENT TINA GRIETENS

Update recent Operations activities.

Tina Grietens, Utility Superintendent, reviewed the report supplied in the Board packet. Ms. Grietens answered questions from the Board.

C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST

Receive Announcements from Directors Items of District & Community Interest

Director Vierheilig

05-01-10, Saturday, Nipomo Native Garden Workday 9am-12pm.

Director Eby

04-28-10, Wednesday, at the Ludwig Center - SLO Forum of candidates for the Board of Supervisors seats - 2nd District Gibson, Ochylski; 4th District Guthrie, Zimmerman, Teixeira

Director Winn

04-19-10 - Mr. Winn attended a workshop in Paso Robles concerning the groundwater basin. There will be another meeting in Shandon 05-05-10.

04-26-10 - SCAC (South County Advisory Committee) met. Some topics included the NMMA Technical Group meeting, the Jim Miller Park update, Jack Ready Park authorization. The Dana Adobe received good news on funding.

SUBJECT TO BOARD APPROVAL

Copy of document found at www.NoNewWipTax.com

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
(CONTINUED)

Director Winn

04-27-10 – SLO County Board of Supervisors approved the Conservation and Open Space Element. The Board adopted the suggested emendations made by NCSD. The RMS discussion was moved to May 4th.

05-20-10 – SLO Climate Change meeting

Directors Winn and Harrison met with Congresswoman Lois Capps in Washington, DC. March 22nd concerning funding for the Waterline Intertie Project.

Director Harrison

The Washington, D.C. trip was productive.

He and Director Winn will be traveling to Sacramento, May 11-12, to represent District at Special District Legislative Days.

C-4) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

00:18:02

D. CONSENT AGENDA

D-1) APPROVE WARRANTS

D-2) APPROVE BOARD MEETING MINUTES

Approve Minutes of April 14, 2010 and April 19, 2010

D-3) QUARTERLY FINANCIAL REPORT

D-4) QUARTERLY INVESTMENT POLICY

Director Winn made some minor changes to the Minutes of the April 14th meeting. Director Vierheilg noted an error on page 10 of the Quarterly Financial Report.

Upon motion by Director Winn and seconded by Director Eby, the Board unanimously approved the Consent Agenda, as amended. Vote 5-0.

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

The Board took a break at 9:40 a.m. and resumed the meeting at 9:48 a.m.

E. ADMINISTRATIVE ITEMS

00:24:38

E-1) RECEIVE ACTUARIAL VALUATION REPORT ON OTHER POST EMPLOYMENT BENEFITS (OPEB)

Marilyn Jones, Vice President and Actuary for The Epler Company, reviewed information concerning the actuarial valuation of NCSD's retiree health program. The purpose of the valuation is to measure the District's liability for retiree health benefits and to determine the District's accounting requirement under the Government Accounting Standard Board (GASB). Ms. Jones answered questions from the Board.

Lisa Bognuda, NCSD Finance Director, answered questions from the Board.

There was no public comment. Upon motion by Director Vierheilg and seconded by Director Eby, the Board unanimously agreed to accept the Actuarial Valuations as of January 1, 2010, and forward the findings to CERBT (California Employers' Retiree Benefit Trust).

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

E-1) RECEIVE ACTUARIAL VALUATION REPORT ON OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Director Winn asked that staff explore adding vision and dental for the retirees and also to consider a new classification of newly hired employees, with a limit to District contributions for them. Vote 5-0.

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

00:51:28

E-2) REVIEW DISTRICT'S DEVELOPMENT-RELATED FEE COLLECTION POLICY

Michael LeBrun, Interim General Manager, explained that the Board directed staff to provide an opportunity for review and discussion of District procedure for collection of supplemental water capacity charges. Staff met with representatives of SLO County Home Builders Association to discuss developers' financial difficulties due to changes in lending institution practices particular to development projects and particularly with the payment of District development fees.

Peter Sevcik, District Engineer, reviewed the concept of phasing capacity fee collection and answered questions from the Board.

The following members of the public spoke:

Jerry Bunin, representative from San Luis Obispo County Home Builders Association, asked about the proposed collection policy. What are the criteria for acceptance or denial of a project? How much is the proposed tracking fee and how will it be implemented? Why are fees due if the project is sold?

Jon Seitz, District Legal Counsel, answered Mr. Bunin's questions. The criteria will be the same as now; the water allocation process and existing ordinances will be used. The tracking fee will be paid up front and is expected to be under \$1,000.

Greg Nester, local builder/developer, stated that the timing to record a map with the County could be from one day to twelve weeks. He also asked why the fees would be due upon sale of the project.

Charlie Fruit, representative from Coast National Bank, stated his concern over the fees due upon sale causing a higher risk issue, since banks would likely require the fees to be paid into a separate account if the staff recommendation were approved.

Terry Flatley, local builder, asked about payment of common meter fees.

Lisa Bognuda, NCSD Finance Director, explained about the fees being due.

Don Parker, representative from Coast National Bank, suggested that the fees due could run with the land.

Upon motion by Director Winn and seconded by Director Harrison, the Board directed staff to craft an ordinance eliminating the red box from the "Phased Capacity Fee Collection Concept", adding a sunset clause that sunsets two years after the adoption of the ordinance unless the Board extends it by resolution, with a review of the ordinance if the Waterline Intertie Project assessment vote fails, and review the ordinance regardless after six months. Vote 3-2, with Directors Eby and Vierheilig voting no.

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

E-2) REVIEW DISTRICT'S DEVELOPMENT-RELATED FEE COLLECTION POLICY (CONT)

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

The Board took a break at 11:37 a.m. and resumed the meeting at 11:46 a.m.

The Board considered E-4 next.

02:13:05

E-4) ACCEPT PROPOSAL FOR REBUILD OF VIA CONCHA WELL

Michael LeBrun, Interim General Manager, explained the history of the Via Concha Well and the plans to rebuild the well.

Tina Grietens, Utility Superintendent, reviewed the process of evaluating the rebuilding of the existing motor. Fisher Pump pulled the pump, inspected the well, videoed the well casing and estimated the repair. The casing, the inner column, the pump and the motor need to be replaced. It is planned to repair the existing motor to have on-hand for emergencies.

Ms. Grietens and Mr. Sevcik answered questions from the Board. There was no public present to comment.

Upon motion by Director Winn and seconded by Director Vierheilig, the Board unanimously approved the estimate for rehabilitation of the Via Concha Well from Layne Christensen, and authorized execution of a contract for \$76,796.77, plus a \$5,000 contingency. Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Winn, Vierheilig, Eby, 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. NCSO (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSO (CASE NO. CV 040877), MARIA VISTA VS. NCSO (CASE NO. CV 061079), AND MARIA VISTA VS. LINDA VISTA FARMS, NCSO ET AL. (CASE NO. CV 040150);
3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC SECTION 54956.9; NCSO VS. COUNTY SLO, ET AL. (CASE #CV090010)
4. PUBLIC EMPLOYEE APPOINTMENT (GOVERNMENT CODE §54957) TITLE: DISTRICT GENERAL MANAGER

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public present to comment.

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned the meeting to Closed Session at 12:01 p.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:56 p.m. There was no audience present. Jon Seitz, District Legal Counsel, announced the following:

The Board heard an update on Items 3 and 4 above but took no reportable action.

The Board considered Item E-3 next.

02:29:30

E-3) REVIEW PRIOR BOARD DIRECTION ON TUCKFIELD & ASSOCIATES WATER FUND FINANCIAL ANALYSIS/RATE STUDY

Michael LeBrun, Interim General Manager, review the information presented in the packet. Tuckfield and Associates developed a water fund financial analysis and rate study.

An updated, draft final report was presented to the Board of Directors on September 9, 2009. On that date, the Board of Directors approved the following motions:

- The Board agreed to finance the capital portion of the WIP through an assessment district. Mr. Buel was directed to work with Mr. Tuckfield to break out the costs of the project versus the O & M. Vote 5-0.
- The Board agreed to propose a 19.5% increase in the cost of water per year for five years assuming assessment funding and the full repayment method of replacement. Vote 5-0.
- The Board agreed to propose a four-tiered water rate structure for future consideration. Vote 3-2, with Directors Eby and Winn dissenting.

Lisa Bognuda, NCSD Finance Director, answered questions from the Board.

Upon motion by Director Winn and seconded by Director Eby, the Board agreed to extend the contract for the old rate study to Tuckfield to update the backgrounds using 2008-2009 data, keep the same assumptions for replacement costs and also one at 50%, present a version that includes supplemental water and one that doesn't. Vote 4-1, with Director Harrison dissenting.

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

03:39:48

E-5) REVIEW MESA AIR QUALITY STUDY

Michael LeBrun, Interim General Manager, provided a summary of the Nipomo Mesa air quality study released by SLO County Air Pollution Control District. The Board discussed the report. There was no public present to comment. The Board received and filed the report.

03:47:58

F. MANAGER'S REPORT

Michael LeBrun, Interim General Manager, reviewed the report as presented in the Board packet and answered questions from the Board. There was no public comment.

Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES

G. COMMITTEE REPORT

There was no committee report.

04:04:25

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Winn

Summary Statement for the Santa Maria Groundwater Litigation
Finance and/or Personnel Committee

ADJOURN

President Harrison adjourned the meeting at 3:35 p.m.

➤ Next Regular Board Meeting is May 12, 2010

NIPOMO COMMUNITY SERVICES DISTRICT

D2

MONDAY MAY 3, 2010

1:00 P. M.

SPECIAL MEETING DRAFT MINUTES

BOARD of DIRECTORS

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

MEETING LOCATION

District Board Hearing Room
148 S. Wilson Street
Nipomo, California

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

President Harrison called the May 3, 2010 Special Meeting to order at 1:00 p.m. and led the flag salute. At Roll Call, all directors were present.

CLOSED SESSION ITEMS

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

2. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9 SMVWCD VS. NCSO (SAÑTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).

3. PUBLIC EMPLOYEE APPOINTMENT - GENERAL MANAGER PURSUANT TO GOVERNMENT CODE SECTION 54957

4. PUBLIC COMMENT ON CLOSED SESSION ITEM

There was no public present to comment.

5. ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 1:02 p.m.

6. OPEN SESSION/ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 3:00 p.m.

Jon Seitz, District Legal Counsel, announced the following:

The Board heard an update on Item 2 above, gave direction to staff, and took no reportable action.

The Board heard an update on Item 3 above, gave direction to the negotiating team, but took no reportable action.

ADJOURN

President Harrison adjourned the meeting at 3:05 p.m.

MINUTES SUBJECT TO BOARD APPROVAL

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *MLB*
DATE: MAY 7, 2010



APPROVAL OF THE ENGINEER'S LEVY REPORT AND DECLARATION OF INTENTION TO LEVY ANNUAL ASSESSMENTS FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2010-2011

ITEM

Approval of resolutions granting approval of the engineer's levy report and declaration of intention to levy annual assessments for the Street Landscape Maintenance District No. 1 for Fiscal Year 2010-2011.

BACKGROUND

On April 14, 2010, the Board of Directors adopted Resolution 2010-1183 entitled:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT INITIATING PROCEEDINGS FOR ANNUAL LEVY OF ASSESSMENTS FOR THE STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2010-2011 PURSUANT TO THE PROVISIONS OF PART 2 OF THE DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

Peter Sevcik, District Engineer, was directed to prepare the annual levy report (attached). Pursuant to Proposition 218 and the Petition Requesting Formation of the Street Landscape Maintenance District, the annual levy may be increased by a percentage equal to the Consumer Price Index (CPI). While the CPI defines the maximum rate for the District may increase the levy each year, the actual amount to be assessed is based on the annual budget and may be less than the maximum rate. Property owners within the assessment district must approve any proposed assessment that exceeds the adjusted maximum rate based on the CPI.

It is recommended that the assessment be increased to \$303.56 for fiscal year 2010-2011. The computed Maximum Assessment Allowable is \$400.60, however, the budgeted expenditures for fiscal year 2010-2011 do not warrant assessing the full Maximum Assessment Allowable.

Since inception, the annual assessments have been as follows:

Fiscal Year 2003-2004(first year of assessment)	\$345.00
Fiscal Year 2004-2005 (CPI increase)	\$346.96
Fiscal Year 2005-2006 (CPI increase)	\$354.94
Fiscal Year 2006-2007 (CPI increase)	\$365.34
Fiscal Year 2007-2008 (no increase proposed)	\$365.34
Fiscal Year 2008-2009 (CPI increase)	\$387.74
Fiscal Year 2009-2010	\$301.78
Fiscal Year 2010-2011	\$303.57

RECOMMENDATION

Staff recommends approval of two resolutions-one approving the Engineer's Report and one declaring intention to levy annual assessments.

ATTACHMENTS

Engineer's Annual Levy Report
Resolutions (2)

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2010-2011

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Introduction

Nipomo Community Services District ("NCSD") annually levies and collects special assessments to maintain improvements within Street Landscape Maintenance District No. 1 ("District"). The District was formed and annual assessments are established pursuant to the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "1972 Act").

