

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN
GENERAL MANAGER

MSL

DATE: SEPTEMBER 7, 2011

**AGENDA ITEM
E-1
SEPTEMBER 14, 2011**

DISTRICT RESPONSE TO 2010-2011 GRAND JURY REPORT

ITEM

Consider District response to 2010-2011 Grand Jury Report [RECOMMEND REVIEW DRAFT RESPONSE LETTER AND BY MOTION AND ROLL CALL VOTE APPROVE RESPONSE LETTER]

BACKGROUND

The County of San Luis Obispo impanels a Grand Jury every year. Nineteen jurors and eleven alternates are selected by County Superior Court judges from a pool of volunteer county residents. The primary function of the Grand Jury is to examine all aspects of local government, ensuring that the county is being governed honestly and efficiently and the county monies are being handled judiciously.

The grand Jury investigates and produces reports on various local government operations. The reports often include recommendations based on the Jury's findings. These recommendations often require response by the agency or agencies reviewed.

On June 8, 2011, the San Luis Obispo County Grand Jury issued a report titled "Rate Setting as a Water Conservation Tool." A copy of the Report is attached to this staff report. The Report makes six findings with six associated recommendations.

The Report focuses on promoting water conservation through rate structure and billing format. The Jury did not analyze agency fees or rates. The Grand Jury did not consider water conservation achieved by agencies to date.

The Grand Jury reviewed water rate structures of six of the County's cities, the Atascadero Mutual Water Company, nine community services districts, and San Luis Obispo County. Recommendations for improving promotion of water conservation were made for all agencies.

The Grand Jury requested information from District Staff on numerous occasions over the past year and on two occasions, District Staff testified before the Grand Jury. The Grand Jury had one finding and recommendation regarding Nipomo Community Services District:

FINDING 3: Nipomo CSD bills do not show rate tiers, tier consumption and tier charges.

RECOMMENDATION 3:

Nipomo CSD should consider revising water bills to show rate tiers, water usage for each tier and the charges for each tier.

Response to Grand Jury Finding: NCSD will consider revising water bills to include tier usage and billing information.

AGENDA ITEM E-1
September 14, 2011

The District implemented its current billing system in 2000. The system is 'DOS' based and has become antiquated. District Strategic Plan element 4.5 guides a staff review of billing and accounting software this fiscal year. Staff will report on findings of this review at a future Board meeting. The review will include bill formatting options and on-line account interface options that specifically promote conservation. The District expects to transition to a new billing and accounting system during fiscal 2012/2013. The cost of updating District accounting system software is expected to exceed \$100,000.

The District's response to the Grand Jury is due September 14, 2011.

FISCAL IMPACT

Budgeted staff time expended responding to Grand Jury requests for information, providing in-person testimony and developing these materials.

STRATEGIC PLAN

Element 4.5 Integrate Technology into Operations to Maximize Productivity & Communications

RECOMMENDATION

Staff recommends that the Board consider the draft letter and by motion and roll call vote to approve the letter and direct staff to transmit it to the Grand Jury.

ATTACHMENTS

- Rate Setting As A Water Conservation Tool
- Example Nipomo Community Service District Utility Bill
- Draft Response Letter



GRAND JURY

June 8, 2011

Confidential

Michael Le Brun General Manger
Nipomo CSD Board of Directors
148 South Wilson
Nipomo CA 93444

Dear Mr. Le Brun:

The San Luis Obispo County Grand Jury has completed the attached report titled "**Rate Setting as a Water Conservation Tool.**" This copy of the report is being provided to you two days in advance of its public release, as required by California Penal Code §933.05 (f), which states:

A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

Please check the Required Responses section of the report for the timing of your response as required by the Penal Code. Sections 933 through 933.05 of the Penal Code are attached for your reference. Also attached is a form for your responses to its findings and recommendations.

Please keep in mind that this report must be kept confidential until its public release by the Grand Jury.

Respectfully,

Lee Stephens, Foreperson
2010/2011 Grand Jury

Enclosures

RATE SETTING AS A WATER CONSERVATION TOOL

INTRODUCTION/PURPOSE

The State of California (State) is subject to periodic drought conditions. The Central Coast and San Luis Obispo County (County) are among the drought-prone areas. The State advocates a number of water conservation plans, among which is a method of pricing water and sewer services using rates that will encourage conservation.

This Grand Jury investigation examines the pricing of residential water services in the County and the disclosure of pricing on bills to determine if they do, in fact, promote water conservation.¹ The Grand Jury report includes a limited review of sewer service pricing related to volume of water used. The report also includes a limited review of whether or not a link between water usage and sewer charges is disclosed on customer bills.

