

TO: BOARD OF DIRECTORS
FROM: LISA BOGNUDA (LSB)
ACTING GENERAL MANAGER
DATE: NOVEMBER 24, 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) WARRANTS [RECOMMEND APPROVAL]
- D-2) BOARD MEETING MINUTES OF NOVEMBER 10, 2010 [RECOMMEND APPROVAL]
BOARD MEETING MINUTES OF NOVEMBER 17, 2010
BOARD MEETING MINUTES OF NOVEMBER 22, 2010
- D-3) ACCEPT PREFABRICATED METAL STORAGE BUILDING PROJECT [RECOMMEND APPROVAL]
- D-4) ACCEPT REHABILITATION OF TWO 500,000 GALLON WATER TANKS PROJECT [RECOMMEND APPROVAL]
- D-5) ACCEPT FIRST QUARTER FINANCIAL REPORT [ACCEPT AND FILE]
- D-6) DECEMBER BOARD MEETING SCHEDULE [RECOMMEND APPROVAL]

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\CONSENT AGENDA\12-01-10 CONSENT.DOC

TO: BOARD OF DIRECTORS
 FROM: LISA BOGNUDA ^{LSB}
 ACTING GENERAL MANAGER
 DATE: NOVEMBER 24, 2010

**AGENDA ITEM
 D-1
 DECEMBER 1, 2010**

**TOTAL COMPUTER
 CHECKS
 \$124,269.82**

HAND WRITTEN CHECKS

NONE
 VOID #18780

COMPUTER GENERATED CHECKS

18773	11/18/10	CAL19	CALIFORNIA STATE DISBURSE	371.29	.00	371.29	B01117	WITHHOLDING ORDER
18774	11/18/10	EMP01	EMPLOYMENT DEVELOP DEPT	1161.17	.00	1161.17	B01117	STATE INCOME TAX
18775	11/18/10	MID01	RABOBANK-PAYROLL TAX DEPO	4159.77	.00	4159.77	B01117	FEDERAL INCOME TAX
				516.12	.00	516.12	1B01117	MEDICARE (FICA)
			Check Total.....:	4675.89	.00	4675.89		
18776	11/18/10	PER01	PERS RETIREMENT	781.38	.00	781.38	B01117	PERS PAYROLL REMITTANCE
18777	11/18/10	STA01	ING-PERS 457 DEFERRED COM	150.00	.00	150.00	B01117	457 DEFERRED COMP
018778	11/22/10	EBY01	EBY, ED	100.00	.00	100.00	112210	SPECIAL MEETING 11/22/10
018779	11/22/10	HAR02	HARRISON, JAMES	100.00	.00	100.00	112210	SPECIAL MEETING 11/22/10
018780	11/22/10	NEL01	NELSON, WILLIAM J	100.00	.00	100.00	112210	SPECIAL MEETING 11/22/10
018781	11/22/10	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	112210	SPECIAL MEETING 11/22/10
018782	11/22/10	WIN01	WINN, MICHAEL	100.00	.00	100.00	112210	SPECIAL MEETING 11/22/10
18783	11/26/10	EMP01	EMPLOYMENT DEVELOP DEPT	898.65	.00	898.65	B01122	STATE INCOME TAX
18784	11/26/10	FRA01	FRANCHISE TAX BOARD	125.00	.00	125.00	B01122	WITHHOLDING ORDER
18785	11/26/10	MID01	RABOBANK-PAYROLL TAX DEPO	2566.72	.00	2566.72	B01122	FEDERAL INCOME TAX
				110.62	.00	110.62	1B01122	FICA
				875.16	.00	875.16	2B01122	MEDICARE (FICA)
			Check Total.....:	3552.50	.00	3552.50		
18786	11/26/10	MID02	RABOBANK-DIRECT DEPOSIT	23685.31	.00	23685.31	B01122	NET PAY
18787	11/26/10	PER01	PERS RETIREMENT	7228.02	.00	7228.02	B01122	PERS PAYROLL REMITTANCE
18788	11/26/10	STA01	ING-PERS 457 DEFERRED COM	1725.00	.00	1725.00	B01122	457 DEFERRED COMP
018789	12/01/10	ABA01	ABALONE COAST BACTERIOLOG	147.00	.00	147.00	10-4159	LAB TEST-SOUTHLAND WWTP
				105.00	.00	105.00	10-4160	LAB TEST-SOUTHLAND WWTP
				147.00	.00	147.00	10-4271	LAB TEST-SOUTHLAND WWTP
				105.00	.00	105.00	10-4273	LAB TEST-SOUTHLAND WWTP
				180.00	.00	180.00	10-4374	LAB TEST-WATER SAMPLE
				20.00	.00	20.00	10-4375	LAB TEST-BL WWTP
				20.00	.00	20.00	10-4414	LAB TEST-BL WWTP
				175.00	.00	175.00	10-4415	LAB TEST-WATER SAMPLES
				14.40	.00	14.40	10-4416	LAB TEST-WATER SAMPLE
				20.00	.00	20.00	10-4446	LAB TEST-BL WWTP
				176.00	.00	176.00	10-4447	LAB TEST-SOUTHLAND WWTP
				124.00	.00	124.00	10-4448	LAB TEST-BL WWTP
				20.00	.00	20.00	10-4469	LAB TEST-BL WWTP
				20.00	.00	20.00	10-4488	LAB TEST-BL WWTP
			Check Total.....:	1273.40	.00	1273.40		
018790	12/01/10	AME03	AMERI PRIDE	109.94	.00	109.94	228928	UNIFORMS
018791	12/01/10	BLU02	BLUE SHIELD OF CALIFORNIA	836.55	.00	836.55	DEC 2010	COBRA SUBSIDY-DECEMBER
018792	12/01/10	BRE02	BRENNTAG PACIFIC INC.	630.14	.00	630.14	BPI051534	SODIUM HYPOCHLORITE
				520.89	.00	520.89	BPI051535	SODIUM HYPOCHLORITE
			Check Total.....:	1151.03	.00	1151.03		
018793	12/01/10	CAL03	CALIFORNIA ELECTRIC SUPPL	71.18	.00	71.18	428647	CIRCUIT TESTER/ADAPTER