This Engineer's Annual Report ("Report") describes the District and the proposed assessments for the fiscal year 2010-2011. The assessments are based on the historical and estimated future costs to maintain the improvements that provide a direct and special benefit to properties within the District.

For the purposes of this Report, the word "parcel" refers to an individual property assigned its own Assessor Parcel Number by the San Luis Obispo County Assessor's Office. The San Luis Obispo County Auditor/Controller uses Assessor Parcel Numbers and specific Fund Numbers to identify properties assessed for special district benefit assessments on the tax roll.

Effect of Proposition 218

In November 1996, California voters approved Proposition 218 that established specific requirements for the on going imposition of taxes, assessments and fees. The provisions of the Proposition are now contained in the California Constitutional Articles XIIC and XIID.

All assessments described in this Report and approved by the Board of Directors are prepared in accordance with the 1972 Act and are in compliance with the provisions of the California Constitution Article XIID.

The assessments adopted include the District's annual inflationary adjustment to the maximum assessment rate. This annual inflationary adjustment to the maximum assessment rate is provided in this Report.

Description of the District and Services

The District (formed on April 9, 2003) provides and ensures the continued maintenance, servicing, administration and operation of landscaping located within the public rights-of-way and dedicated landscape easements in Tract 2409, a 28 lot subdivision commonly known as Vista Verde Estates, located off of West Tefft across from Dana Elementary School.

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2010-2011

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Improvements within the District include the maintenance and operation and the furnishing of services and materials for landscaping which include trees, shrubs, grasses and other ornamental vegetation, and appurtenant facilities, including irrigation systems.

Method of Apportionment

General

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

The formula used for calculating assessments of the District therefore reflect the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on the benefits to each parcel.

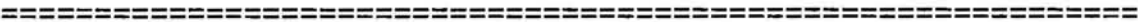
Benefit Analysis

The associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the California Constitution and 1972 Act. The improvements associated with the District have been identified as necessary, required and/or desired for the orderly development of the properties within the District to their full potential, consistent with the proposed development plans. As such, these improvements would be necessary and required of individual property owners for the development of such properties, and the ongoing operation, servicing and maintenance of these improvements would be the financial obligation of those properties. Therefore, the improvements and the annual costs of ensuring the maintenance and operation of the improvements are of direct and special benefit to the properties.

The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives special benefit from the improvements provided by the District. The desirability of properties is enhanced by the presence of local improvements in close proximity to those properties.

The special benefits associated with landscaped improvements are specifically:

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2010-2011



- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, dust and debris control.
- Increased sense of pride in ownership of property within the District resulting in well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings.

Based on the preceding special benefits, it has been determined that the improvements provided through the District and for which parcels are assessed, contribute to aesthetic value and desirability of those properties. It has further been determined that these improvements, either individually or collectively are provided for the special benefit and enhancement of properties within the District and provide no measurable general benefit to properties outside the District or to the public at large.

Assessment Methodology

The maximum annual assessment that may be levied each fiscal year includes an annual inflationary adjustment to the maximum assessment rate based on the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers in San Francisco/San Jose for February 28 of the current year over the previous year's index on the same date. Although the maximum rate for the District may increase each year, the actual amount to be assessed is based on the annual budget and may be less than the maximum rate. The property owners must approve any proposed assessment that exceeds the adjusted maximum rate before it can be imposed.

The maximum assessment that may be levied in a fiscal year is increased annually by the following formula

<p>(Prior Year's Annual Maximum Assessment x CPI) Plus Prior Year's Annual Maximum Assessment</p>	}	= Current Year's Annual Maximum Assessment
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NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2010-2011

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The percentage change used is the annual change for the preceding 12 months. The annual inflation factor applied for the fiscal year 2010-2011 is based on the percentage change from February 2010 to February 2009 and has been identified as 2.42% (annual percentage change currently available).

Fiscal Year 2010-2011 District Budget

DESCRIPTION	2010-2011 BUDGET
Contract Landscape Maintenance (1)	\$3,630
Plant attrition and normal loss	1,000
Water	3,150
Electricity	120
Reserve (2)	0
Administration	600
TOTAL COST	\$8,500
COST PER PARCEL	\$303.57

MAXIMUM ALLOWABLE ASSESSMENT PER PARCEL (APPLYING INFLATIONARY ADJUSTMENT)	
2009-2010 Maximum Assessment	(1) \$391.14
X CPI (2.42%)	(2) \$9.46

Maximum Assessment Allowable	(1) + (2) \$400.60 =====
2010-2011 Annual Assessment-Proposed	\$303.57 =====

(1) Maintenance contract to be re-bid. Cost is anticipated to increase.

(2) A reserve is used for anticipated increases in water rates and the potential for exchanging current landscaping for more drought resistant landscaping in the future and irrigation system repair/replacement. Reserve of approximately \$15,000 is available, therefore, no additional reserve is budgeted.

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2010-2011

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Lot Number	Assessor Parcel Number	Annual Assessment
1	092-512-001	\$303.57
2	092-512-002	\$303.57
3	092-512-003	\$303.57
4	092-512-004	\$303.57
5	092-512-005	\$303.57
6	092-512-006	\$303.57
7	092-512-007	\$303.57
8	092-512-008	\$303.57
9	092-512-009	\$303.57
10	092-512-010	\$303.57
11	092-512-011	\$303.57
12	092-512-012	\$303.57
13	092-512-013	\$303.57
14	092-512-014	\$303.57
15	092-512-015	\$303.57
16	092-512-016	\$303.57
17	092-512-017	\$303.57
18	092-512-018	\$303.57
19	092-512-019	\$303.57
20	092-512-020	\$303.57
21	092-512-021	\$303.57
22	092-512-022	\$303.57
23	092-512-023	\$303.57
24	092-512-024	\$303.57
25	092-512-025	\$303.57
26	092-512-026	\$303.57
27	092-512-027	\$303.57
28	092-512-028	\$303.57
	TOTAL	\$8,499.96



Peter V. Sevcik

 PETER V. SEVCIK
 DISTRICT ENGINEER

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-levy assmts**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT DECLARING ITS INTENTION TO
LEVY ANNUAL ASSESSMENTS FOR THE STREET LANDSCAPE AND
MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2010-2011**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("NCS D") has, by previous Petition and Resolutions, formed the Nipomo Community Services District Street Landscape Maintenance District No. 1 (hereinafter referred to as "Street Landscape Maintenance District No. 1") and initiated proceedings for Fiscal Year 2006/07 pursuant to the provisions of the Landscaping and Lighting Act of 1972, Streets and Highways Code of California, beginning with Section 22500 (hereinafter referred to as "Act") that provides for the levy and collection of assessments by the County of San Luis Obispo for the Nipomo Community Services District to pay for the maintenance and services of all improvements and facilities related thereto; and

WHEREAS, the Street Landscape Maintenance District No. 1 and the associated assessments are in compliance with the provisions of California Constitution Article XIID; and

WHEREAS, the NCS D has appointed Peter Sevcik, District Engineer, for the purpose of assisting with the Annual Levy of the District and to prepare and file a Report in accordance with the Act, and that said Report has been prepared, filed, and presented to the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT, FOR THE STREET LANDSCAPE AND MAINTENANCE DISTRICT NO. 1 PURSUANT TO CHAPTER 3, SECTION 22624 OF THE ACT AS FOLLOWS:

SECTION 1 Intention: The NCS D hereby declares that it intends to seek the Annual Levy of the District pursuant to the Act, over and including the land within the Street Landscape Maintenance District No. 1 boundary, and to levy and collect assessments on all such land to pay the costs of the following: the operation, maintenance, and servicing of landscaping and all appurtenant facilities and operations related thereto.

SECTION 2 Description of Improvements and Any Substantial Changes Proposed: The improvements within the Street Landscape Maintenance District No. 1 include: the maintenance and operation of and the furnishing of services and materials for landscaping which includes trees, shrubs, grass, and other ornamental vegetation, and appurtenant facilities, including irrigation systems within the Street Landscape Maintenance District No. 1. The Engineer's Annual Levy Report describes all new improvements or substantial changes in existing improvements.

SECTION 3 Boundaries and Designation: The boundaries of the Street Landscape Maintenance District No. 1 are described as the boundaries previously defined in the formation documents of the original Street Landscape Maintenance District No. 1.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT
DECLARING ITS INTENTION TO LEVY ANNUAL ASSESSMENTS FOR THE STREET LANDSCAPE AND
MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2010-2011

SECTION 4 Increase in Assessments: The assessment is proposed to be \$1.79 more than the previous year.

SECTION 5 Engineers Report: The Report is on file with the Secretary of NCSB Board of Directors and contains a full and detailed description of the improvements, the boundaries of Street Landscape Maintenance District No. 1, and the proposed assessments upon assessable lots and parcels of land within Street Landscape Maintenance District No. 1.

SECTION 6 Notice: Pursuant to Section 22626 of the 1972 Act and 6061 of the Government Code, the NCSB shall give notice of the time and place of the Public Hearing to all property owners within Street Landscape Maintenance District No. 1 by causing the publishing of this Resolution once in the Times Press Recorder not less than ten (10) days before the date of the public hearing and by posting a copy of this Resolution on the official bulletin board customarily used by the NCSB for the posting of notices.

SECTION 7 Time of Public Hearing: Notice is hereby given that a public hearing will be held by the Board of Directors of the Nipomo Community Services District on June 9, 2010, at 9:00 a.m. in the Regular Meeting Room located within the District Offices located at 148 South Wilson Street, Nipomo, California 93444.

SECTION 8 Incorporation of Recitals: The above Recitals are true and correct and incorporated herein by reference.

SECTION 9 Other Actions: The Board of Directors and such employees of the NCSB as are appropriate are authorized and directed to execute such other documents and take such further action as shall be consistent with the intent and purpose of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services District this 12th day of May 2010.

AYES:
NOES:
ABSTAIN:
ABSENT:

James Harrison, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson, Secretary to the
Board of Directors
Nipomo Community Services District

Jon S. Seitz, District Legal Counsel
Nipomo Community Services District

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-eng levy**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
GRANTING APPROVAL OF THE ANNUAL ENGINEER'S LEVY REPORT FOR THE STREET
LANDSCAPE AND MAINTENANCE DISTRICT NO. 1
FOR FISCAL YEAR 2010-2011**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("NCSD") has, by Resolution, ordered the preparation of an Engineer's Annual Levy Report by Peter Sevcik, District Engineer (hereinafter referred to as "Report") for the Nipomo Community Services District Street Landscape Maintenance District No. 1 (hereinafter referred to as "Street Landscape Maintenance District No. 1") pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division of the Streets and Highways Code of California, beginning with Section 22500 (hereinafter referred to as the "Act"); and

WHEREAS, the District and the associated assessments are in compliance with the provisions of California Constitution Article XIID; and

WHEREAS, the NCSD has now been presented with the Report as required by Section 22566 of said Act; and

WHEREAS, the NCSD has carefully examined and reviewed the Report as presented and is satisfied with the budget items and documents as set forth therein and is satisfied that the proposed assessments have been spread in accordance with the Petition for Street Landscape Maintenance District No. 1 and with benefits received from the improvements, operation, maintenance, and services to be performed within Street Landscape Maintenance District No. 1 as set forth in said Report.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT, NIPOMO, CALIFORNIA FOR THE LANDSCAPE MAINTENANCE DISTRICT NO. 1 AS FOLLOWS:

SECTION 1: That the above recitals are all true and correct and incorporated herein by reference.

SECTION 2: That the presented Report consists of the following:

- a. A Description of the Improvements
- b. The Annual Budget (Costs and Expenses of Services, Operation, and Maintenance)
- c. The Method of Apportionment that details the method of calculating each parcel's proportional special benefits and annual assessment.
- d. The District Roll containing the proposed assessment for each parcel within the District for fiscal year 2010-2011.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-eng levy

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
GRANTING APPROVAL OF THE ANNUAL ENGINEER'S
LEVY REPORT FOR THE STREET LANDSCAPE AND
MAINTENANCE DISTRICT NO. 1
FOR FISCAL YEAR 2010-2011

PAGE TWO

SECTION 3: The Report is hereby approved and ordered to be filed in the Nipomo Community Services District Offices as a permanent record and to remain open to public inspection.

SECTION 4: That the NCS D General Manager shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's Annual Levy Report.

PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services this 12th day of May, 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

JAMES HARRISON, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

DONNA K. JOHNSON, Secretary
to the Board of Directors
Nipomo Community Services District

JON S. SEITZ, District Legal Counsel
Nipomo Community Services District

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TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: MAY 7, 2010



**APPROVE CONTRACT APPOINTING GENERAL MANAGER
APPOINTING GENERAL MANAGER EFFECTIVE JUNE 1, 2010**

ITEM

Request the Board of Directors consider General Manager Appointment.