ORIGIN

This investigation was initiated by the Grand Jury.

PROCEDURE

The Grand Jury reviewed pricing of water service by most public providers within the County to determine if rate structures are designed to promote water conservation. Providers included in this report are six of the County's seven cities, the Atascadero Mutual Water Company (MWC),

¹ Conservation can result in reduced revenue to cover fixed costs. However, without conservation there could be greater costs for additional water and infrastructure.

and nine community services districts (CSDs). The Grand Jury also reviewed a comprehensive sampling of customer bills to determine how effectively customers are notified of potential cost savings when using less water. The effectiveness of pricing methods in achieving conservation was examined, as well. Finally, the Grand Jury reviewed information related to sewer service pricing.

This Grand Jury investigation included review of:

- Best Management Practices of the California Urban Water Conservation Council (CUWCC)
- Water and sewer rate structures and sample bills
- Water rate studies
- Various reports and data supplied by providers and the CUWCC
- Information from the internet and news articles

BACKGROUND

In 1977, the California Public Utilities Commission, which is responsible for consumer pricing of services by utilities,² responded to drought conditions with emergency actions that included distribution by utilities of water conservation kits. California's passage of the 1983 Water Management Planning Act required urban water suppliers with more than 3,000 customers to implement water management plans for conserving water.

A 2009 amendment to the California Water Code (SB7) ties State water grants and loans to providers for facility upgrades to implementation of recommended Best Management Practices. Pricing of water and sewer services according to the volume of water consumed can affect customer decisions about conservation, according to the CUWCC.

² Utilities are privately owned companies serving 200 or more customers. Water utilities within San Luis Obispo County are: Golden State Water Company- serving parts of Nipomo Mesa, Los Osos and Edna Valley; Rural Water Company- serving part of Nipomo Mesa; Nacimiento Water Company- serving Oak Shores.

The CUWCC has formed partnerships among urban water agencies and other entities to increase efficient use of water statewide.³ Providers enter into a Memorandum of Understanding to implement, when feasible, CUWCC's Best Management Practices. One of the 14 Best Management Practices⁴ is retail pricing, including tiered water rates, which encourages water conservation. In addition to CUWCC encouragement of conservation pricing, setting prices based on water volume consumed is specifically highlighted by the Public Utilities Commission as a way to encourage water conservation.

Conservation of water resources is mandated by the State (SB 7) to achieve per capita urban water reduction of 20% by 2020, a goal reflected in the County's General Plan Conservation Element. One of the Conservation Element Policies, WR 4.2, is to "Support water-pricing structures to encourage conservation by individual water users . . ." The Conservation Element, adopted in 2010, cautions that water resources in the County are at a critical juncture as demand approaches sustainable supplies.

DISCUSSION

Retail Conservation Pricing⁵

Water service pricing and billing methods designed to foster conservation are based on customer awareness of the link between increased cost and increased consumption, especially if the cost escalates in a tiered fashion as more water is consumed. Similarly, sewer rates based on water consumption can motivate conservation. The amount of water piped into a building is the

³ The cities, community services districts and mutual water company surveyed for this Grand Jury investigation which reported memberships in the CUWCC are: Cities of Paso Robles, Pismo Beach and San Luis Obispo; CSDs for Cambria, Nipomo and Templeton; Atascadero MWC. Some local providers that do not belong to the CUWCC have, nonetheless, implemented its best management practices.

⁴ The CUWCC's Best Management Practices are: retail conservation pricing of water and sewer; conservation practices for utilities; residential plumbing retrofits; water surveys for efficient usage; leak detection and repair; water metering; landscape conservation and incentives; high-efficiency clothes washer incentives; public information programs; school education programs; non-residential conservation programs; designate conservation coordinator; water waste prohibition; residential ultra-low flow toilet replacement.

⁵ Conservation pricing means charging for services based on water volume consumed.

amount piped out for sewer disposal, minus water for outside use. The CUWCC recommends that both water supplied and water disposed of be priced according to volume of water consumed. CUWCC assumes that the incentive to conserve water is greater when both water and sewer are volume priced.

The focus of this report is on water service pricing with a concentration on residential customers. Residential customers, overall, consume the majority of urban water.

Water Rate Structures

According to the CUWCC (Best Practice 11), *“Conservation pricing provides economic incentives (a price signal) to customers to use water efficiently. Because conservation pricing requires a volumetric rate, metered water service is a necessary condition of conservation pricing.”*

CUWCC staff advises that, while a uniform rate structure which prices each unit of water the same promotes conservation, because higher usage means higher cost, a tiered rate structure which escalates pricing as total volume increases, is preferable for achieving conservation.