TO: BOARD OF DIRECTORS
 FROM: LISA BOGNUDA
 ACTING GENERAL MANAGER

AGENDA ITEM
 D-1
 DECEMBER 1 2010

DATE: NOVEMBER 24, 2010

PAGE TWO

018794	12/01/10	CAN02	CANNON ASSOCIATES	90.06	.00	90.06	49641	WILLOW ROAD PHASE 2
				14611.05	.00	14611.05	49642	WILLOW ROAD PHASE 1
				500.00	.00	500.00	49694	SOUTHLAND WWTP PEER REVIE
				2145.00	.00	2145.00	49735	QUAD TANK SITING
			Check Total.....:	17346.11	.00	17346.11		
018795	12/01/10	CEN08	CENTER FOR HEARING HEALTH	1700.00	.00	1700.00	8338	COMPREHENSIVE NOISE SURVE
018796	12/01/10	CLE06	CNSSLO INC	1996.00	.00	1996.00	11559	TECHNICAL SUPPORT
018797	12/01/10	COR01	CORBIN WILLITS SYSTEMS	750.83	.00	750.83	B011151	MONTHLY TECHNICAL SUPPORT
018798	12/01/10	CUS01	CUSTOM PRINTING	291.17	.00	291.17	110395	DOOR HANGER PRINTING
018799	12/01/10	DIS02	DISCRETE WIRELESS	308.50	.00	308.50	0694680	GPS SERVICE
018800	12/01/10	DKF01	DKF SOLUTIONS GROUP, LLC	350.00	.00	350.00	1188	SAFETY SUBSCRIPTION
018801	12/01/10	EBY01	EBY, ED	100.00	.00	100.00	120110	SPECIAL BOARD MTG 12/1/10
018802	12/01/10	FER01	FERGUSON ENTERPRISES INC	1086.94	.00	1086.94	6610558	OPERATING SUPPLIES
018803	12/01/10	FIS02	FISHER SCIENTIFIC	181.98	.00	181.98	7609111	LAB SUPPLIES
018804	12/01/10	HAC01	HACH COMPANY	221.63	.00	221.63	6988556	LAB SUPPLIES
018805	12/01/10	HAR02	HARRISON, JAMES	100.00	.00	100.00	120110	SPECIAL BOARD MTG 12/1/10
018806	12/01/10	ITT01	ITT WATER & WASTEWATER US	467.35	.00	467.35	7608992	OPERATING PARTS
				8654.81	.00	8654.81	7610478	JUNIPER L/S PUMP
			Check Total.....:	9122.16	.00	9122.16		
018807	12/01/10	NEL01	NELSON, WILLIAM J	100.00	.00	100.00	120110	SPECIAL BOARD MTG 12/1/10
018808	12/01/10	NEX01	NEXTEL COMMUNICATIONS	544.80	.00	544.80	7314-108	CELLULAR SERVICE
018809	12/01/10	PEO01	PEOPLESCHOICE HEATING & A	2315.00	.00	2315.00	4068	EXHAUST FAN-VIA CONCHA
018810	12/01/10	RBA01	R BAKER, INC	2988.97	.00	2988.97	10104618	SOUTHLAND WWTP
018811	12/01/10	SAN01	SANTA MARIA TIRE INC	403.73	.00	403.73	459271	TOYOTA REPAIR
018812	12/01/10	STA03	STATEWIDE SAFETY & SIGNS	80.54	.00	80.54	126	MARKING PAINT
018813	12/01/10	STAL1	STATE WATER BOARD ACTG	1226.00	.00	1226.00	0044858	BL WWTP SSO ANNUAL PERMIT
				1226.00	.00	1226.00	0044859	SOUTHLAND WWTP SSO ANNUAL
				2759.00	.00	2759.00	0048109	SOUTHLAND WWTP ANNUAL PER
				2759.00	.00	2759.00	0048431	BL WWTP ANNUAL PERMIT
			Check Total.....:	7970.00	.00	7970.00		
018814	12/01/10	TAF01	TAFT ELECTRIC	1577.69	.00	1577.69	30617W	ELECTRICAL
018815	12/01/10	THE01	THE GAS COMPANY	14.30	.00	14.30	NOV 2010	HEATING-SHOP
018816	12/01/10	UNDO1	UNDERGROUND SERVICE ALERT	121.50	.00	121.50	10110035	UNDERGROUND SERVICE ALERT
018817	12/01/10	USA01	USA BLUEBOOK	690.84	.00	690.84	274095	EYE/FACE WASH/SHOWER
018818	12/01/10	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	120110	SPECIAL BOARD MTG 12/1/10
018819	12/01/10	WAL01	WALLACE GROUP	14197.50	.00	14197.50	30792	INTERTIE ASSESSMENT DISTR
				991.21	.00	991.21	30799	VIA CONCHA WELL EASEMENT
				549.00	.00	549.00	30833	GIS SYSTEM IMPROVEMENTS
				842.49	.00	842.49	30834	GIS DATA MAINTENANCE
				1839.95	.00	1839.95	30890	FOG OUTREACH & INSPECTION
			Check Total.....:	18420.15	.00	18420.15		
018820	12/01/10	WIN01	WINN, MICHAEL	100.00	.00	100.00	120110	SPECIAL BOARD MTG 12/1/10
018821	12/01/10	WSC01	WSC	6890.63	.00	6890.63	206	URBAN WATER MGMT PLAN UPD
018822	12/01/10	\S001	STEWART, AMBER MARIE	100.04	.00	100.04	000B01101	MQ CUSTOMER REFUND FOR ST

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 45 Years of Service 1965 - 2010

DRAFT MINUTES

NOVEMBER 10, 2010 AT 9:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

D2

BOARD of DIRECTORS

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

PRINCIPAL STAFF

LISA BOGNUDA, **ACTING GENERAL MANAGER**

MERRIE WALLRAVIN, **SECRETARY/CLERK**
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 Regular Meeting of November 10, 2010, to order at 9:00 a.m. and led the flag salute.

00:00:51

B. ROLL CALL

At Roll Call, all Board members were present.

00:01:00

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) LAFCO EXECUTIVE OFFICER DAVID CHURCH CALAFCO AWARD

David Church, LAFCO Executive Officer, presented the Board with the Government Leadership Award. This award is for good government efforts in the State of California awarded by CALAFCO at their annual Conference in Palm Springs. It was awarded to NCSD, San Luis Obispo County, and San Luis Obispo LAFCO for great team effort working on the MOA. The Board thanked Mr. Church for his presentation.

C-2) SHERIFF COMMANDER KEN CONWAY Update re: South County Law Enforcement Activities

- ◇ Sheriff Commander Ken Conway reported that there will be a new Sheriff sworn in on January 3, 2011.
- ◇ In December there will be two more deputies added to his staff. Right now three of his deputies are out due to injuries.
- ◇ The major crime problems are still vandalisms and burglaries.
- ◇ We have tried to increase our patrol at the Nipomo Native Gardens due to increased calls.
- ◇ There will be a direct patrol in Nipomo sometime this month to target problem areas and problem people.

Mr. Conway answered questions from the Board and the Board thanked Mr. Conway for his presentation.

C-3) CAL FIRE BATTALION CHIEF BILL FISHER Update re: South County Cal Fire Activities

Battalion Chief Bill Fisher reviewed the activity report for October 2010.

Copy of document found at www.NoNewNipFax.com
SUBJECT TO BOARDS APPROVAL

Some of the information in the report includes:

- ◇ In October 2010, Nipomo Station #20 had a total of 98 calls: 4 fire calls, 11 vehicle accidents, 56 medical aids and 21 other calls.
- ◇ Mesa Station #22 had a total of 56 calls: 4 fire call, 4 vehicle accidents, 35 medical aids and 13 other calls.
- ◇ Nipomo-Paid Call Firefighters trained on Equipment Set-up and Ventilation.
- ◇ They did prevention programs at Dana Elementary Boy and Girl Scouts, Dana Elementary Halloween Festival, Adventures in Learning Preschool, Alisa Ann Ruche Burn Relay/Donation made by Nipomo Paid Call Firefighters.
- ◇ They are working on business inspections and Fire Preplans.
- ◇ The 600 acre control burn in Husana Valley was cancelled due to early rains.
- ◇ There will be a retirement party for Matt Jenkins, Fire Chief, on December 5, at the Lions Club in Cayucos. Tickets will be available.
- ◇ There are new changes in the Fire Code. Cal Fire will be happy to work with NCSO to review the updated fire codes.

Mr. Fisher answered questions from the Board. The Board thanked Battalion Chief Bill Fisher for the report. There was no public comment.

C-4) MIKE NUNLEY OF AECOM

Update re: Southland Wastewater Treatment Plant Upgrade

Mike Nunley, AECOM Engineering Project Manager, reviewed the report as presented in the Board packet. Mr. Nunley answered questions from the Board. The Board thanked Mr. Nunley for the report. There was no public comment.

C-5) NCSO DISTRICT ENGINEER PETER SEVCIK

Update re: Recent Activities

Peter Sevcik, District Engineer, reviewed the report as presented in the Board packet. Mr. Sevcik answered questions from the Board. The Board thanked Mr. Sevcik for the report. There was no public comment.

C-6) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST

Receive Announcements from Directors Items of District & Community Interest

Director Nelson

- ◇ Today will probably be his last Board meeting. Director Nelson complimented the Board on their service to Nipomo. Director Nelson will be relocating to Santa Barbara County.

Director Eby

- ◇ Spoke about inflation and how it may affect the Waterline Intertie Project and the Southland Waste Water Treatment Facility Upgrade.
- ◇ The WRAC met last week, and voted 10-6 to add a member of WRAC to represent the building industry and the home building industry.
- ◇ Oceano CSD's Agenda includes an item to discuss selling Oceano Groundwater to NCSO or Nipomo.
- ◇ There will be a meeting next Monday, in Santa Maria, apparently regarding an effort to release more Twitchell water into the ocean.