BACKGROUND

On November 18, 2009, your Board hired Bob Murray and Associates to assist the District in recruiting a new General Manager. The Board met with the consultant to discuss the hiring process. The consultant developed a recruitment brochure based on these discussions, and advertised for the position.

The Consultant received sixty some applications for the position. After reviewing qualifications of the applicants, the Consultant conducted preliminary investigations and background checks on the applicants. The Consultant met with the Personnel Committee as well as the Interim General Manager. After reviewing the proposed candidates and their qualifications, the Board selected candidates for a final review/interview by the Board.

On April 9 and 10, 2010, the Board interviewed candidates. After the interviews, the Board discussed the candidates and provided direction to District Counsel, its negotiator, to negotiate a contract with the selected candidate.

District Counsel prepared a draft contract pursuant to the Board's direction. On May 3, 2010, your Board reviewed the candidate's comments and suggestions to the proposed Contract and authorized District Counsel to continue negotiations.

The negotiations have been completed and the selected candidate has agreed to the attached Contract.

RECOMMENDATION

Approve Contract appointing Don Spagnolo as District General Manager commencing June 1, 2010.

ATTACHMENT

General Manager Proposed Contract

FINAL

**NIPOMO COMMUNITY SERVICES DISTRICT
GENERAL MANAGER
EMPLOYMENT CONTRACT**

Attachments:

Exhibit "A" - General Manager Job Description

Exhibit "B" - District Resolution 2005-959

THIS CONTRACT, is made and entered into by and between the Nipomo Community Services District (herein referred to as "District"), and Don Spagnolo (herein referred to as "General Manager" or "Spagnolo"), with reference to the following recitals:

RECITALS

A. District is a Community Services District organized and operating pursuant to 61000 et seq., of the California Government Code.

B. District desires to enter into an employment relationship with Don Spagnolo as General Manager of the District;

C. Don Spagnolo desires to enter into an employment relationship as General Manager of the District.

D. It is the purpose of this Contract to define the employment relationship of Don Spagnolo and the District during the terms of this Contract. All references to General Manager in this Contract refer to Don Spagnolo.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

SECTION 1. DUTIES.

A. District hereby agrees to employ Don Spagnolo as District General Manager.

B. The duties of the General Manager are generally described in Government Code Section 61051 as follows:

The General Manager shall be responsible for all of the following:

(a) The implementation of the policies established by the board of directors for the operation of the district.

- (b) The appointment, supervision, discipline, and dismissal of the district's employees, consistent with the employee relations system established by the board of directors.
- (c) The supervision of the district's facilities and services.
- (d) The supervision of the district's finances.

C. Don Spagnolo agrees to perform the functions and duties specified in Government Code Section 61051 and the duties described in the District's General Manager job description attached hereto as Exhibit "A" and incorporated herein by this reference, and to perform other legally permissible and proper duties and functions as the District Board of Directors shall from time to time assign without additional compensation.

D. Both parties acknowledge that specific duties of the position may vary from time to time.

SECTION 2. TERM.

Subject to paragraph C below, Section 11, paragraph C, and the approval by the Board of Directors, this Contract shall take effect on June 01, 2010, ("Effective Date"), and shall remain in effect until terminated as provided in the following provisions:

A Nothing in this Contract shall prevent, limit or otherwise interfere with the right of District to terminate the services of General Manager at any time, subject only to the provisions set forth in Section 3, paragraphs A, B and C of this Contract.

B Nothing in this Contract shall prevent, limit or otherwise interfere with the right of General Manager to resign at any time from his position with District, subject only to the provisions set forth in Section 3, paragraph D, of this Contract.

C Prior to the Effective Date, and as a condition of employment, General Manager shall:

1. Successfully complete and pass a physician's examination and a urine test as referenced in District Personnel Policy Section 5060; and
2. Provide confirmation of PERS eligibility.

SECTION 3. TERMINATION AND SEVERANCE PAY.

A General Manager understands and expressly agrees that he has no constitutionally protected property right or interest in his employment as General Manager.

B The General Manager shall serve at the will and pleasure of the District Board of Directors, and may be terminated without cause.

(1) In the event the General Manager is terminated without cause on or before the three hundred sixty-fifth (365th) day from the Effective Date, the General Manager shall receive a lump sum cash payment ("Severance Pay") equal to one (1) month base salary. In addition to Severance Pay, District shall pay General Manager for his accrued but unused vacation time, but not sick leave. The District shall deduct all normal withholdings required by law with respect to any amounts paid under this paragraph.

(2) In the event the General Manager is terminated without cause from and after the three hundred sixty-fifth (365th) day from the Effective Date, the General Manager shall receive a lump sum cash payment ("Severance Pay") equal to five (5) months base salary. In addition to Severance Pay, District shall pay General Manager for his accrued but unused vacation time, but not sick leave. The District shall deduct all normal withholdings required by law with respect to any amounts paid under this paragraph.

C In the event General Manager is terminated for good cause, the General Manager shall be entitled only to salary earned, but not paid as of the date of termination; and payment for any accrued vacation, but not sick leave, plus benefits that are lawfully required to be continued. General Manager shall not be entitled to any other compensation, including, without limitation, any severance compensation. For purpose of this Contract, "good cause" shall include, but not necessarily be limited to, any of the following:

- (1) Any material breach by the General Manager of any term or provision of this Contract;
- (2) General Manager's failure to perform his duties in a professional and responsible manner consistent with generally accepted standards of the profession;
- (3) General Manager's misfeasance;
- (4) General Manager's malfeasance;
- (5) Conduct unbecoming the position of District General Manager or likely to bring discredit or embarrassment to District;
- (6) Insobriety while representing the District;
- (7) Conviction of a misdemeanor involving moral turpitude;
- (8) Conviction of a felony;
- (9) Engaging in illegal business practices in connection with the District's business;
- (10) Misappropriation of the District's assets;
- (11) Excessive unexcused absences of the General Manager from his/her employment during usual working hours; or

(12) Failure to perform or habitual neglecting the duties which he/she is required to perform under this Contract.

D. In the event General Manager voluntarily resigns his/her position with District, General Manager shall give District forty-five (45) calendar days written notice in advance, unless the parties otherwise agree in writing. In the event General Manager voluntarily resigns his/her position with District, the General Manager shall be entitled only to all salary earned, but not paid as of the date of resignation, and payment for any accrued vacation.

E. If this Contract is terminated by District for cause pursuant to paragraph C above and it is later determined that the termination was wrongful, such termination automatically shall be converted and treated as a Termination Without Cause under Section 2B above, and the General Manager shall be entitled to receive only the amounts payable as referenced in Section 2B above.

SECTION 4. SALARY.

A. District agrees to pay General Manager for his services rendered pursuant hereto an annual salary of one hundred thirty thousand dollars (\$130,000) payable in equal installments at the same time as other employees of District are paid. The annual salary shall be subject to normal withholdings with respect to amounts paid.

B. Commencing one hundred eighty-first day (181st) from the Effective Date, and upon a successful evaluation, the annual salary shall be adjusted to one hundred thirty-seven thousand, five hundred dollars (\$137,500).

C. District will consider adjustments in compensation based upon performance.

D. The District Board of Directors may increase the compensation provisions of this Contract without amending this Contract.

SECTION 5. PERFORMANCE REVIEW.

A. During the first twelve (12) months of employment, the General Manager and District shall participate in a minimum of two (2) performance reviews (evaluations) as follows:

1. On or before the fifth (5th) month from the Effective Date; and
2. On or before the tenth (10th) month from the Effective Date.

B. From and after the evaluation referenced in paragraph A(2) above, the General Manager shall receive an annual performance review no later than the end of March of each succeeding year.

C. The Board of Directors reserves the right, in its discretion, to review General Manager's performance at any time.

SECTION 6. OUTSIDE PROFESSIONAL ACTIVITIES.

General Manager, with prior written approval of the District Board of Directors, may undertake outside professional activities for compensation, including teaching, speaking, and writing, provided such activities do not interfere with General Manager's normal duties and are not performed for any existing vendors or contractors of District. Under no circumstances shall such outside activities create a conflict of interest with the duties of General Manager and the interests of District.

SECTION 7. PROFESSIONAL DEVELOPMENT.

A. As part of its normal budget process and reserving the right to establish appropriate priorities and funding amounts, District shall consider requests for funds for certain items, activities and materials deemed necessary and desirable for the General Manager's continued professional development, participation, growth and advancement. Those items, activities and materials may include:

1. Professional dues and subscriptions necessary for full participation in appropriate and relevant associations and organizations;
2. Travel and subsistence expenses for professional meetings and similar functions (e.g., short courses, conferences, seminars) to foster professional development;
3. Other items, activities and materials, as shall be agreed upon from time to time between General Manager and District.

B. Expenditures for items in this Section shall be within the District's budgeted amounts for the appropriate category unless otherwise pre-approved by District. General Manager shall keep District informed on at least a monthly basis of all expenditures incurred in connection with professional development. All books, subscriptions and other items obtained pursuant to paragraph A above shall be in the name of the District and at all times shall remain the exclusive property of the District.

C. General Manager shall receive prior Board approval for travel and subsistence expenses to courses, conferences, and seminars conducted outside the States of California.

SECTION 8. BENEFITS.

A. Subject to District Resolution 2005-959 (attached hereto as Exhibit "B" and incorporated herein by this reference) District agrees to provide health,

dental and vision insurance for the General Manager at the same rate as other District employees.

B. District agrees to pay employer and General Manager's portion of PERS contributions.

C. General Manager may elect to participate in District's 457 Deferred Compensation Plan.

D. The District shall provide General Manger with a cell phone to conduct District related business.

SECTION 9. LEAVES.

A. Vacations:

1. Paid vacations shall accrue at the rate of one and one-fourth (1 and 1/4th) working days per month of paid employment (15 days/year).

2. The General Manager shall not take accrued vacation days until after the fifth (5th) month of employment.

3. The General Manager shall not *carry over* more than one hundred twenty (120) hours of vacation leave per calendar year. Once the maximum vacation accrual is reached, (120 days) vacation time will no longer be accumulated. Once the vacation accrual is below the maximum, vacation accrual will again start to accumulate.

4. General Manager shall not schedule more than two (2) weeks of vacation (fourteen (14) successive calendar days) during any thirty (30) day period without prior approval of the Board of Directors.

5. The General Manager's vacation shall not be scheduled when it would leave the District without appropriate management.

B. Sick Leave: Commencing on the Effective Date of employment, General Manager shall accrue, and have credited to his personal account, sick leave at the rate of one (1) working day per month cumulative to a maximum accrual of one hundred eighty (180) working days.

C. Holidays: Subject to job constraints, the General Manager may take the following days as holidays: New Year's Day, Martin Luther King, Jr. Birthday, President's Day (third Monday in February), Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday in November immediately following the day designated as Thanksgiving Day, the four (4) regularly scheduled District hours immediately preceding the day designated as Christmas Day, Christmas Day, the four (4) regularly scheduled

District hours immediately preceding the day designated as New Year's Day. The General Manager is not entitled to the floating holiday.

D. Bereavement Leave: The General Manager may use accumulated vacation time and administrative leave for Bereavement Leave.

E. Administrative Leave: The General Manager shall be entitled to take five (5) working days of administrative leave to attend the American Public Works Association Convention in Boston, August 12 through 18, 2010. Commencing January 1, 2011, the General Manager shall be entitled to five (5) administrative leave days with pay, per year. Administrative leave cannot be accumulated or carried over. Administrative leave shall not be scheduled when it would leave the District without appropriate management.

F. Unpaid Leave: The General Manager, in coordination with the District's President, may take one (1) week (five (5) working days) of non-paid leave during the month of July 2010.

SECTION 10. AUTOMOBILE.

A. For District related uses the District shall make available an automobile/vehicle for the General Manager..

B. When the District's automobile/vehicle is not available the General Manager shall be reimbursement for the use of General Manager's personal vehicle at the prevailing IRS per diem mileage rate for expenses incurred in performing services for the benefit of the District excluding travel to and from work.

C. General Manager shall invoice District on a monthly basis for expenses referenced in paragraph B above, which shall be considered for approval as part of the monthly Warrant Register prior to payment.

SECTION 11. AUTOMOBILE INSURANCE.

A. General Manager shall procure and maintain motor vehicle liability insurance coverage, on an "occurrence basis", with companies authorized to do business in the State of California, with coverage of no less than five-hundred thousand dollars (\$500,000) per accident.

B. The automobile insurance policy shall be endorsed to include the District, its officers, directors, employees and agents as Additional Insureds.

C. Prior to commencing work under this Contract, General Manager shall provide District with a Certificates of Insurance evidencing compliance with the foregoing requirements, accompanied by copies of the required

endorsements. Certificates of Insurance shall specify that the insurer shall give District thirty (30) days advance written notice by the insurer prior to cancellation of the policy except ten (10) days for nonpayment of premium.