Rate structures usually contain a base rate, sometimes referenced as a capacity fee, for the fixed costs of providing service. The base rate is charged whether or not water is used during the billing cycle. Base rates can be uniform or vary by category of customer. Some rate structures include a fixed quantity of water in the base rate with a charge for excess usage.

Water providers rely on rate studies to develop rate structures that meet various goals. These goals typically involve a secure supply of water affordable to customers, financial stability for the provider and incentives for customers to conserve.

Local Water Rate Structures

The table below describes the water rate structures for all surveyed providers. All have rate structures that are volume-based. Most rate structures have tiered pricing; a few have a uniform volume rate.

WATER RATE STRUCTURES

| Water Provider | Residential | Notes |
|-------------------------------------|---|---|
| Cities | | |
| ARROYO GRANDE | base + 4 tiers | |
| ATASCADERO MWC | base + 4 tiers base + 5 tiers, SF | Base includes minimum water volume 5 th tier, added during drought, has been retained |
| GROVER BEACH | base + 4 tiers | |
| MORRO BAY | base + escalating scale | Base includes minimum water volume Rates unchanged since 1994 |
| PASO ROBLES (2) | base + volume | Base expected to be eliminated soon |
| PISMO BEACH | base + 2 tiers, SF base + volume, MF | |
| SAN LUIS OBISPO | (1) 3 tiers | |
| Community Services Districts | | |
| AVILA BEACH (2) | base + volume | Base includes minimum water volume |
| CAMBRIA | base + 9 tiers | Base includes minimum water volume |
| HERITAGE RANCH | base + 2 tiers | Base includes minimum water volume |
| LOS OSOS | base + 4 tiers | |
| NIPOMO | base + 2 tiers | |
| OCEANO | base + 2 tiers | |
| SAN MIGUEL | base + 3 tiers | Base includes minimum water volume |
| SAN SIMEON (2) | base + volume | |
| TEMPLETON | base + 4 tiers | Base includes minimum water volume |

SF- Single Family Residential

MF- Multi-Family Residential

(1) No Base Rate

(2) No tiers

In 2009, the MWC added a rate tier that targets high users among single family residential customers, its largest customer category. This tier addressed the fact that 25% of single family customers accounted for 57% of total water demand in the peak consumption summer months.⁶ Although not reflected in the above table, both Atascadero MWC and Cambria CSD temporarily increased rates during the drought.

Water rate structures are reviewed by providers with varying frequency. Some are adopted with automatic annual rate increases spanning several years. The rate schedule for the City of Morro Bay is the least current of providers surveyed, unchanged since 1994.

Water Bills

It would seem logical that water conservation due to tiered pricing is most effective when customers are aware of how water services are priced and can readily understand the cost benefit of reducing water use. Such awareness can be promoted by billing methods that highlight the higher unit costs experienced as usage increases. Also, information about sewer charges based on water volume would illuminate the potential savings available through reducing water usage.

Of the providers surveyed, Atascadero MWC employs a billing system that most actively encourages conservation. Water bills show the base rate, tier rates, tier volume usage, and tier charges. Arroyo Grande shows water rate tiers on most of its bills and, although its system does not compute tier usage, this can be done by customers based on the data furnished. Other providers using water rate tiers do not show them on bills. In addition, those providers of both water rates and water volume-based sewer rates do not indicate this on bills, with the exception of the City of San Luis Obispo.⁷

⁶ The provider's data management capabilities include water demand by number of lots of various sizes to facilitate implementation of State requirements for conserving landscape water.

⁷ Residential sewer service provided by Arroyo Grande, Grover Beach, Morro Bay, San Luis Obispo, Avila Beach CSD, Cambria CSD, Heritage Ranch CSD, and San Simeon CSD is based on volume of water consumed. Atascadero, Paso Robles, Pismo Beach, Nipomo CSD, Oceano CSD, San Miguel CSD, and Templeton CSD do not base residential sewer rates on water volume.

While an ideally informative water bill would be customized to show customers the potential cost saving from avoiding higher tier usage, doing so involves computer software capabilities that may not be available or affordable. Determining the data capability of providers is outside the scope of this investigation.

The following table highlights features of water bills and categorizes these features as informative or not informative.