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

Director Winn

- ◇ On November 3, 2010, WRAC voted Greg Nester to be the representative for the Home Builders Association and the alternate is from RRM. WRAC also discussed the on-going negotiations between the Five Cities and the CCWA.
- ◇ The Water Conservation Committee met on Monday, November 8, 2010. All things discussed will come back to the Board.
- ◇ The Southland Waste Water Treatment Facility Upgrade Committee met on Monday, November 8, 2010. All things discussed will come back to the Board.
- ◇ There is a meeting in San Luis Obispo regarding the Water Master Plan today. There will be a report available after today sometime.
- ◇ On November 15, 2010, SCAC Land Use Committee will meet at NCSD at 9:00 a.m.
- ◇ On Monday, November 22, 2010, SCAC Advisory Council at 6:30 p.m. at NCSD.
- ◇ On Friday, November 19, 2010, the CSDA will have their bi-monthly meeting in San Luis Obispo at the Wallace Group at 11:30 a.m.
- ◇ On Wednesday, December 1, 2010, WRAC will meet at the City County Library in San Luis Obispo at 1:30 p.m.
- ◇ I am planning to go to Moorpark and Filmore to tour their Waste Water Treatment Facilities in December.
- ◇ I am organizing a tour of the Solar Facility at J. Lohr Winery.

Director Harrison

- ◇ On November 18, 2010, Olde Towne Association will meet at Pie Whole Pizza at 5:30 p.m. Dale Ramey will go over the paving schedule for roads in Nipomo.
- ◇ On November 18, 2010, Fire Safe Council will meet at 3:00 p.m. to tour the Fire Safety Visitors Center in Paso Robles.

C-7) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

00:55:04 D. CONSENT AGENDA

D-1) WARRANTS

D-2) BOARD MEETING MINUTES
OCTOBER 27, 2010 REGULAR BOARD MEETING

Upon the motion of Director Eby and seconded by Director Vierheilig, the Board unanimously approved items D-1 and D-2. There was no public comment.
Vote 5-0.

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

E. ADMINISTRATIVE ITEMS

00:56:42

E-1) CONSIDER FINANCIAL AUDIT REPORT FOR FISCAL YEAR 2009-10

Don Spagnolo, General Manager, introduced the item. Robert Crosby, Crosby CPA, reviewed the report as presented in the Board Packet. Lisa Bognuda, Finance Director, and Mr. Crosby answered questions from the Board. The Board thanked Mr. Crosby for the report. There was no public comment.

Upon the motion of Director Vierheilig and seconded by Director Eby, the Board unanimously approved to accept and file the 2009-10 Audit report as presented.

Vote 5-0.

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

01:10:27

E-2) CONSIDER AECOM CONTRACT AMENDMENT FOR THE WATER INTERTIE PROJECT DESIGN

Peter Sevcik, District Engineer, reviewed the report as presented in the Board packet. Mr. Sevcik answered questions from the Board. The Board thanked Mr. Sevcik for the report. There was no public comment.

Upon the motion of Director Eby and seconded by Director Winn, the Board approved to authorize the General Manager to execute an amendment in the amount of \$40,284 to the existing Waterline Intertie Project Final Design Agreement.

Vote 4-1.

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

The Board took a break from 10:20 a.m. to 10:38 a.m.

01:19:30

E-3) CONSIDER DRAFT SOUTHLAND WWTF IMPROVEMENTS PHASE 1 CONCEPT DESIGN REPORT

Mike Nunley, AECOM Engineering Project Manager, reviewed the report as presented in the Board packet. Peter Sevcik, District Engineer, and Mr. Nunley answered questions from the Board. The Board received the report and thanked Mr. Nunley for the presentation. There was no public comment.

02:00:52

E-4) CONSIDER WILLOW ROAD WATERLINE EXTENSION PROJECT PHASE 2

Peter Sevcik, District Engineer, reviewed the report as presented in the Board packet. Jeff Spannbauer, Cannon, Jon Seitz, District Engineer, and Mr. Sevcik answered questions from the Board. The Board thanked Mr. Sevcik for the report. There was no public comment.

Upon the motion of Director Winn and seconded by Director Vierheilig, the Board voted unanimously to approve staff recommendation and adopted Resolution 2010-1202.

Vote 5-0.

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

RESOLUTION NO. 2010-1202

A RESOLUTION OF THE BOARD OF DIRECTORS OF
 THE NIPOMO COMMUNITY SERVICES DISTRICT
 AUTHORIZING REMAINING DEPOSIT TO SAN LUIS OBISPO COUNTY FOR
 CONSTRUCTION OF WILLOW ROAD PHASE 2 WATERLINE EXTENSION

SUBJECT TO BOARDS APPROVAL

02:23:28

F. GENERAL MANAGER'S REPORT

Don Spagnolo, General Manager, reviewed the report as presented in the Board Packet. Jon Seitz, District Legal Counsel, and Mr. Spagnolo answered questions from the Board.

Director Eby questioned the General Manager about the following:

- ◇ The various next Board meetings.
- ◇ The attendance of the meeting next Monday in Santa Maria in regards to the Twitchell water.

Director Winn questioned the General Manager the about the following:

- ◇ The budget for the Operations and Maintenance for the Miller Park.
- ◇ The negotiations with the County on bio-soils.
- ◇ The negotiations with San Luis Obispo Public Works for Schedule A Water for Santa Maria.
- ◇ The date the Board will hear from The Science Discovery Program.
- ◇ The personnel budget analysis.
- ◇ Woodlands and NCSD installing a meter at the Intertie.

Director Winn recommended that staff agendize a Resolution of Appreciation for Bill Nelson for the years of service on the Board.

Director Vierheilig recommended that staff bring to the Board a presentation on solar power, not just anyone in the business, but someone who knows the technology.

The Board considered Closed Session next.

02:48:13

I. CLOSED SESSION ANNOUNCEMENTS

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

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9 SMVWCD VS. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
2. CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION GC§54956.9 MARIA VISTA VS. NCSD (CASE NO. CV 040877), MARIA VISTA VS. NCSD (CASE NO. CV 061079), AND MARIA VISTA VS. LINDA VISTA FARMS, NCSD ET AL. (CASE NO. CV 040150);
3. CONFERENCE WITH LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC SECTION 54956.9; NCSD VS. COUNTY SLO, ET AL. (CASE #CV090010)
4. PUBLIC EMPLOYEE EVALUATION (GOVERNMENT CODE SECTION 54957(B)): GENERAL MANAGER.

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

02:50:15

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to Closed Session at 12:10 p.m.

02:52:02

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

The Board came back into Open Session at 1:55 p.m.
Jon Seitz, District Legal Counsel, announced that the Board heard an update on items one thru four listed above for closed session, but took no reportable action. There was no public comment.

02:52:12

G. COMMITTEE REPORT

October 26, 2010 Finance and Audit Committee October

The report was as presented. There was no public comment.

02:54:00

H. DIRECTORS REQUESTS TO STAFF AND SUPPLEMENT REPORTS

The Director requests were made in Item F listed above. There was no public comment.

02:55:56

ADJOURN

The next meeting will be a Special Meeting on December 1, 2010, at 9:00 a.m.
President Harrison adjourned the meeting at 1:57 p.m.

NIPOMO COMMUNITY SERVICES DISTRICT

WEDNESDAY, NOVEMBER 17, 2010

9:00 A.M.

SPECIAL MEETING MINUTES

BOARD of DIRECTORS

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

PRINCIPAL STAFF

DON SPAGNOLO, GENERAL MANAGER
LISA BOGNUDA, ASSIST. GENERAL MANAGER
MERRIE WALLRAVIN, SECRETARY/CLERK
JON SEITZ, GENERAL COUNSEL
PETER SEVCIK, DISTRICT ENGINEER

MEETING LOCATION
District CONFERENCE Room
148 S. Wilson Street
Nipomo, California

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

President Harrison called the meeting to order at 9:03 a.m. and led the flag salute. At Roll Call, all Board members were present.