D. The automobile insurance coverage required hereunder shall be kept in full force and effect for the term of this Contract. Certificates of Insurance evidencing renewal of the required coverage shall be provided within ten (10) days of the expiration of any policy at any time during the period such policy is required to be maintained by General Manager hereunder. Any failure to comply with this requirement shall constitute a material breach of this Contract.

SECTION 12. OTHER CONDITIONS OF EMPLOYMENT.

The District may set other terms and conditions of employment as it may determine from time to time, relating to performance of General Manager, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Contract, or any Federal, State or local law.

SECTION 13. JURY DUTY.

The District General Manager will receive full pay and benefits while serving on a trial jury. Any compensation for such Jury Duty (except travel pay) shall be returned to the District.

SECTION 14. NOTICES.

Notices pursuant to this Contract shall be in writing given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

1. Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444-0326
Attn: President of the Board of Directors

2. Don Spagnolo
928 Menusa Court
Santa Maria, CA 93458

Alternatively, notices required pursuant to this Contract may be personally served in the same manner as is applicable to civil judicial process. Notice shall be deemed given as of the date of personal service or as of the third day following the date of deposit of such written notice in the course of transmission in the United States Postal Service, with postage fully prepaid.

SECTION 15. GENERAL PROVISIONS.

A. General Manager shall comply with all local and state requirements regarding conflicts of interest and shall avoid personal involvement in a situations which are inconsistent or incompatible with a position of General Manager or give rise to the appearance of impropriety.

B. District shall provide the defense of General Manager in any action or proceeding alleging an act or omission within the scope of employment of the General Manager in conformance with State law (Government Code Section 995 et seq.). District is not required to indemnify District General Manager for any illegal acts committed by District General Manager.

C. The terms of this Contract are intended by the parties as a final expression of their Contract and may not be contradicted by evidence of any prior Contract or contemporaneous oral Contract. The parties further intend that this Contract constitutes the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial or arbitration proceeding, if any, involving this Contract. Any amendments to this Contract must be in writing and executed by both parties.

D. In the event of General Manager's death, General Manager's heirs, legatees, devisees, executors or legal representatives shall be entitled to (a) all salary earned, but not paid; and (b) payment for any accrued vacation. General Manager and his heirs, legatees, devisees, executors or legal representatives shall not be entitled to any other compensation, including, without limitation, any severance compensation.

E. If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be effected, impaired or invalidated thereby.

F. This Contract shall be governed by the laws of the State of California. The parties agree that in the event any legal action is taken to enforce/interpret any provisions of this Contract, said action shall be filed in the court of proper jurisdiction within the County of San Luis Obispo.

G. The parties acknowledge that they understand the significance and consequences of this Contract. The parties also acknowledge that they have been given full opportunity to review and negotiate this Contract and execute it only after full reflection and analysis, and that they have had an opportunity to review this document and its application and meaning with their respective attorneys and advisors. This Contract shall not be interpreted against the party who prepared the initial draft, because all parties participated in the drafting of

this Contract by having ample opportunity to review and submit suggested changes or corrections for incorporation into the final version of this Contract.

H. This Contract shall be binding upon and shall inure to the benefit of the prospective heirs, executors, administrators, successors and assigns of the parties, provided however that the District General Manager may not assign obligations hereunder.

I. General Manager shall not assign this Contract in whole or in part.

J. The above Recitals are true and correct and incorporated herein by reference.

K. This Contract may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument, and shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the below identified dates.

GENERAL MANAGER:

DISTRICT:



DON SPAGNOLO

JAMES HARRISON, President

DATE: May 5, 2010

DATE: _____, 2010

Witness:

Approved as to form:

DONNA K. JOHNSON,
Secretary to the Board

JON S. SEITZ,
District Legal Counsel

Exhibit "A"

**GENERAL MANAGER
CHAPTER SEVEN - JOB DESCRIPTIONS**

**NUMBER: 7000
EFFECTIVE: 05/23/07**

CHAPTER SEVEN - JOB DESCRIPTIONS

7000 - GENERAL MANAGER

1. DEFINITION

Under policy direction of the Board of Directors, plans, organizes, coordinates and supervises all District functions and activities related to the production and distribution of potable water and the collection, treatment and disposal of wastewater and other functions of the District; provides policy guidance and program evaluation to staff and elected officials; encourages and facilitates improvement in the provision of services to customers by District staff; fosters cooperative working relationships with intergovernmental and regulatory agencies, various public and private organization and District staff; acts as Secretary to the Board of Directors; performs related work as assigned. This position has full-time management status, and is FLSA exempt.

2. CLASS CHARACTERISTICS

The employee in this class is the Chief Executive Officer of the District, serving at the pleasure of and accountable to the Board of Directors for all staff, functions and activities within policy guidance and applicable state and federal laws and regulations.

3. EXAMPLES OF DUTIES (Illustrative Only)

- A. Plans, organizes, coordinates and administers, either directly or through subordinate supervisors, the work of the District in accordance with the adopted goals and objectives of the Board of Directors and applicable laws and regulations.
- B. Directs and coordinates the development and implementation of goals, objectives, policies, procedures and programs for the District; administrative policies, procedures and work standards to assure that goals and objectives are met and that programs provide mandated services in an effective and efficient manner.
- C. Prepares and administers the annual budget for the District; reviews all District expenditures; provides financial management for the District.
- D. Acts as staff for the Board of Directors; advises the Board on issues and programs; prepares and recommends long-range plans for District funding and service provisions and directs the development of specific proposals for action regarding current and future District needs.
- E. Assures that appropriate notice of Board meetings is posted and that other legal notification requirements are met.
- F. Represents the Board and the District in contacts with governmental agencies, community groups and various business, professional and legislative organizations and District customers; acts as a District liaison with the media.
- G. Directs and reviews special studies; provides for contract services as required and administers various service, construction and equipment contracts; signs

and accepts development plans and specifications for conformance with District standards on behalf of the District.

- H. Provides for the selection of District staff; administers discipline as required; provides guidance and direction to staff regarding policies and procedures.
- I. Prepares a variety of correspondence, policies, procedures, reports, minutes and other written materials.
- J. Maintains and directs the maintenance of working and official District files.
- K. Assures that the Board is kept informed of District program and financial status and of legal, social and economic issues affecting District activities.
- L. In concert with the District Counsel, monitors changes in the law and operational process changes that may affect District operations; implements operational and procedural modification as required.

4. EMPLOYMENT STANDARDS

Knowledge of:

- A. Administrative principles and practices, including goal setting, program development, implementation and evaluation, and the supervision of employees.
- B. Principles, practices and procedures of public administration in a special district setting.
- C. Functions, authority, responsibilities and limitations of an elected Board of Directors.
- D. Principles and practices of potable water production, treatment and distribution.
- E. Principles and practices of wastewater treatment and disposal.
- F. Applicable legal guidelines and standards effecting District operations.
- G. Techniques for dealing with a variety of individuals from various socio-economic, ethnic and cultural backgrounds, in person and over the telephone, occasionally when relations may be confrontational or strained.

Skill in:

- A. Planning, organizing, administering, coordinating, reviewing and evaluating a variety of District programs and activities.
- B. Working cooperatively with and accomplishing implementation of the policies of an elected Board of Directors.
- C. Developing and implementing goals, objectives, policies, procedures, work standards and internal controls.
- D. Developing and administering an annual budget.
- E. Interpreting, applying and explaining complex laws, codes and regulations.
- F. Preparing clear and concise reports, correspondence and other written materials.
- G. Reading and interpreting plans, specifications and engineering documents.
- H. Using initiative and independent judgment within general policy guidelines.

**GENERAL MANAGER
CHAPTER SEVEN - JOB DESCRIPTIONS**

**NUMBER: 7000
EFFECTIVE: 05/23/07**

- I. Making public presentations and conducting public hearings.
- J. Using tact, discretion and prudence in dealing with those contacted in the course of the work.

Physical Characteristics:

- A. Vision to read printed materials and a computer screen.
- B. Hearing and speech to interact in person and on the telephone.
- C. Mobility to work in a standard office environment, use standard office equipment, inspect District facilities in the field and to drive a motor vehicle.

Working Conditions:

- A. Attend meetings outside of normal working hours.

Licensing and Certification:

- A. Must possess a valid California Class C driver's license and have a satisfactory driving record.
- B. Must be bondable by District's fidelity bond insurer.

Education and Experience:

Equivalent to graduation from a four-year college or university with a bachelor's degree or higher in engineering or a related field and five (5) years' experience in an increasingly responsible public agency management position. Familiarity with water and/or wastewater processes are desirable.


 5/5/10

Exhibit "B"

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION 2005-959

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ELECTING TO ESTABLISH A HEALTH BENEFIT VESTING REQUIREMENT FOR FUTURE
RETIREES UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

WHEREAS, Government Code 22893 provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act may amend its resolution to provide a post retirement vesting requirement to employees who retire for service, and

WHEREAS, Nipomo Community Services District certifies employees are not represented by a bargaining unit and there is no applicable memorandum of understanding, and

WHEREAS, the credited service for purposes of determining the percentage of employer contributions shall mean service as defined in Section 20069, except that not less than five years of that service shall be performed entirely with the Nipomo Community Services District; and

WHEREAS, the contribution for active employees cannot be less than what is defined in Section 22892(b);

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of the Nipomo Community Services District, San Luis Obispo County, California, as follows:

1. That the employer's contribution for each retired employee first hired on or after the effective date of this resolution shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum of 100 percent of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone plus 90 percent of the weighted average of the additional premiums required for enrollment of family members in the four health benefits plans that have the largest number of enrollments during the fiscal year to which the formula applied plus Administrative fees and Contingency Reserve Fund, and be it further
2. That the percentage of employer contribution payable for post retirement health benefits for each retired employee shall be based on the employee's completed years of credited service based upon Government Code Section 22893; plus administrative fees and Contingency Reserve Fund assessments.

Upon motion of Director Winn, seconded by Director Trotter, and on the following roll call vote, to wit:

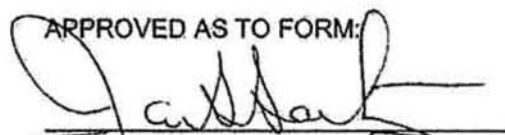
AYES: Directors Winn, Trotter, Wirsing, Eby and Vierheilig
NOES: None
ABSENT: None
ABSTAIN: None

the foregoing Resolution is hereby adopted this 14th day of December 2005.


Lawrence Vierheilig, President
Nipomo Community Services District

ATTEST:


Donna K. Johnson
Secretary to the Board

APPROVED AS TO FORM:

Jon S. Seitz
District Legal Counsel

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 5/5/10

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: MAY 7, 2010



APPROVE SALARY ADJUSTMENT FOR ASSISTANT GENERAL MANAGER

ITEM

Approve Salary Adjustment for Assistant General Manager

BACKGROUND

On November 13, 2009, your Board approved an adjustment to Assistant General Manager's salary in recognition of added workload and responsibilities in the absence of a full-time permanent General Manager. Two weeks after the incoming full-time General Manager takes office, the Assistant General Manager's salary is to be reviewed and adjusted.

The Assistant General Manager had been working 3/4th time prior to the November 2009 adjustment and has been working full-time since then. The Assistant General Manager will continue to work full-time for the foreseeable future.

The Assistant General Manager is the senior staff person and Acting General Manager when the General Manager is absent. The Assistant General Manager has served the District for more than 15 years, through the tenure of five General Managers. The Assistant General Manager is the District's Finance Director and Human Resources coordinator.

RECOMMENDATION

Staff recommends adjusting Assistant General Manager salary to Salary Range 54 at the 15-year longevity scale, effective June 1, 2010.