2. CLOSED SESSION ANNOUNCEMENTS ITEMS:

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

- a. PUBLIC EMPLOYEE RELEASE (GOVERNMENT CODE §54957)
Accept resignation of District General Manager.
- b. PUBLIC EMPLOYEE APPOINTMENT (GOVERNMENT CODE §54957)
Title: District Interim General Manager.

PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

3. ADJOURN TO CLOSED SESSION

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

Jon Seitz, District Legal Counsel, announced the following:

- a. On a vote of 5-0, the Board of Directors accepted the resignation of the General Manager, Don Spagnolo, with appreciation for his service to the Nipomo Community Services District, and agreed to pay one month severance pay pursuant to Section B(1) of the employment contract.
- b. No reportable action on appointment of Interim General Manager.

5. APPROVE WARRANTS

Upon motion of director Winn and seconded by Director Vierheilig, the Board unanimously approved the Warrants. Vote 5-0.

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

ADJOURN

President Harrison adjourned the meeting at 11:03 a.m.

NIPOMO COMMUNITY SERVICES DISTRICT

MONDAY, NOVEMBER 22, 2010

9:00 A.M.

SPECIAL MEETING MINUTES

BOARD of DIRECTORS

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

PRINCIPAL STAFF

LISA BOGNUDA, ACTING GENERAL MANAGER
MERRIE WALLRAVIN, SECRETARY/CLERK
JON SEITZ, GENERAL COUNSEL
PETER SEVCIK, DISTRICT ENGINEER

MEETING LOCATION

District CONFERENCE Room
148 S. Wilson Street
Nipomo, California

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

President Harrison called the meeting to order at 9:00 a.m. and led the flag salute. At Roll Call, Director Harrison, Vierheilig, Winn and Eby were present.

2. ADOPT RESOLUTION OF APPRECIATION FOR K. H. ACHADJIAN, 4TH DISTRICT SUPERVISOR, FOR HIS SERVICE TO THE COMMUNITY OF NIPOMO

Upon motion of Director Vierheilig and seconded by Director Winn the Board unanimously approved Resolution 2010-1203 with minor edits.
Vote 4-0.

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

RESOLUTION 2010-1203

NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTS A RESOLUTION OF APPRECIATION FOR
K.H. ACHADJIAN, 4TH DISTRICT SUPERVISOR,
FOR HIS SERVICE TO THE COMMUNITY OF NIPOMO

3. CLOSED SESSION ANNOUNCEMENTS/ITEMS:

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

PUBLIC EMPLOYEE APPOINTMENT (GOVERNMENT CODE §54957)

Title: District Interim General Manager.

PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

5. ADJOURN TO CLOSED SESSION

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

The Board of Directors gave instructions to Staff, but there was no reportable action.

ADJOURN

President Harrison adjourned the meeting at 11:25 a.m.

TO: LISA BOGNUDA ^(LSB)
ACTING GENERAL MANAGER

FROM: PETER SEVCIK
DISTRICT ENGINEER

DATE: NOVEMBER 23, 2010

**AGENDA ITEM
D-3
DECEMBER 1, 2010**

ACCEPT PREFABRICATED METAL STORAGE BUILDING PROJECT

ITEM

Accept work performed by PWS, Inc. for Prefabricated Metal Storage Building Project [RECOMMEND APPROVAL].

BACKGROUND

At the June 9, 2010 Board meeting, the Board approved a contract with PWS, Inc. for construction of the Prefabricated Metal Storage Building Project. The approved contract amount was \$86,630 and the Board also authorized a construction contingency of \$10,000. Construction was completed in November 2010. The actual cost to construct the steel building was \$86,630. No change orders were issued for the project.

FISCAL IMPACT


The FY 10-11 Budget included \$105,700 for this project (various funds). Construction of the steel building was completed within the budgeted funding allocation. Additional funding will be required in the future for installation of the electrical system and alarm system.

RECOMMENDATION

Staff recommends that the Board accept the project and authorize the General Manager to file a Notice of Completion for the project.

ATTACHMENTS

None

TO: LISA BOGNUDA 
ACTING GENERAL MANAGER

FROM: PETER SEVCIK
DISTRICT ENGINEER

DATE: NOVEMBER 23, 2010

**AGENDA ITEM
D-4
DECEMBER 1, 2010**

**ACCEPT REHABILITATION OF TWO 500,000 GALLON
WATER TANKS PROJECT**

ITEM

Accept work performed by Crosno Construction Inc. for Rehabilitation of Two 500,000 Gallon Welded Steel Water Storage Tanks [RECOMMEND APPROVAL].

BACKGROUND

At the February 24, 2010 Board meeting, the Board approved a contract with Crosno Construction Inc. for the interior recoating of the two 500,000 welded steel water storage tanks located at the Quad Tank Site. The approved contract amount was \$202,700 including two (2) additive bid items for dehumidification and the Board also authorized a construction contingency of \$20,000. The actual total contract cost was \$193,979.20. A total of six (6) Change Orders with an aggregate value of \$13,882.70 were issued for the project and the additive bid items for dehumidification were not necessary. Construction was completed in November 2010.

FISCAL IMPACT

The FY 10-11 Budget included \$325,000 for this project Fund #805, Funded Replacement. Rehabilitation of the tanks was completed within the budgeted funding allocation.

RECOMMENDATION

Staff recommends that the Board accept the project and authorize the General Manager to file a Notice of Completion for the project.

ATTACHMENTS

None

TO: BOARD OF DIRECTORS
FROM: LISA BOGNUDA (SB)
FINANCE DIRECTOR
DATE: NOVEMBER 24, 2010



ACCEPT FIRST QUARTERLY FINANCIAL REPORT

ITEM

ACCEPT QUARTERLY FINANCIAL REPORT [RECOMMEND APPROVAL]

BACKGROUND

The District's fiscal year is now 25% complete. The consolidated operating revenues are at 29.78% of the budget, operating expenditures are at 18.97% of the budget and general and administrative expenditures are at 19.87 % of the budget.

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

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

Detailed information by fund is available in the office.

RECOMMENDATION

It is recommended that your Honorable Board accept and direct Staff to file the quarterly financial report for the first quarter of fiscal year 2010-2011.

ATTACHMENTS

First Quarter Financial Report

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NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF APPROVED BUDGET AMENDMENTS
FISCAL YEAR ENDING JUNE 30, 2011

FIRST QUARTER ENDING SEPTEMBER 30, 2010

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
7/28/10	Sludge Dredging	Fund #710	\$100,000	\$55,640	\$155,640

NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF REVENUES AND EXPENSES BY FUND
THREE MONTHS ENDING SEPTEMBER 30, 2010

FUND	FUND #	YTD REVENUES	YTD EXPENSES	FUNDED REPLACEMENT	YTD SUPRLUS/ (DEFICIT)
Administration	110	100,314	(100,314)	0	0
Water	125	1,105,789	(533,328)	(175,000)	397,461
Town Sewer	130	474,460	(257,075)	(95,875)	121,510
Blacklake Sewer	150	68,828	(57,580)	(5,000)	6,248
Blacklake Street Lighting	200	43	(3,754)	0	(3,711)
Street Landscape Maintenance	250	20	(1,480)	0	(1,460)
Solid Waste	300	15,770	(7,129)	0	8,641
Drainage Maintenance	400	342	0	0	342
Supplemental Water Capacity Fees	500	3,407	0	0	3,407
Property Taxes	600	14,196	(26,303)	0	(12,107)
Water Capacity Fees	700	5,052	0	0	5,052
Town Sewer Capacity Fees	710	5,526	(174,895)	0	(169,369)
Funded Replacement-Water	805	8,641	0	175,000	183,641
Funded Replacement-Town Sewer	810	4,787	0	95,875	100,662
Funded Replacement-BL Sewer	830	0	0	5,000	5,000
Town Sewer Sinking Fund	880	245,655	0	0	245,655
TOTAL		2,052,830	(1,161,858)	0	890,972

CASH BALANCE OF EACH FUND
AS OF SEPTEMBER 30, 2010

FUND	FUND #	CASH BALANCE 9/30/2010
Administration	110	(51,734)
Water	125	2,172,917
Town Sewer	130	573,632
Blacklake Sewer	150	205,714
Blacklake Street Lighting	200	31,004
Street Landscape Maintenance	250	15,020
Solid Waste	300	675,158
Drainage Maintenance	400	5,352
Supplemental Water	500	2,212,945
Property Taxes (incl COP)	600	1,524,082
Water Capacity Fees	700	3,804,893
Town Sewer Capacity Fees	710	4,073,576
Funded Replacement-Water	805	3,546,324
Funded Replacement-Town Sewer	810	3,857,529
Funded Replacement-BL Sewer	830	(1,773)
Sinking Fund-Town Sewer	880	872,335
Funds held by Trustee		249,026
TOTAL		23,766,000

NIPOMO COMMUNITY SERVICES DISTRICT
BALANCE SHEET - CONSOLIDATED
AS OF SEPTEMBER 30, 2010

ASSETS

Cash and Cash Equivalents	23,766,000.29
Accounts Receivable - Utility Billing	366,547.95
Unbilled Accounts Receivable	725,000.00
Property, Plant & Equipment	46,084,774.40
Accumulated Depreciation	(14,131,426.72)
Prepaid Expenses	62,259.60
Accrued Interest Receivable	30,198.06
Receivable - Other	105,328.06
Notes Receivable - BL Sewer - Current	18,250.50
Notes Receivable - BL Water Merger - Current	19,940.58
Reservation Fee	37,500.00
Loan Fees - SRF Loan	256,834.00
Accumulated Amortization - SRF Loan Fees	(190,771.25)
Revenue COP's Bond Discount	178,100.60
Accumulated Amortization - Bond Discount	(42,298.56)
Notes Receivable - BL Sewer - Long Term	167,274.51
Notes Receivable - BL Water Merger - Long Term	183,569.84
Total Assets	57,637,081.86

LIABILITIES

Accounts Payable	323,094.66
Other Payables	27.50
Refunds Payable	250.00
Construction Meter Deposits	6,500.00
Compensated Absences Payable	61,788.00
Accrued Interest Payable	2,469.43
Deposits	49,860.10
Payroll Taxes Payable	(4,334.53)
Retention Payable	7,999.50
Deposit - NMWCA	4,500.00
Deposit - Maintenance Guarantee	3,657.55
Deposit - Pomeroy Rd Water Line	24,170.00
Deferred Revenue	6,300.00
Notes Payable - Property Tax Fund - Current	18,250.50
Notes Payable - BL Water Merger - Current	19,940.58
Notes Payable - Municipal Finance - Current	18,668.29
Revenue Bonds - Current Portion	10,000.00
SRF Loan #110 - Current Portion	34,868.35
SRF Loan #120 - Current Portion	42,180.25
Revenue COP's-Current Portion	90,000.00
Notes Payable - Municipal Finance - Long Term	165,676.86
Notes Payable - Property Tax Fund - Long Term	167,274.51
Notes Payable - BL Water Merger - Long Term	183,569.84
Revenue Bonds Payable - Long Term Portion	75,826.00
SRF Loan #110 Payable - Long Term Portion	278,946.80
SRF Loan #120 Payable - Long Term Portion	379,622.25
Revenue COP's - Long Term Portion	3,330,000.00
Total Liabilities	5,301,106.44

FUND EQUITY

Contributed Capital - Assets	11,507,296.78
Contributed Capital - Capacity Fees (CY)	2,394.25
Contributed Capital - Supplemental Water Fees (CY)	10,619.75
Contributed Capital - Capacity Fees (PY)	17,489,970.62
Contributed Capital - Supplemental Water Fees (PY)	3,010,172.75
Contributed Capital - Right of Way	70,100.00
Contributed Capital - Assessment Districts	1,222,721.00
Contributed Capital - Grants	2,581,967.66
Retained Earnings-Reserved (Debt Service)	15,600.00
Retained Earnings-Reserved (Emergencies)	50,000.00
Retained Earnings-Reserved (Sewer Grant)	345,000.00
Retained Earnings-Reserved (Funded Replacement)	8,634,540.32
Retained Earnings - Unreserved	6,504,619.85
CURRENT EARNINGS	890,972.44
Total Fund Equity	52,335,975.42
Total Liabilities and Fund Equity	57,637,081.86

NIPOMO COMMUNITY SERVICES DISTRICT
INCOME STATEMENT - CONSOLIDATED
FOR THE PERIOD ENDING SEPTEMBER 30, 2010

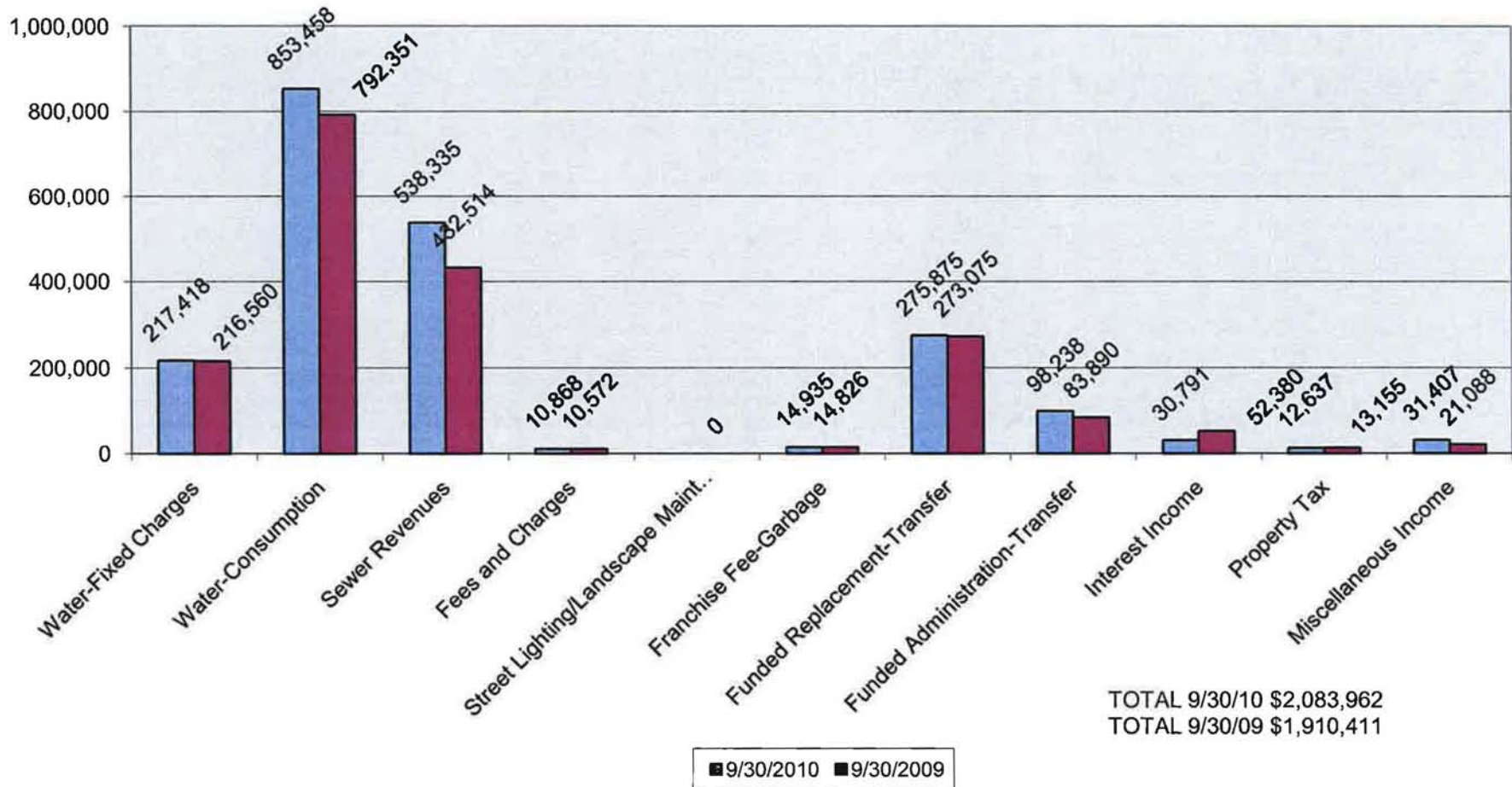
	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
REVENUES			
Water - Fixed Charge	217,418.23	803,000.00	27.08 %
Water - Usage	847,226.17	2,150,000.00	39.41 %
Construction Water	4,847.55	0	.00 %
Fire System Fee	1,384.50	0	.00 %
Sewer Charges	538,335.28	2,124,000.00	25.35 %
Fees and Penalties	10,268.26	43,150.00	23.80 %
Meters	600.00	0	.00 %
Franchise Fees	14,934.73	89,250.00	16.73 %
Miscellaneous Income	23,100.97	33,400.00	69.16 %
Street Lighting Charges	0	18,836.00	.00 %
Landscape Maintenance Dist Charges	0	8,450.00	.00 %
Operating Transfers In - Funded Administration	98,237.89	450,880.00	21.79 %
Operating Transfers In - Funded Replacement	275,874.96	1,103,500.00	25.00 %
Total Revenues	2,032,228.54	6,824,466.00	29.78 %
OPERATIONS AND MAINTENANCE			
Wages and Benefits	143,134.16	879,265.00	16.28 %
Electricity	115,543.56	761,620.00	15.17 %
Chemicals	7,820.43	34,000.00	23.00 %
Lab Tests	14,255.80	81,900.00	17.41 %
Operating Supplies	24,337.43	150,000.00	16.22 %
Outside Services	11,586.30	43,020.00	26.93 %
Permits and Operating Fees	1,882.64	30,225.00	6.23 %
Repairs and Maintenance	94,275.31	429,000.00	21.98 %
Engineering	10,636.85	100,000.00	10.64 %
Fuel	5,026.86	45,000.00	11.17 %
Paging Service	2,750.16	10,500.00	26.19 %
Meters - New Installation	0	5,000.00	.00 %
Meters - Replacement Program	18,861.48	48,000.00	39.29 %
Automatic Meter Reading - Replacement Program	4,170.00	10,000.00	41.70 %
Uniforms	1,807.90	11,000.00	16.44 %
Landscape Maintenance & Water	1,459.76	8,080.00	18.07 %
Clean Up	0	1,500.00	.00 %
Conservation Program	1,940.15	125,000.00	1.55 %
Street Sweeping/Trash Collection	507.36	2,100.00	24.16 %
Operating Transfers Out - Funded Replacement	275,874.96	1,103,500.00	25.00 %
Subtotal - O & M	735,871.11	3,878,710.00	18.97 %
GENERAL AND ADMINISTRATIVE			
Wages and Benefits	148,678.12	743,272.00	20.00 %
Utilities	2,632.10	15,500.00	16.98 %
Audit	0	8,000.00	.00 %
Bank Charges and Fees	940.76	4,050.00	23.23 %
Computer Expense	11,982.33	62,000.00	19.33 %
Director Fees	5,300.00	25,220.00	21.02 %