ATTACHMENT

District Salary Range Table

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NIPOMO COMMUNITY SERVICES DISTRICT
MONTHLY SALARY RANGE

NO	Monthly Salary Range					Longevity Pay	
	Step 1	Step 2	Step 3	Step 4	Step 5	15 Yrs - 2.5%	20 Yrs - 2.5%
1	\$1,791	\$1,881	\$1,975	\$2,073	\$2,177	\$2,232	\$2,286
2	\$1,836	\$1,928	\$2,024	\$2,125	\$2,232	\$2,287	\$2,343
3	\$1,880	\$1,975	\$2,073	\$2,177	\$2,286	\$2,343	\$2,400
4	\$1,927	\$2,024	\$2,125	\$2,232	\$2,343	\$2,402	\$2,460
5	\$1,974	\$2,073	\$2,177	\$2,286	\$2,400	\$2,460	\$2,520
6	\$2,024	\$2,125	\$2,232	\$2,343	\$2,460	\$2,522	\$2,583
7	\$2,074	\$2,177	\$2,286	\$2,400	\$2,520	\$2,583	\$2,646
8	\$2,125	\$2,232	\$2,343	\$2,460	\$2,583	\$2,648	\$2,712
9	\$2,177	\$2,286	\$2,400	\$2,520	\$2,646	\$2,712	\$2,779
10	\$2,232	\$2,343	\$2,460	\$2,583	\$2,712	\$2,780	\$2,848
11	\$2,286	\$2,400	\$2,520	\$2,646	\$2,779	\$2,848	\$2,917
12	\$2,343	\$2,460	\$2,583	\$2,712	\$2,848	\$2,919	\$2,990
13	\$2,400	\$2,520	\$2,646	\$2,779	\$2,917	\$2,990	\$3,063
14	\$2,460	\$2,583	\$2,712	\$2,848	\$2,990	\$3,065	\$3,140
15	\$2,520	\$2,646	\$2,779	\$2,917	\$3,063	\$3,140	\$3,217
16	\$2,583	\$2,712	\$2,848	\$2,990	\$3,140	\$3,218	\$3,297
17	\$2,646	\$2,779	\$2,917	\$3,063	\$3,217	\$3,297	\$3,377
18	\$2,712	\$2,848	\$2,990	\$3,140	\$3,297	\$3,379	\$3,462
19	\$2,779	\$2,917	\$3,063	\$3,217	\$3,377	\$3,462	\$3,546
20	\$2,848	\$2,990	\$3,140	\$3,297	\$3,462	\$3,548	\$3,635
21	\$2,917	\$3,063	\$3,217	\$3,377	\$3,546	\$3,635	\$3,724
22	\$2,990	\$3,140	\$3,297	\$3,462	\$3,635	\$3,726	\$3,817
23	\$3,063	\$3,217	\$3,377	\$3,546	\$3,724	\$3,817	\$3,910
24	\$3,140	\$3,297	\$3,462	\$3,635	\$3,817	\$3,912	\$4,007
25	\$3,217	\$3,377	\$3,546	\$3,724	\$3,910	\$4,007	\$4,105
26	\$3,297	\$3,462	\$3,635	\$3,817	\$4,007	\$4,108	\$4,208
27	\$3,377	\$3,546	\$3,724	\$3,910	\$4,105	\$4,208	\$4,310
28	\$3,462	\$3,635	\$3,817	\$4,007	\$4,208	\$4,313	\$4,418
29	\$3,546	\$3,724	\$3,910	\$4,105	\$4,310	\$4,418	\$4,526
30	\$3,635	\$3,817	\$4,007	\$4,208	\$4,418	\$4,529	\$4,639
31	\$3,724	\$3,910	\$4,105	\$4,310	\$4,526	\$4,639	\$4,752
32	\$3,817	\$4,007	\$4,208	\$4,418	\$4,639	\$4,755	\$4,871

NO	Monthly Salary Range					Longevity Pay	
	Step 1	Step 2	Step 3	Step 4	Step 5	15 Yrs - 2.5%	20 Yrs - 2.5%
33	\$3,910	\$4,105	\$4,310	\$4,526	\$4,752	\$4,871	\$4,990
34	\$4,007	\$4,208	\$4,418	\$4,639	\$4,871	\$4,993	\$5,115
35	\$4,105	\$4,310	\$4,526	\$4,752	\$4,990	\$5,115	\$5,239
36	\$4,208	\$4,418	\$4,639	\$4,871	\$5,115	\$5,243	\$5,370
37	\$4,310	\$4,526	\$4,752	\$4,990	\$5,239	\$5,370	\$5,501
38	\$4,418	\$4,639	\$4,871	\$5,115	\$5,370	\$5,505	\$5,639
39	\$4,526	\$4,752	\$4,990	\$5,239	\$5,501	\$5,639	\$5,776
40	\$4,639	\$4,871	\$5,115	\$5,370	\$5,639	\$5,780	\$5,921
41	\$4,752	\$4,990	\$5,239	\$5,501	\$5,776	\$5,921	\$6,065
42	\$4,871	\$5,115	\$5,370	\$5,639	\$5,921	\$6,069	\$6,217
43	\$4,990	\$5,239	\$5,501	\$5,776	\$6,065	\$6,217	\$6,369
44	\$5,115	\$5,370	\$5,639	\$5,921	\$6,217	\$6,372	\$6,528
45	\$5,239	\$5,501	\$5,776	\$6,065	\$6,369	\$6,528	\$6,687
46	\$5,370	\$5,639	\$5,921	\$6,217	\$6,528	\$6,691	\$6,854
47	\$5,501	\$5,776	\$6,065	\$6,369	\$6,687	\$6,854	\$7,021
48	\$5,639	\$5,921	\$6,217	\$6,528	\$6,854	\$7,025	\$7,197
49	\$5,776	\$6,065	\$6,369	\$6,687	\$7,021	\$7,197	\$7,372
50	\$5,921	\$6,217	\$6,528	\$6,854	\$7,197	\$7,377	\$7,557
51	\$6,065	\$6,369	\$6,687	\$7,021	\$7,372	\$7,557	\$7,741
52	\$6,217	\$6,528	\$6,854	\$7,197	\$7,557	\$7,746	\$7,934
53	\$6,369	\$6,687	\$7,021	\$7,372	\$7,741	\$7,934	\$8,128
54	\$6,528	\$6,854	\$7,197	\$7,557	\$7,934	\$8,133	\$8,331
55	\$6,687	\$7,021	\$7,372	\$7,741	\$8,128	\$8,331	\$8,534
56	\$6,854	\$7,197	\$7,557	\$7,934	\$8,331	\$8,539	\$8,748
57	\$7,021	\$7,372	\$7,741	\$8,128	\$8,534	\$8,748	\$8,961
58	\$7,197	\$7,557	\$7,934	\$8,331	\$8,748	\$8,966	\$9,185
59	\$7,372	\$7,741	\$8,128	\$8,534	\$8,961	\$9,185	\$9,409
60	\$7,557	\$7,934	\$8,331	\$8,748	\$9,185	\$9,415	\$9,644
61	\$7,741	\$8,128	\$8,534	\$8,961	\$9,409	\$9,644	\$9,880
62	\$7,934	\$8,331	\$8,748	\$9,185	\$9,644	\$9,886	\$10,127
63	\$8,128	\$8,534	\$8,961	\$9,409	\$9,880	\$10,127	\$10,374
64	\$8,331	\$8,748	\$9,185	\$9,644	\$10,127	\$10,380	\$10,633
65	\$8,534	\$8,961	\$9,409	\$9,880	\$10,374	\$10,633	\$10,892
66	\$8,748	\$9,185	\$9,644	\$10,127	\$10,633	\$10,899	\$11,165
67	\$8,961	\$9,409	\$9,880	\$10,374	\$10,892	\$11,165	\$11,437
68	\$9,185	\$9,644	\$10,127	\$10,633	\$11,165	\$11,444	\$11,723

ADJUSTED BY 3.610% COLA EFFECTIVE 7/1/09

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: MAY 7, 2010



ADOPT RESOLUTION APPROVING DISTRICT STRATEGIC PLAN 2010 UPDATE

ITEM

Adopt 2010 Strategic Plan Update [ADOPT RESOLUTION]

BACKGROUND

In July 2009, your Board adopted the 2010 – 2014 Strategic Plan. In January 2010, your Board approved a contract with BHI Consulting to conduct staff and Board workshops and draft the 2010 Strategic Plan update. On February 26, BHI conducted a workshop with District management staff. On April 14, BHI conducted a workshop with your Board to discuss the draft Update.

Your Board directed staff to revise the Draft Update and return it for Board approval on a future Consent Agenda.

FISCAL IMPACT

Development of this Plan used previously-budgeted staff time and legal consulting cost. Implementation of the plan will be dependent on subsequent adoption of budgets and approval of specific projects.

RECOMMENDATION

Staff recommends that the Board review the edits from the previous review and then consider adopting the attached resolution.

ATTACHMENTS

- Revised Draft Strategic Plan
- Draft Resolution

t:\board matters\board meetings\board letter\2010\strategic plan adoption.doc

*Nipomo
Community
Services
District
Strategic Plan
2010 Update
Draft*



April 14, 2010

Board of Directors

- Jim Harrison, President
- Larry Vierheilig, Vice President
- Ed Eby, Director
- ~~Michael~~ Mike Winn, Director
- Bill Nelson, Director

District Management Team

- Michael LeBrun, Interim General Manager
- Peter Sevcik, District Engineer
- Lisa Bognuda, Finance Director/Asst. General Manager
- Tina Grietens, Utility Superintendent

Strategic Plan Consultant – BHI Management Consulting

- Brent H. Ives, Principal Consultant



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Introduction

A Strategic Plan is a top-level planning document for an organization to set clear direction over all operational aspects of its mission. It serves as a framework for decision making over a five-year period. It is a disciplined effort to produce fundamental decisions that shape what a District plans to accomplish by selecting a rational course of action. This planning process began with an environmental scan of the District's business environment including an objective assessment of the District's strengths, weaknesses, opportunities and threats. Input from various stakeholders was gathered and analyzed. Starting with that information the District's Mission, Vision, Core Values and the overall structure of this Strategic Plan were developed by the Board in workshop settings. Within the framework of that structure and the business environment, strategies and goals were developed to sustain and where appropriate improve the District over the next five years. At its highest level, this Strategic Plan seeks to strengthen and build upon opportunities while addressing areas of concern.

This plan also identifies actions, activities, and planning efforts that are currently underway and which are needed for continued success in operations and management of the District, and provides for periodic reviews and updates.

The strategic planning effort has focused on several or all of the following areas:

- Ensuring the District's long term financial health and stability;
- Cost efficiencies;
- Maintaining infrastructure;
- Stewardship of the environment;
- Sustaining a high performing, motivated and adaptable workforce;
- Fostering professional relationships when needed to better achieve our Mission; and
- Assuring clear, proactive and meaningful communications with the community we serve and the regulatory and land use agencies that impact District services.

Strategic Planning Definitions

Mission Statement: A declaration of the District's purpose which succinctly describes why the District exists. All activities of the District will be in support of the Mission Statement. The Mission Statement is adopted by the Board of Directors. The Mission Statement will be reviewed annually but is intended to be constant over the long term.

Vision Statement: A statement that articulates where the District wants to be over the life of the Strategic Plan. It outlines at the highest level the key changes that must be achieved by the Strategic Plan. The Vision creates and drives strategy and tactics identified elsewhere in the Strategic Plan. The Vision Statement is adopted by the Board of Directors. The Vision Statement will be reviewed annually and will typically change more frequently than the Mission Statement to reflect the direction the Board wants to take the District over the five-year time horizon of the Strategic Plan.

Core Values: A guidepost to the things that the District values when faced with options and alternatives. These are used every time decisions are made as a District. The Core Values are adopted by the Board of Directors. The Core Values are reviewed annually but are intended to be relatively constant over the long term.

Strategic Elements: The broad and primary areas of District operations, planning, and management that are addressed and supported by the Strategic Plan goals. These essentially serve as the outline and organization of the Strategic Plan. The Strategic Elements are adopted by the Board of Directors. The Strategic Elements are reviewed annually but are intended, absent major new issues to be faced, to be relatively constant over the life of the five year Strategic Plan.

- Strategic Element Objective: A concise statement associated with each Strategic Element that describes the objective of that element. It explains why that element is important to the District's overall strategy.
- Strategic Element Strategy: A concise statement associated with each Strategic Element that describes how the Objective for that Element will be achieved.
- Measurement of Strategic Element: A concise statement associated with each Strategic Element that describes in simple high-level terms how an observer will know if the Objective for the Element is achieved.

Strategic Goals: Short statements of desired success. The goal statement is supported by a narrative that more fully explains the nature of the goal and the issues that the goal intends to address. The Strategic Goals are prepared by management and accepted by the Board. The Strategic Goals will change from year-to-year when the annual assessment is made of the progress on each Strategic Element. The Strategic goals straddle the line between policy (Board responsibility) and implementation (management responsibility) and as such are a collaborative effort of both the Board and management.

Strategic Work Plan: An objective-by-objective prioritized and year-by-year summary of the activities that management anticipates undertaking to achieve the Strategic Goals. The Work Plan is a tool and a road map to prioritize the broad approach to the Strategic Goals. The work plan is not a task or "to-do" list. It is presented at a higher level of milestones that are intended to be accomplished each year to move the District towards success on the broad Strategic Goals. The Strategic Work Plan is prepared by management. To the extent that it prioritizes the undertaking of efforts to implement the Strategic Elements policy direction from the Board is sought by management.

Business Plans: Detailed and shorter to mid-term implementation plans that will be prepared by each operating Division in the District at the time of budget preparation and separately from this over-arching Strategic Plan. The Business Plans identify specifically what each division intends to accomplish, what resources they require to do so and the detailed steps, milestones and metrics that will be used to assess their performance. Business Plans are prepared annually by mid-level management and are to be in alignment with the Strategic Work Plan.