NIPOMO COMMUNITY SERVICES DISTRICT
INCOME STATEMENT - CONSOLIDATED
FOR THE PERIOD ENDING SEPTEMBER 30, 2010

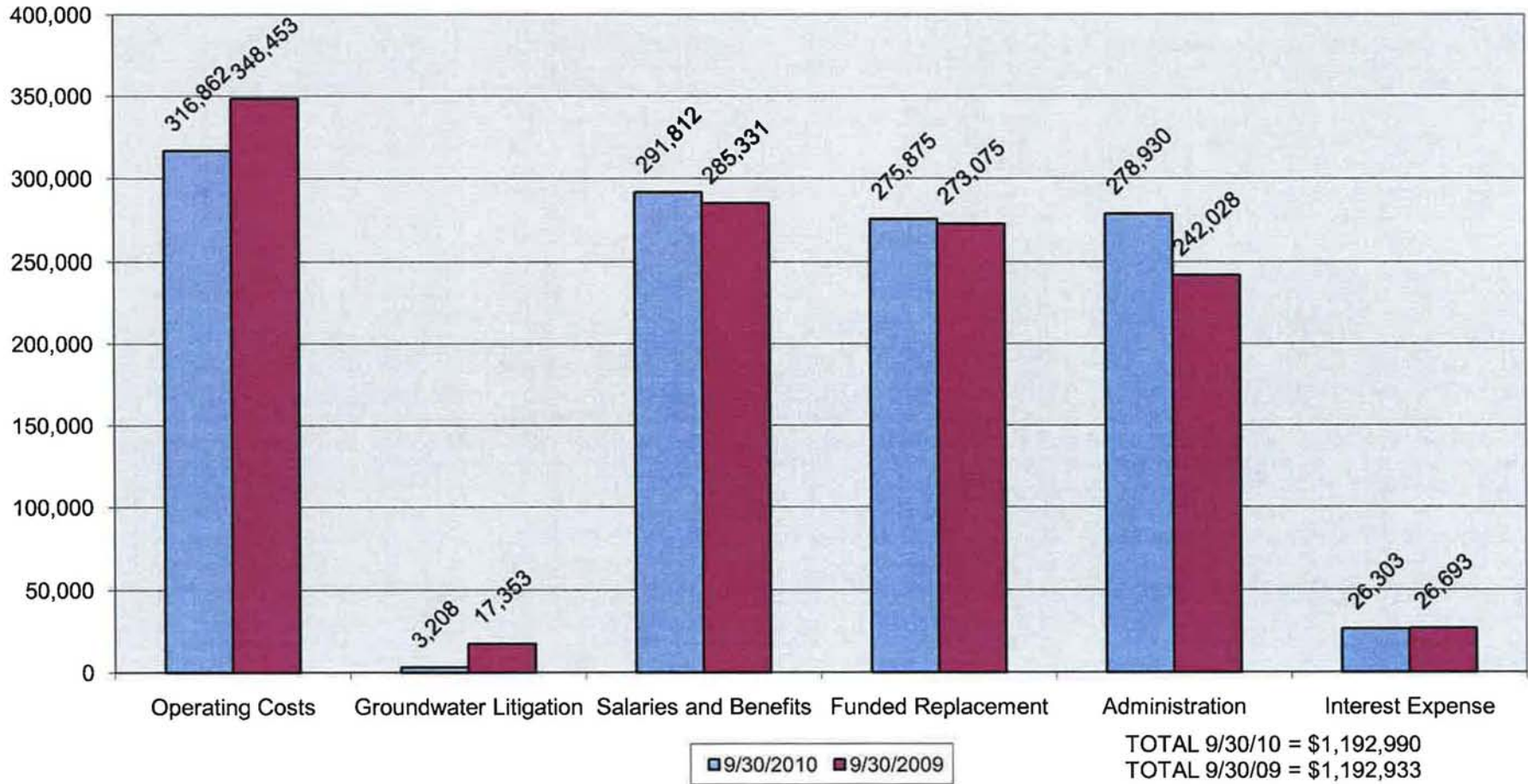
	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
Dues and Subscriptions	3,746.17	16,000.00	23.41 %
Education and Training	1,068.86	25,500.00	4.19 %
Elections	0	5,500.00	.00 %
Insurance - Liability	19,351.66	75,000.00	25.80 %
LAFCO Funding	20,029.42	25,000.00	80.12 %
Landscape and Janitorial	3,077.46	14,000.00	21.98 %
Legal - General Counsel	27,077.30	165,000.00	16.41 %
Legal - Water Counsel	3,207.50	75,000.00	4.28 %
Professional Services	40,551.77	177,000.00	22.91 %
Miscellaneous	2,641.35	7,500.00	35.22 %
Newsletters & Mailers	0	13,000.00	.00 %
Office Supplies	2,952.33	20,000.00	14.76 %
Outside Service	2,222.63	13,505.00	16.46 %
Postage	3,869.86	29,920.00	12.93 %
Public Notices	1,420.00	15,700.00	9.04 %
Repairs and Maintenance	3,650.50	22,000.00	16.59 %
Property Taxes	0	1,087.00	.00 %
Telephone	2,158.82	10,180.00	21.21 %
Travel and Mileage	268.50	18,500.00	1.45 %
Operating Transfer Out - Funded Administration	98,237.89	450,881.00	21.79 %
Subtotal - G & A	405,065.33	2,038,315.00	19.87 %
NON OPERATING INCOME			
Interest Income	30,791.25	186,780.00	16.49 %
Property Tax Revenues	12,636.65	508,140.00	2.49 %
BL Sewer Surcharge	4,101.80	24,480.00	16.76 %
BL Water Surcharge	4,203.98	25,779.00	16.31 %
Subtotal - Non Operating Income	51,733.68	745,179.00	6.94 %
NON OPERATING EXPENSES			
Interest Expense	26,303.34	184,016.00	14.29 %
Other Post Employment Benefits (OPEB)	25,750.00	103,000.00	25.00 %
Subtotal - Non Operating Expenses	52,053.34	287,016.00	18.14 %
Net Surplus/(Deficit)	890,972.44	1,365,604.00	65.24 %

UNAUDITED

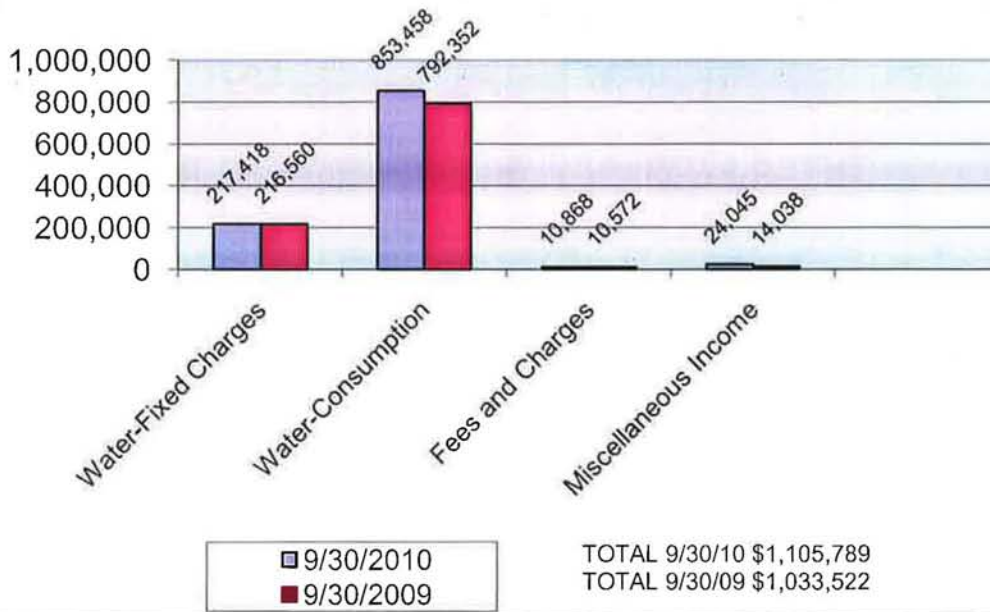
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED REVENUES FOR ALL FUNDS
 THREE MONTHS ENDED
 SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**



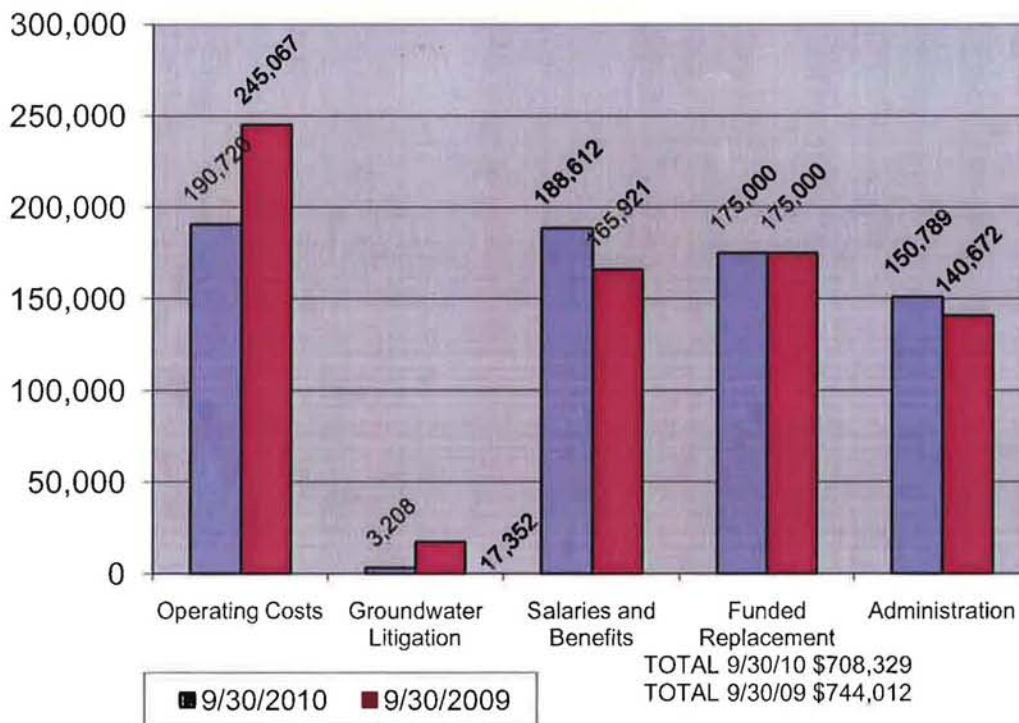
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED EXPENDITURES FOR ALL FUNDS
 THREE MONTHS ENDED
 SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**



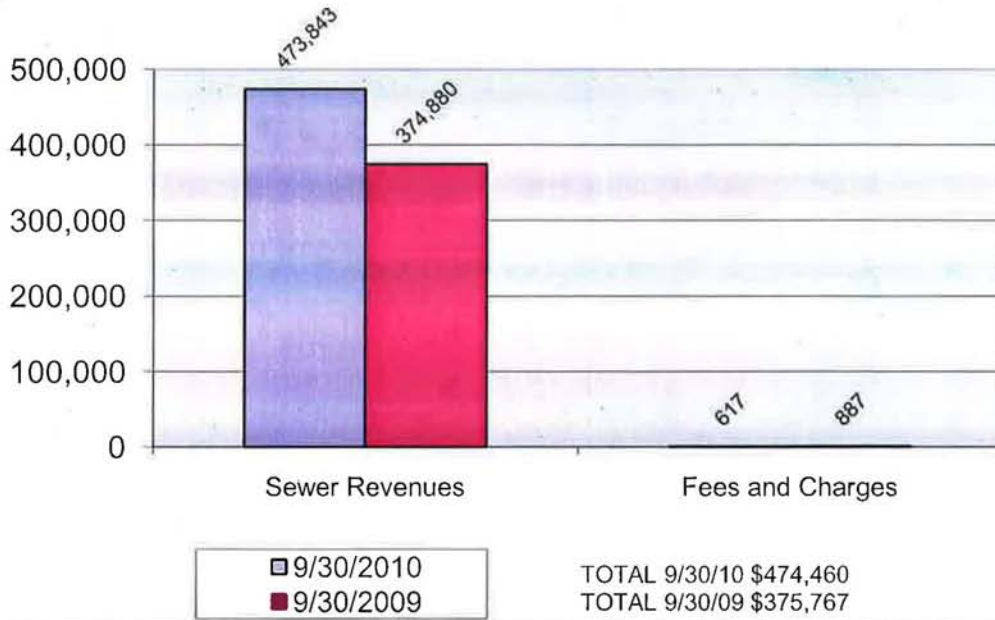
**NIPOMO COMMUNITY SERVICES DISTRICT
WATER FUND #125
REVENUES-SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**