Strategic Plan Development

In FY2008-09, the District retained the services of BHI Management Consulting (BHI) to facilitate and coordinate the development of the District's five-year Strategic Plan. BHI first gathered input from the District employees in a number of meetings so as to allow direct and "ground level" input to Board during their deliberations on the Strategic Plan. To prepare for the Board workshop the Consultant circulated questionnaires to the District Board members on the matters they thought were most relevant to future strategy for the District. The following topics were discussed at all of the input gathering meetings:

- Mission
- Vision
- Core Values
- Current and future issues
- Important future projects

The Board supported this process as a way to allow all to participate in the foundation of the Strategic Plan. A full-day Board workshop was conducted. At the workshop the Board reviewed all input, revisited and refined the existing Mission Statement of the District, created a Vision Statement and developed Core Values for the District. The Board also identified the seven strategic elements providing balanced implementation actions across District operations that will support the Mission and achieve success of the Vision.

A steering committee, consisting of Senior Management and staff, worked with BHI to develop the Strategic Goals that support each Strategic Element. The Strategic Work Plan was developed in a collaborative fashion by Senior Management. District staff was regularly briefed in General Employee and in Division-level meetings about the process and content of the Strategic Plan as it was being developed. Using this process along with both external and internal input the Strategic Plan was assembled in a way that best articulates the Board's Vision and Strategy for the District over the next five years.

Continuation Process of the Plan

A key part of the Strategic Planning process is to conduct an annual review and update of the Plan. This draft represents the first update and was accomplished in April of 2010. These reviews allow for regular maintenance of the Plan so that it reflects the actual progress and needs of the District. The reviews will be documented, and followed up with by either a Plan supplement or an updated Plan. A five-year planning horizon will be maintained with each review effort developing a new fifth year of actions, projects and initiatives.

The General Manager shall prepare a written quarterly update (Jan/Apr/July/Oct) on the District's progress and report his findings to the Board of Directors at a regular Board Meeting.

DISTRICT MISSION

The Nipomo Community Services District's mission is to provide its customers with reliable, quality and cost-effective services now and in the future.

DISTRICT CORE VALUES

- Is it open, transparent and responsive to our customers?***
- Is it sensitive to rates and cost efficient?***
- Does it support our commitment to maintenance of our facilities and infrastructure?***
- Does it support our ability to provide reliability in the services we provide?***
- ~~• Is it open, transparent and responsive to our customers?~~***
- Does it support the welfare of our employees?***
- Does it protect the rural character of our community?***

DISTRICT VISION

The District:

- **has sufficient water supplies to meet current needs and is actively planning for and funding future needs.**
- **has investments in our infrastructure to maintain reliable and efficient services.**
- **is practicing environmental stewardship to protect our resources**
- **has an growing understanding of available resources ~~limitations,~~ ~~threats to resources,~~ and conveys that information to customers.**
- **has substantially upgraded and continues to upgrade water and wastewater systems to accommodate new water supplies and meet growth and regulatory requirements.**
- **is sustaining a qualified, long-term and productive workforce to assure an effective organization.**
- **continues conservative, well managed finances reaching incremental targeted reserve goals.**
- **achieves a high level of public support through ~~customer service,~~ ~~public outreach,~~ ~~and information methods have resulted in a high level of public support.~~**
- **is utilizing proven and cost- effective technologies to enhance the performance of our Mission.**
- **has improved relationships with local agencies, regulators and providers.**
- **has constructed and is operating at least one neighborhood park.**

Strategic Elements

Strategic Elements represent the vital areas of the District's operation and management. They assure that the implementation of work to be performed in support of the Mission and Vision are comprehensive in nature and properly cover the District in all areas. Strategic elements are derived from the foundational Mission and Vision statements of the District. They are linked to action and results through the Strategic Goals written in each area and the Strategic Work Plan, Business Plans and Employee Goals. Within the five-year period covered by this Strategic Plan, these Elements assure that all aspects of District operations are well supported and are moving forward in a way that reflects Board priorities and creates balanced implementation. They are not ordered in any particular order but meant to be equally important to the long-term balanced future of the District.

The Strategic Work Plan which contains the supportive actions and initiatives organized and prioritized by year within the planning period, is presented along with each Strategic Goal and is also consolidated in tabular form in Table 1 - Strategic Plan "At-a-Glance" (pg. 20). These too are not prioritized within each section of the Plan but by how they are implemented throughout the five-year term of the Plan. Business Plans and Employee Goals are not a part of the Strategic Plan; these are developed on a one to two year timeframe with tasks, and are handled within the management structure of the District.

The Strategic Elements are:

- 1.0 Water
- 2.0 Wastewater
- 3.0 Partnerships/Regulatory Relations
- 4.0 Personnel/Organization
- 5.0 Administrative Management
- 6.0 Finances

7.0 Other Services

1.0 Water

Objective: *The objective is to ensure that water supplies of high quality and quantity are available for existing and future customers.*

Strategy: *We will do this by aggressively managing water resources under the District's control, developing a diversified water supply portfolio, and by partnering with and/or influencing agencies that have an impact on the quantity and quality of the water supplies available to the District.*

1.1 Protect, Enhance, and Assess Available Water Supplies

Continuous assessment of available groundwater in storage, quality trends of groundwater, threats to water supplies, and the ability to serve existing and future customers is necessary to maintain adequate service levels. District production wells will be monitored and analyzed to insure operational reliability and water quality. Production parameters and quality will be tracked. District wells will also be monitored in support of District and NMMA Technical Group efforts to understand ~~and manage~~ basin production and health. The District will increase understanding of stormwater and return flow inputs to the local basin in order to inform efforts to maximize quantity and quality of these supply elements. Customers and users of the basin will be informed as to the 'semi-closed loop' nature of the basin and the need to protect the basin at home. The ~~current~~ District is in the process of converting practice of monthly well level depth measurement will be replaced by to continuous readings and monthly evaluation of District well level depths. Similarly, the practice of semi-annual (Spring and Fall) basin-wide storage calculation based on the County's reading of water well levels, will be augmented to include continuous monitoring of the coastal sentinel wells and the "key" inland wells and the periodic water quality measurements set forth in the 2008 NMMA Annual Report.

In addition to this high- priority- continuous reporting conversion, the The District will support and advance NMMA Technical Group efforts to monitor and ~~protect~~ evaluate area groundwater resources. The NMMA Technical Group has identified six longer term management recommendations including the development of a third Coastal Monitoring Well at Oso Flaco. Implementation of these additional management recommendations will improve the understanding of the groundwater basin and provide information critical to management of the basin. The District will participate in the identification and implementation of Technical Group Annual Report recommendations.

Over the past three years, ~~The~~ the District has reported the volume of groundwater in storage as an indicator of basin health; however, this measurement metric has been criticized for not accurately representing the basin's geo-hydrology. With the publication of the 2008 NMMA Annual Report, there is now a new metric available that is supported by the technical experts serving on the Technical Group (TG). The District will coordinate with the NMMA TG to periodically assess the basin status and to implement appropriate response plans when the TG or the Court determines that the basin is in a Severe or Potentially- Severe Water Shortage situation.

The District's Urban Water Management Plan (UWMP) provides the basis for the District's Water Supply Program and it must be kept current so the District can understand current water resource demands and plan to meet future needs. The State requires updates of the UWMP every five years to be eligible to receive state grant funding. The District will track existing customer demand, commitments to future development, and plans for future development as it actively revises the UWMP in 2010.

1.2 **Secure New Supplies to Meet Demands**

WATERLINE INTERTIE PROJECT - As detailed in the ~~2008-2009~~ NMMA Annual Report, the average annual consumptive use of water exceeds the average annual ~~deep-percolation-recharge~~ by at least one thousand acre-feet per year. This situation

is not healthy and must be corrected to prevent future saltwater intrusion. The District is proceeding with implementation of the "Business Plan" for development of the Waterline Intertie Project (WIP) including environmental review, design, permits, funding, property acquisition, construction, start up, testing and operations. Once the project is operational, the District will reduce its groundwater pumping and provide new water for development infill within District boundaries, but no new water will be available for annexations. Once the project is completed, at least one new operator position will be required to manage the new facilities and treatment processes. [ESTIMATED COMPLETION DATE = FY11-12].

FUTURE WATER SUPPLY AUGMENTATION ~~Desalination~~—Additional water, beyond the WIP, will be necessary to support development of the lands within the District's Sphere of Influence. The District will need to develop at least one additional supplemental water project. The District Board has ordered staff to implement a work program for development of a desalination project. This work program will be re-written as a business plan, the initial phase of research will be conducted, potential partnerships will be negotiated and an initial project proposal will be developed within the five-year term of this Strategic Plan [ESTIMATED COMPLETION DATE = FY14-15].

1.3 Upgrade and Maintain Water Storage and Distribution Works

WATER AND SEWER MASTER PLAN - The District is proceeding with the phased implementation of its Water and Sewer Master Plan. Every year as the budget is adopted, technical staff recommends, and the Board selects, projects to upgrade the storage and distribution works. In FY09-10 NCSD has funded the first phase of the Willow Road extension. In FY10-11 the District will consider funding the second phase of the Willow Road Extension. ~~Additionally,~~ In addition, projects to replace and rehabilitate existing water storage and distribution works are funded each year including tank rehabilitation, hydrant replacement, valve replacement and well refurbishment [ESTIMATED COMPLETION DATE = FY14-15].

PREVENTIVE MAINTENANCE - Historically, the District has not developed a written preventive maintenance plan and consequently has spent considerable funds to repair problems as they occur on an expensive case-by-case basis rather than efficiently planning for upgrades. The Board has approved an overall Management and Operations Plan that calls for the development of a formalized preventive maintenance program. The District will purchase the program software and fully implement the program by the end of FY10-11 for both water and sewer facilities [ESTIMATED COMPLETION DATE = FY10-11].

SCADA (REMOTE ELECTRONIC MONITORING OF WATER AND SEWER FACILITIES) – The District currently uses a proprietary Supervisory Control and Data Acquisition System (SCADA) that has limited capabilities to monitor, control, and document water and sewer facility performance. These limitations reduce the District's ability to control and manage its water and sewer systems. The District will upgrade its SCADA system to improve the efficiency of operation and to enhance both the evaluation and control of facilities [ESTIMATED COMPLETION DATE = FY10-11] .

GIS - The District currently uses a Geographic Information System (GIS) system that is not accessible to field personnel and is very cumbersome to update. These limitations reduce the ability of staff to get information on water and sewer facilities and to keep information current. The District will upgrade and regularly update this system so that it can be accessed by all field personnel and other relevant agencies and integrated into the Operations and Management Plan [ESTIMATED COMPLETION DATE = FY10-11] .

WATER QUALITY ANALYSIS - The District currently contracts out all laboratory analysis of water quality with both a primary contractor and a control contractor to ensure accuracy. Although the vendors have performed well, reliance on vendors

limits the District's ability to timely evaluate the performance of NCSD's water and sewer facilities and to respond to emergencies. Over the next three years, ~~t~~The District will set up an in-house water quality laboratory to provide for internal control and for emergency response [ESTIMATED COMPLETION DATE = FY12-13].

1.4 Consistently Reduce Average Demand per Customer

The District has adopted a comprehensive Water Conservation Program, which includes twelve major conservation efforts. The goal of the Plan is to reduce average demand per customer so that less new water is required. As detailed in the 2005 Urban Water Management Plan, water saved through conservation is much cheaper per unit than water developed through new water supply projects. Staff has been implementing the Water Conservation Program with a full-time position and budgeted funding. The District is implementing software to track the effectiveness of each effort and to evaluate the actual reduction in demand per customer. The District reduced production per connection by 16% over the last 5 years and will continue efforts to reduce average annual use per connection over the long term. ~~(LAFGO BASE YEAR).~~

The largest factors that affect the demand per customer are outdoor irrigation and water rates. Implementation of the District's 2008 Water Conservation Plan will be prioritized to focus on reduction of irrigation use. The District's successful Water Conservation Workshops will be expanded with more workshops offered in 2010-11. The Board has agreed to evaluate 2010-2013 Water Rates in 2009-2010 to determine if alternative water rate structures can reduce water usage. The Board has also agreed to evaluate 2012-2015 sewer rates in 2011. ~~to determine if alternative sewer rate structures can reduce water demand.~~

1.5 Comply with State and Federal regulations and mandates

The District must comply with both State and Federal Water Regulations and submit the required water quality reports as well as prepare the annual Consumer Confidence Report. An additional major component of this compliance is tracking changes to the District water system and new regulations, and implementing regulations as they become applicable and/or effective. This tracking includes an evaluation of each new regulation to determine the cost to implement, documenting the changes necessary in facilities and operations, commenting to the regulatory body regarding impacts to the District and then implementing the final regulation after it is adopted. [on-going].

2.0 Wastewater

Objective: Collect, treat and beneficially dispose of wastewater and its by-products to meet the needs of existing and future customers.

Strategy: We will do this by the careful management of effluent and biosolids, using prudent planning and maintenance, with financial strategies to maintain sufficient capacity and respond to changing regulatory demands.

2.1 Efficiently operate collection, treatment and disposal works

PREVENTIVE MAINTENANCE - Historically, the District has not developed a written preventive maintenance plan and consequently has spent considerable funds to repair problems as they occur on an expensive case-by-case basis rather than efficiently planning for upgrades. The Board has approved an overall Management and Operations Plan that calls for the development of a formalized preventive maintenance program. The District expects to purchase the program software and fully implement the program by the end of FY10-11 for both water and sewer facilities [ESTIMATED COMPLETION DATE = FY10-11].

SCADA (REMOTE ELECTRONIC MONITORING OF WATER AND SEWER FACILITIES) –The District currently uses a proprietary Supervisory Control And Data Acquisition (SCADA) system that has limited capabilities to monitor, control, and document water and sewer facility performance. These limitations reduce the District's ability to control and manage its water and sewer systems creating costs inefficiencies. The District will upgrade its SCADA system to improve the efficiency of operation and to enhance both the evaluation and control of facilities [ESTIMATED COMPLETION DATE = FY10-11].

GIS - The District currently uses a Geographic Information System (GIS) system that is not accessible to field personnel and is very cumbersome to update. These limitations reduce the ability of staff to get information on water and sewer facilities

and to keep information current increasing trip miles and increasing “time to project completion”. The District will upgrade and regularly update this system so that it can be accessed by all field personnel and other relevant agencies and integrated into the Operations and Management Plan [ESTIMATED COMPLETION DATE = FY10-11] .

WASTEWATER QUALITY ANALYSIS - The District currently contracts out all laboratory analysis of wastewater quality with both a primary contractor and a control contractor to ensure accuracy. Although the vendors have performed well, reliance on vendors limits the District’s ability to operate the new ~~Biolac Biolac®~~ Treatment System, to timely evaluate the performance of NCS D’s water and sewer facilities and to respond to emergencies. ~~Over the next three years,~~ the District will continue to expand set-up an in-house water quality laboratory to provide for internal control & for emergency response [ESTIMATED COMPLETION DATE = FY12-13].

2.2 Upgrade and maintain collection and treatment works

SOUTHLAND WASTEWATER TREATMENT FACILITY - The District is proceeding with implementation of the “Business Plan” for development of the Southland WWTF Upgrade Project (SoWWTF) including environmental review, design, permits, funding, construction, start up, testing and operations. The project will result in improved effluent quality, improved bio_solids management, and increased capacity. The Project is planned in three phases. The first Phase is being aggressively ~~pursed~~ pursued. Subsequent Phases will be timed on plant flow and community growth rates. Once this project is completed, two new operator positions will be required to manage the new operation. [ESTIMATED COMPLETION DATE = FY12-13].

WATER AND SEWER MASTER PLANS - The District is proceeding with the phased implementation of its Water and Sewer Master Plan. Every year as the budget is adopted, the Board endorses projects to upgrade the collection, treatment and disposal works. In FY11-12 the District expects to fund the replacement of the South

Frontage Collector. In addition, projects to replace and rehabilitate existing collection and treatment works are funded each year including lift station rehabilitation, manhole rehabilitation and Closed Circuit Television (CCTV) pipe condition assessment [ESTIMATED COMPLETION DATE = ON-GOING].

EFFLUENT WATER QUALITY IMPROVEMENT - Separate from the SoWWTF upgrade, the District will pursue improvement of effluent water quality through the following source control efforts:

- The District will develop a Salts Management Program for both the Town Sewer Service Area and for the Blacklake Sewer Service Area. The program will include both a regulatory component prohibiting the installation of new self-regenerative water softeners and an education and rebate component to encourage existing customers who have self-regenerative water softeners to either abandon the use of water softeners or to convert to canister style systems.
- The District will continue implementation of a Fats Oils and Grease reduction program and expand the program to include development of information to residential customers.
- The District will develop education and outreach information about other customer source threats to effluent water quality (medical wastes, grease, oils, fats) and septic tank management. The effort will be integrated with supply water quality education efforts (1.1). [ESTIMATED COMPLETION DATE = FY11-12 and Ongoing].

2.3 Select disposal solution for Southland Effluent and implement

The District currently discharges the treated wastewater from the Southland WWTF into the adjacent percolation ponds, however, this wastewater hits an earthquake fault that runs along Orchard Road and a subsurface mound has resulted. This mound will grow closer to the surface and ultimately create health problems unless additional disposal solutions can be implemented. The Board has directed staff to

implement a work program to evaluate the feasibility of alternative disposal sites and to compare the most promising disposal sites in the SoWWTF EIR. The District will then propose a subsequent project and develop a business plan for implementation of the selected disposal option. [ESTIMATED COMPLETION DATE = FY12-13].

2.4 Select disposal solutions for Southland Bio-Solids and implement

In addition to creating treated wastewater, both treatment facilities also produce bio-solids. Historically, the District has stockpiled its bio-solids; however, the available storage space has been exhausted and it is now necessary to either recycle/reuse these bio-solids or dispose of them. The District will develop a Bio-solids Management Program for both the Town Sewer Service Area and for the Blacklake Sewer Service Area. The program will include the investigation of long-term cost-effective bio-solids reuse options and implementation of a strategy. [ESTIMATED COMPLETION DATE = FY12-13].

2.5 Comply with State and Federal regulations and mandates

The District must comply with both State and Federal Water Regulations and submit the required water quality reports as well as continue the electronic reporting of sewer system overflows and complete development of a Sewer System Management Plan. Another major component of this compliance is tracking changes to the District treatment and collection system and new regulations and implementing regulations as they become effective and/or applicable. This tracking includes an evaluation of each new regulation to determine the cost to implement, documenting the changes necessary in facilities and operations, commenting to the regulatory body regarding impacts to NCSD and then implementing the final regulation after it is adopted.

3.0 Partnerships/Regulatory Relations

Objective: To foster beneficial relationships to accomplish the goals of the District.

Strategy: We will do this by embracing strategic ties with other organizations, working closely with regulators, developing a deliberate legislative agenda and participating in professional associations.

3.1 Strengthen strategic ties with neighboring purveyors and Technical Group

The District shares the Nipomo Mesa Management Area with two other major purveyors (Golden State Water Company, and the Rural Water Company), the Woodlands Mutual Water Company, Mesa Dunes Water Company, 13 other smaller private water companies, and thousands of private land/well owners including golf course and agricultural users. The District is also a participant in the Nipomo Mesa Management Area Technical Group along with ConocoPhillips, the Woodlands, Golden State Water Company and the agricultural landowners. To achieve viable management of the groundwater basin and to develop equitable funding for the importation of supplemental water, the District will negotiate agreements with the individual purveyors and fully participate in the Technical Group process. In addition, NCSD will monitor the growth in production and number of NMMA mutual water companies and to seek mechanisms to integrate mutual water company activities into the management of the basin.

3.2 Strengthen strategic ties with County of SLO, APCD, County Environmental Health and WRAC

All land use decision- ~~making~~ made-making for the Nipomo Mesa Water Conservation Area (NMWCA) NMMA is vested in the County of San Luis Obispo. The County needs feedback from the District on the availability of water and sewer capacity in regards to the development of policies and the consideration of private development projects. The District will closely monitor both policies iesy and projects under under consideration and communicate on each such policy and project so that the

County understands the relevant constraints. Where policies conflict, the District will take the additional action necessary to prevent overuse of the resources.

3.3 Work closely with RWQCB, SWRCB, and State DPH, ~~APCD, and County Environmental Health~~

As stated above in Goals 1.5 and 2.5, the District is subject to new regulations and once those regulations are promulgated, the District must implement. Prior to adoption, the District will provide feedback to the Regional Board, the State Board, and the District Engineer Public Health Officer. ~~and the County Environmental Health Officer.~~ Pending regulations include the septic management systems (SWRCB and RWQCB), Basin Plan Amendments (RWQCB and State DPH), ~~sludge disposal (County Environmental Health); chipping programs (APCD)~~ and recharge regulations (State DPH).

3.4 Develop a deliberate legislative Agenda

The District is subject to the dictates of new state and federal legislation and the requirements of initiatives. The District can also secure funding through the legislative process. The District will monitor proposed bills and initiatives and comment on those bills and initiatives and provide information to the community where appropriate. The District also will lobby for state and federal funding for its major infrastructure projects with the help of professional lobbyists and provision of information to our respective state and federal representatives.

3.5 Participate in LAFCO, ~~WRAC~~, IWMA, CSDA, CSDA Chapter, AWWA, CRWA, CWEA

The District is subject to LAFCO's decisions regarding the District's Sphere of Influence, latent powers and annexation and will track any review of municipal services being conducted by LAFCO. Likewise, the District will participate fully in the ~~SLO County Water Resources Advisory Committee in regards to water resource planning and funding and the~~ Integrated Waste Management Authority regarding

solid waste regulations and funding. The District will also take advantage of the information and resources available through CSDA, the SLO County Chapter of CSDA, AWWA, CRWA, and CWEA.

4.0 Personnel/Organization

Objective: To employ and retain a high quality, motivated workforce.

Strategy: We will do this by utilizing sound policies and personnel practices, offering competitive compensation and benefits, providing opportunities for training, development and professional growth, while ensuring a safe and secure workplace.

4.1 Retain long-term employees & attract new employees by providing industry-competitive salary/benefits

Although the District has a good track record in terms of keeping long-term employees, it is becoming very difficult to ~~retain~~ recruit new employees especially where certifications are required. To continue to retain existing employees and to be competitive in regards to new recruitments, the District will need to offer competitive salaries and benefits. The concern of the Board of Directors is that employees will be recognized for the level and scope of work described in their job description and that they are paid on a fair and competitive basis that allows the District to recruit and retain a high-quality staff. NCSO will update the Total Compensation Study every five years. The District most recently conducted this study in 2006).

4.2 Provide appropriate training and education for all employees

~~Currently, other than training for certified operators, A~~ a formal program for training staff to improve work knowledge and performance ~~does not exist~~ is in development. Staff is enrolled in training ~~training only when requested rather than~~ as a part of an overall strategy. A formal staff development program ~~has been designed~~ will include using in-house training programs, webinars and other available resources and integrate training goals into the performance management system.

4.3 Continue commitment to a safe workplace environment

Each week the District management team meets, and discusses, and addresses any safety issues, accidents or injuries. The District's Utility Superintendent conducts bi-weekly safety tailgate meetings and the District's Engineer and Safety Officer conducts safety tailgate meetings with the Utility crew on a monthly basis. In addition, the entire Staff participates in a quarterly safety meeting. At these meetings, various safety topics are addressed. Staff is encouraged to participate and suggestions are encouraged. The District's Safety Officer presents written policies, collectively the 'Safety Policy' on safety-related topics to the Board of Directors for approval. The Safety Officer updates the Safety Policy on an annual basis and as required by changes in operations or regulations. A formal review of the Policy by the Board of Directors is conducted every 5-years or when policy level changes to the Program are required. The Safety Policy (call to attention) is included in the Employee Safety Manual. These programs will continue with an emphasis on finding ways to improve workplace safety.

4.4 Develop and maintain efficient disaster response capability

The District is committed to continuing hands-on training and education and purchasing the necessary equipment for District personnel to respond to an emergency. District staff received the initial emergency response training during FY08-09 and FY 09-10. The District has established an Emergency Operations Center, updated the Emergency Response Plan, conducted additional emergency response training and will regularly test the District's plan with tabletop exercises. The District has joined and participates in CALWARN, the statewide water sector mutual aid agreement and will integrate CALWARN protocols including resource typing into the District's Emergency Response Plan.

4.5 Integrate technology into operations to maximize productivity & communications

BILLING AND ACCOUNTING SYSTEM - The District's current utility billing and accounting system was implemented in 2000. It is a DOS-based system and sometimes does not provide Staff with flexibility in data retrieval, manipulation and reporting. The District will investigate other utility billing and accounting software and determine if newer technology would be beneficial to staff and its customers. ~~If these benefits outweigh the costs of conversion, the District will upgrade~~ Staff will report their findings to the Board of Directors. [ESTIMATED COMPLETION DATE = FY 11-12].

GIS/SCADA - Additionally, the field crew currently has limited access to either the GIS database or the SCADA system when they are in the field. The District will purchase and implement a computer-based maintenance management system. [ESTIMATED COMPLETION DATE = FY10-11].

5.0 Administrative Management

Objective: To create, maintain and implement policies and procedures to ensure sound management of the District.

Strategy: We will conduct periodic review, refine and implement policies and procedures, and assure that the General Manager has the direction and tools necessary for successful operations throughout the District.

5.1 Maintain clear and functional policies and procedures

The District is committed to providing clear and functional policies and procedures for its employees, Board of Directors and customers. The District maintains a Safety Manual and Policy Manual and each employee and Board Member have a copy. These documents are available to the public. District staff monitors these policies and procedures and is committed to keeping them current and up-to-date. The District will train staff on implementation of all new policies and provide refresher information on established policy.