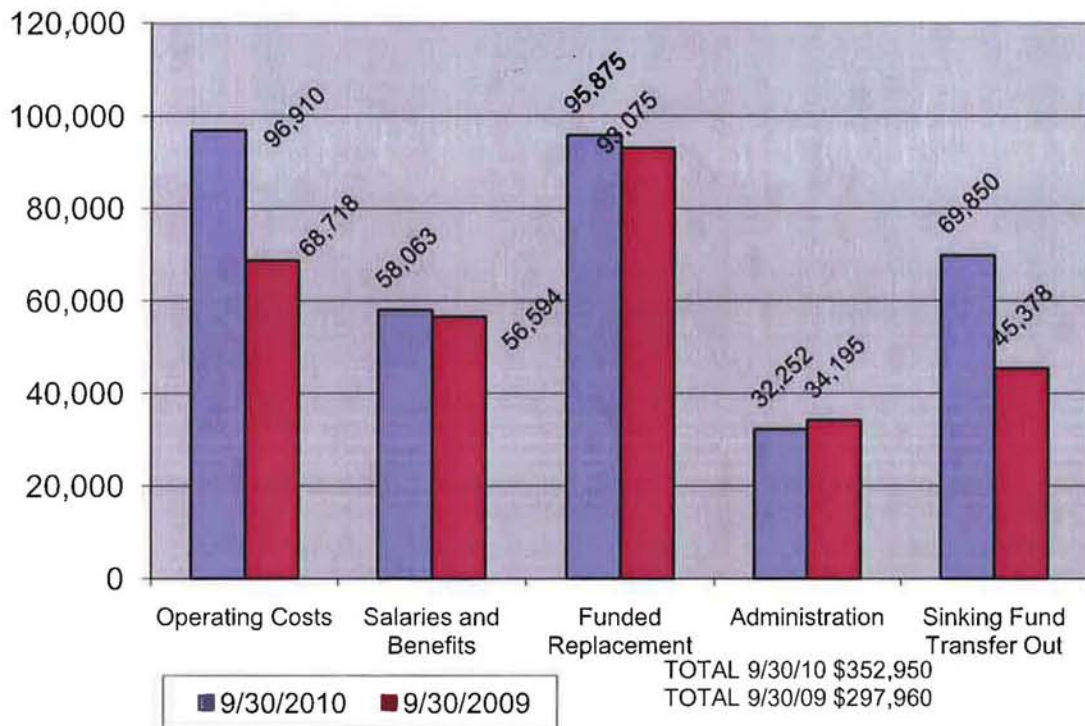
**NIPOMO COMMUNITY SERVICES DISTRICT
WATER FUND #125
EXPENDITURES-SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**



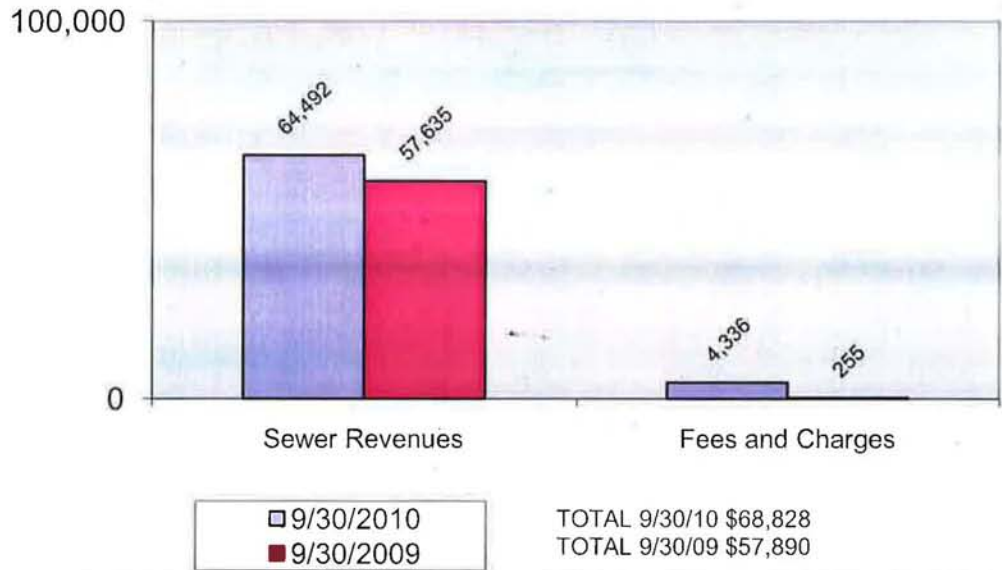
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
REVENUES-SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**



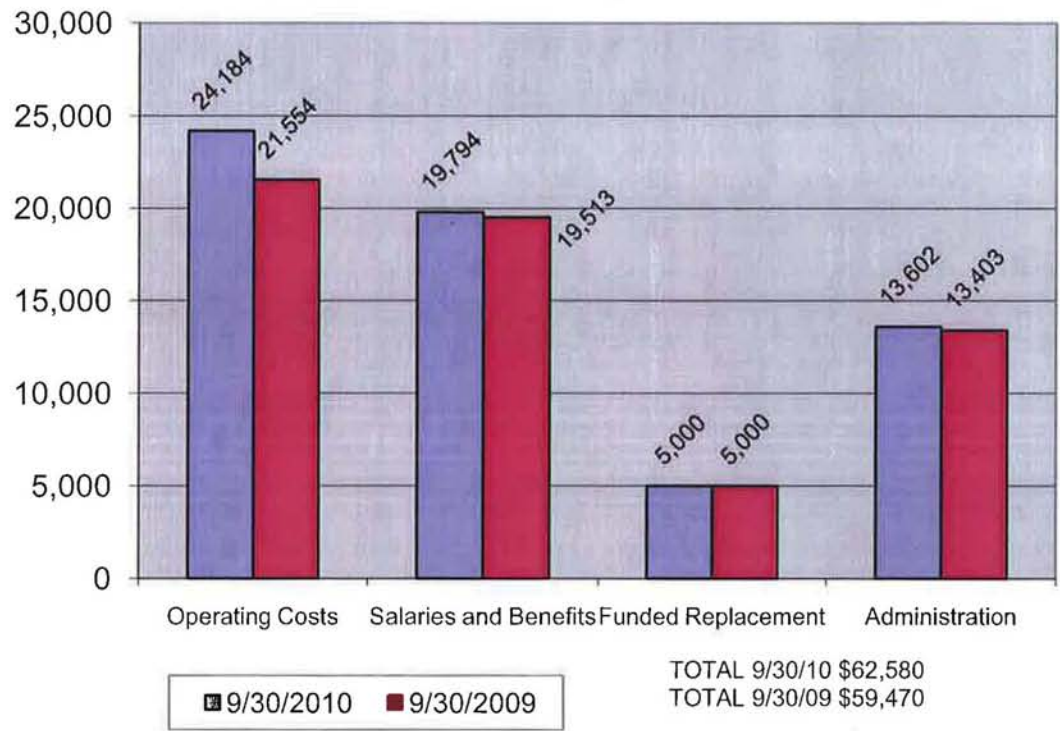
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
EXPENDITURES-SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**



**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
REVENUES-SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**



**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
EXPENDITURES-SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**



TO: BOARD OF DIRECTORS
FROM: LISA BOGNUDA ^{LB}
ACTING GENERAL MANAGER
DATE: NOVEMBER 24, 2010



DECEMBER BOARD MEETING SCHEDULE

ITEM

Review December Board Meeting schedule [RECOMMEND APPROVAL]

BACKGROUND

The regular Board Meetings are held on the first and third Wednesday of each month. Due to scheduling conflicts, it is proposed that the Board of Directors cancel the December 8 and 22 regular Board Meetings and schedule a Special Board Meeting on December 15, 2010.

The Board of Directors will have met twice in December for Special Meetings, once on December 1 and then on December 15.

The next regular Board Meeting will be held on Wednesday, January 12, 2011.

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends that the Board confirm the cancellation of the December 8 and 22, 2010 regular Board Meeting and schedule a Special Board Meeting on December 15, 2010.

ATTACHMENTS

- None