5.2 Complete conversion to electronically archived District Records

As with most organizations the volume of historic records has increased to levels that defy manual inspection of paper copies. The District is currently in the process of completing the conversion of its customer utility billing accounts data to electronic format for storage and retrieval so that this information can be organized and accessed. In addition, District Staff has scanned and electronically stored Ordinances, Resolutions, Board Minutes and recorded documents. The District will prepare a plan to scan and electronically store all District documents, including project files and provide for redundant back-ups.

5.3 Provide for excellent Customer Service

The District is committed to provide excellent customer service. Staff prides itself on being friendly, knowledgeable and helpful. Staff is committed to continuing to have a “real person” answer the phone during business hours.

In the coming years District staff will continue to track and analyze electronic and web based payment methods to facilitate customer service and administrative efficiency.

A review of industry standards and trends in this area will be undertaken by staff in 2010-2011 and a report will be made to the Board of Directors.

6.0 Finances

Objective: Recognizing that finances are critical to the ability of the District to effectively carry out the Mission the District must ensure the short-term and long-term fiscal health of the District.

Strategy: The District will forecast and plan income and expenditures and provide financial resources to fund current and planned obligations.

6.1 Operate all enterprise funds to be financially sound.

The District is committed to operating all enterprise funds to be balanced and financially sound with reserves that cover both unforeseen emergencies and projected cash flow variations. In order to accomplish this, the rates and charges must reflect the cost of providing the services including the cost of replacing and/or rehabilitating aging facilities. Rates and charges will be reviewed at least every three years by a professional rate consultant.

6.2 Achieve and maintain targeted operating reserves

The targeted operating reserve for the Water Fund is 50% of the Operations and Maintenance Budget less Funded Replacement. The targeted operating reserve for the Sewer Funds is 25% of the Operations and Maintenance Budget less Funded Replacement. In the adopted budget for FY2009-10, the targeted operating reserves have been met. The targeted operating reserves will be included in the review of rates and charges at least every three years by a professional rate consultant.

6.3 Ensure that decisions consider short-term and long-term fiscal impacts

Every decision made may have a short-term and long-term fiscal impact on the District. Requests to expend funds that are not approved in the adopted annual budget will consider both the short-term and long-term fiscal impacts of the decision and be approved by the Board of Directors.

6.4 Minimize commitment of discretionary resources to long-term projects

The District has one major source of discretionary funds -- property tax revenues. Past, property tax revenues are not a guaranteed revenue stream. The State of California ERAF (Educational Revenue Augmentation Fund) has "raided" the District's property taxes every year since 1992, totaling more than \$3.7M. The District will minimize commitment of property taxes to long-term projects and instead use property tax reserves to pay for large one-time projects that benefit a cross section of the community. If property taxes are committed to a long-term project, the District will have a contingency plan in place to provide funding for that project if property taxes cease.

6.5 Protect Reserves with Sound Investment Policy and Investments

The District's Investment Policy and investment portfolio are structured to protect the available reserves instead of maximizing interest yield. The District will review its Investment Policy at least annually and adjust to changes in market conditions.

6.6 Review Other Post-Employment Benefits (OPEB) for future employees

The District currently provides one OPEB to its fully vested CalPERS employees. This OPEB is health insurance. The District joined California Employee Benefit Retirement Trust (CEBRT) in 2008 and began funding this obligation as required by GASB 45. This is a substantial financial obligation of the District and the Board of Directors would like to review the options of providing OPEB to future employees.

7.0 Other Services

Objective: To provide solid waste service and neighborhood parks throughout the District, and street lighting, drainage and street landscape maintenance in designated areas of the District.

Strategy:

- In the area of Solid Waste we will do this by continually looking for ways to improve the service through judicious contracting, recycling, diversion and assessing alternative methods while being sensitive to rates.
- In the area of Street Lighting we will do this by seeking ways to provide reliable street lighting in appropriate areas.
- In the area of Drainage we will do this by assuring that the drainage systems are efficient, protect the community from storm related flooding and meet State drainage requirements.
- In the area of Parks we will do this by constructing a community park and seek ways to provide increased parks and Open Space for the community.
- In the area of Street Landscaping we will do this by continually assessing the type and health of the existing landscaping within our landscape maintenance zone and making appropriate upgrades and performing needed and appropriate maintenance.

7A. Solid Waste

7.A.1 Promote recycling to ensure reduction target compliance

State law requires SLO County to divert at least 50% of the historic base period refuse into recycling and/or green waste. The District will promote recycling and provide maximum education to the Community regarding recycling solutions. The District will practice recycling throughout the organization.

7.A.2 Provide Additional Solid Waste Services

The Franchise Fee paid by the Solid Waste Vendor is available to pay for solid waste services that would otherwise go unmet. The District will promote the two semi-

annual clean up events, the annual Creek Clean Up and the Annual Chipping event and consider other initiatives that achieve solid waste goals.

7.A.3 Communicate with Customers

One component of promoting beneficial diversion of waste involves provision of information to customers regarding options to recycle and to minimize solid waste through its newsletter and its outreach program.

7B. ~~STREET LIGHTING~~ Street Lighting

7.B.1. Monitor Maintenance of Facilities and Respond to Observed Problems

The District is responsible for maintenance of the streetlights in the Fairways Village at Blacklake. The District will respond to complaints and inspect these facilities to determine their need for maintenance. Where maintenance is warranted, the District will budget for the work needed and perform that work.

7.B.2 Communicate with Customers

The District relies on feedback from the customers within the Fairways to identify problems and will respond promptly where such reports are rendered.

7C. ~~DRAINAGE~~ Drainage

7.C.1. Monitor Maintenance of Facilities and Respond to Observed Problems

The District is responsible for management of the Folkert Oaks Drainage Basin off of Juniper Road. The District responds to complaints and inspects the drainage basin on an annual basis to determine if maintenance is required. Where maintenance is required, the District will implement.

7.C.2 Communicate with Customers

The District relies on feedback from the customers within the Folkert Oaks Mobile Home Park to identify problems and respond promptly where such reports are rendered.

7D. PARKSParks**7.D.1 Develop Miller Park**

The Community Survey commissioned in 2007 shows a desire for additional park facilities in general and neighborhood parks in specific. The District has a Business Plan for development of Miller Park which includes negotiation of a MOU with SLO County, adoption of a financial plan, application to LAFCO to activate Parks Latent Authority, formation of a zone of benefit regarding assessing properties near the park to pay for a portion of operations cost, completing the environmental review, refining the design, conducting the assessment election, securing LAFCO approval, transferring the property, funding the initial core improvements, constructing the core improvements, funding the secondary improvements, constructing the secondary improvements and operating the park. In December 2009 an assessment vote to fund a portion of Miller Park annual operations costs failed. The District ~~intends to will~~ continue with the project. Funding ~~will may~~ be established and a final design by FY 12-13. Construction ~~will may~~ commence by FY 13-14.

7.D.2 Communicate with Constituents

The District will communicate with all of its constituents regarding the progress in development of Miller Park and the consideration of other parks priorities.

7.D.3 Plan for Other Parks & Open Space

Once Miller Park is under construction, the District will survey other park or open space development options, develop a draft Parks Master Plan, secure community

feedback on the Draft Plan, agree on the priorities for development of additional facilities and then proceed with the development of the next high priority facility.

7E. STREET LANDSCAPING Street Landscaping

7.E.1 Monitor landscape maintenance and respond to problems

The District is responsible for maintenance of some of the street landscaping in the Vista Verde subdivision and contracts with a landscape maintenance firm to perform the actual maintenance. The District will review the work of the then incumbent firm and provide guidance to that firm. Periodically, the District will use an open competition to select the contractor to do the maintenance.

7.E.2 Communicate with Customers

The District relies on feedback from the residents within Vista Verde to identify problems and respond promptly where such reports are rendered.

Table 1 –The Strategic Plan “At a Glance”

STRATEGIC ELEMENTS	STRATEGIC GOALS	Estimated Completion Date (FY)
1.0 WATER	1.1 <u>Protect, Enhance and</u> Assess available Water Supplies	FY10-11 On-going
	1.2 Secure New supplies	FY11-15
	1.3 Upgrade and maintain available storage and distribution works	FY10-15
	1.4 Consistently reduce average demand per customer	FY10-12 On-going
	1.5 Comply with State and Fed. regulations	On-going
2.0 WASTEWATER	2.1 Efficiently operate collection, treatment and disposal works	FY10-13
	2.2 Improve treatment works	FY12-13 – On-going
	2.3 Select disposal solution for Southland	FY12-13
	2.4 Provide for Disposal of Biosolids	FY12-13
	2.5 Comply with State and Federal regulations and mandates	On-going
3.0 PARTNERSHIP/ REGULATORY RELATIONS	3.1 Strengthen ties with neighboring agencies and technical groups	On-going
	3.2 Strengthen ties with County of SLO, <u>APCD, County Environmental Health</u> and WRAC	On-going
	3.3 Work closely with RWQCB <u>and</u> , State DPH <u>and County Environmental Health</u>	On-going
	3.4 Develop deliberate legislative agenda	On-going
	3.5 Participate in LAFCO, WRAC , IWMA, CSDA, CSDA Chapter, AWWA and CWEF	On-going
4.0 PERSONNEL/ ORGANIZATION	4.1 Retain and attract new employees	FY11-12 On-going
	4.2 Provide appropriate training and education for employees	On-going
	4.3 Continue commitment to a safe workplace environment	On-going
	4.4 Develop and maintain efficient disaster response capability	On-going
	4.5 Integrate operational technology	FY10-11 11-12

5.0 ADMINISTRATIVE MANAGEMENT	5.1 Maintain clear and functional policies and procedures	On-going
	5.2 Complete conversion to electronic records	FY10-11 & FY 11-12
	5.3 Provide excellent customer service	FY10-11 On-going
6.0 FINANCES	6.1 Operate all enterprise funds to be financially sound	FY09-13 On-going
	6.2 Achieve targeted operating and non-operating reserves	FY09-13 On-going
	6.3 Ensure that decisions consider short and long term fiscal impacts	On-going
	6.4 Minimize commitment of discretionary resource long-term projects	Ongoing
	6.4 Minimize commitment of discretionary resource long-term projects 6.5 Protect reserves with sound investment policy a And investments	Ongoing On-going
	6.6 Review Other Post- Employment Benefits (OPEB)	FY 11-12
7.0 OTHER SERVICES	7.A.1 Promote recycling	On-going
	7.A.2 Provide additional solid waste services	On-going
	7.A.3 Communicate with customers	On-going
	7.B.1 Monitor maintenance of facilities	On-going
	7.B.2 Communicate with customers	On-going
	7.C.1 Monitor maintenance of facilities	On-going
	7.C.2 Communicate with customers	On-going
	7.D.1 Develop Miller Park	FY11-12 13-14
	7.D.2 Communicate with constituents	FY09/10 On-going
	7.D.3 Plan for Parks-parks and Open-open Spacespace	FY11/12 On-going
	7.E.1 Monitor Landscape-landscape Maintenancemaintenance	On-going
	7.E.2 Communicate with Residentsresidents	On-going

Acronyms

AWWA – American Water Works Association

CCTV – Closed Circuit Television

CERBT – California Employee Retirement Benefit Trust

CRWA – California Rural Water Association

CSDA – California Special Districts Association

CWEA – California Water Education Association

EIR – Environmental Impact Report

GIS – Geographic Information System

IWMA – Integrated Waste Management Authority

LAFCO – Local Agency Formation Commission

NMMA – Nipomo Mesa Management Area

NMMA TG – NMMA Technical Group

NMWCA – Nipomo Mesa Water Conservation Area

OPEB – Other Post-Employment Benefits

RWQCB – Regional Water Quality Control Board

SCADA – Supervisory Control and Data Acquisition

SoWWTF – Southland Wastewater Treatment Facility

STATE DPH – State Department of Public Health

SWRCB – State Water Resources Control Board

UWMP – Urban Water Management Plan

WIP – Waterline Intertie Project

WRAC – Water Resources Advisory Committee

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

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT (NCSD)
ADOPTING THE 2010 UPDATE NCSD STRATEGIC PLAN**

WHEREAS, the Nipomo Community Services District (herein "District") Board of Directors (herein "Board") is a local governmental agency formed and authorized to provide services within its jurisdiction, pursuant to Section 61000 et seq. of the California Government Code; and

WHEREAS, the District Board of Directors conducted a Strategic Plan Update Workshop; and

WHEREAS, the District Board of Directors has reviewed and edited the attached Strategic Plan Update that provides for strategic planning; and

WHEREAS, the District Board of Directors desires to integrate strategic planning into the District's operations.

NOW, THEREFORE, the Board of Directors of the Nipomo Community Services District does hereby resolve, declare, determine and order as follows:

1. SECTION 1 – This Resolution adopts the attached Strategic Plan 2010 Update; and
2. SECTION 2 – This Resolution directs District Staff to integrate the attached Strategic Plan into District Operations.

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

AYES:
NOES:
ABSENT:
CONFLICTS:

the foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the Nipomo Community Services District this 12th day of May 2009.

James Harrison, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
General Counsel