WATER BILLS

| Not Informative | | Informative |
|-------------------------------------|---|--|
| Cities | | |
| ARROYO GRANDE | Water tier consumption not shown | Shows water tiers for residential Compares current & past usage |
| ATASCADERO MWC | | Shows tier rates, usage and charges Compares current and past usage monthly water conservation tip |
| GROVER BEACH | Water tiers and tier consumption not shown | 12 months usage history |
| MORRO BAY | No reference to rate scale | |
| PASO ROBLES | | 12 months usage history monthly conservation message |
| PISMO BEACH | Water tiers and tier consumption not shown | 12 months history |
| SAN LUIS OBISPO | Water tiers and tier consumption not shown | Compares current and past usage |
| Community Services Districts | | |
| AVILA BEACH CSD | Rate for water not shown | |
| CAMBRIA CSD | Water tiers and tier consumption not shown | Compares current and past usage |
| HERITAGE RANCH CSD | Water consumption not shown Water tiers and tier consumption not shown | 12 months usage history |
| LOS OSOS CSD-water only | Water tiers and tier consumption not shown | 12 months usage history |
| NIPOMO CSD | Water tiers and tier consumption not shown Message box unused | Compares current and past usage Message box |
| OCEANO CSD | Water consumption not shown Water tiers and tier consumption not shown | 12 months usage history |
| SAN MIGUEL CSD | Water tiers and tier consumption not shown | |
| SAN SIMEON CSD | Rate for water not shown | |
| TEMPLETON CSD | Water tiers and tier consumption not shown | Compares current and past usage |

Gauging Effectiveness of Conservation Water Pricing

The State's experience during the drought periods that plagued California in the 1980s showed that doubling the price of water drove overall household consumption down by one third; but, households earning under \$20,000 cut consumption by one half while those earning more than \$100,000 reduced use by only 10%.⁸

In response to the most recent drought conditions, some water providers, such as Arroyo Grande, implemented extensive water conservation incentives and imposed stringent conservation requirements. A success rate of around 20% reduction in water usage was reported. However, this overall success rate does not measure the success of individual conservation measures. Thus, the specific success of the water rates vis-à-vis the total effort is not known. The effect of conservation pricing was not evaluated prior or subsequent to the drought by Arroyo Grande and other providers.

There is one probable exception to the unknown effectiveness of conservation pricing: During the drought, the City of San Luis Obispo did not experience a water shortage because it has several sources of water, including an expanding use of reclaimed water. Also, City water conservation programs had been ongoing for many years prior to the drought. In 2008, the City established water conservation sewer pricing for single family residential customers, at which time these customers had average water use of eight units. In each of the next two years, the water use was reduced by one unit, for a total reduction of 25%.⁹ The Utility Conservation representative for the City attributes the reduced water use to water conservation pricing of sewer service, together with information provided to customers about the opportunity to reduce the cost by reducing water use.

⁸ Newsweek, 10/18/10, pp 46, 47

⁹ Among the surveyed providers, San Luis Obispo uses a unique sewer rate structure for single-family residential customers. Each has an annual water "cap" or base that is determined by the customer's water usage averaged over a three-month winter period when usage is typically lowest. This cap establishes the annual sewer base rate, effective each July. Volume above this base is charged at a uniform rate. At the end of summer, owners of single family residences are advised by the City to reduce landscape irrigation and are informed that the average water use over a three-month period in the winter will affect their monthly sewer charge for a year. Single family residential bills indicate the connection between sewer charges and water use.

Water Meters

The CUWCC emphasizes that conservation pricing is dependent on water meters. The Grand Jury learned that the 176 water customers of S & T Mutual Water Company in the Los Osos area have no water meters. This company is among at least 125 small water companies, defined as having 15-199 connections, in the County that lack meters for individual connections.¹⁰

The Grand Jury additionally learned that apartment buildings typically have only one master water meter for the building and a separate landscape meter, instead of having meters for individual apartment units. Without residents knowing how much water they consume or having to pay according to usage, there is no incentive to conserve on the basis of potential cost savings. Metering individual apartment units of new buildings could add considerably to construction costs and retrofitting meters would be even more costly. Water providers charge several thousand dollars for a meter to cover hook-up and other administration costs. Metering individual units would likely result in increased costs to tenants. An additional consideration is that apartment tenants have more turnover than residents of other types of housing and, therefore, collections for apartment unit water bills would probably be more difficult.

There is an alternative to individual apartment units being metered for hook-up to a water service provider. Relatively inexpensive flow meters can be purchased independent of a water provider and unconnected to a water service for billing. The purpose of this additional metering would be to enable apartment building owners to determine the actual water usage of individual units, in order to bill the tenants. An expected outcome would be conserved water by tenants to reduce their costs, with a result that metered apartments could have a competitive rental advantage. Owners of buildings with individually metered units would have an option of charging tenants for the actual water they consume.

No County ordinance requires water meters for urban development outside of cities that are served by a water company. Also, no ordinance of either the County or the seven cities requires

¹⁰ Effective 6/30/11, the State requires metering of source wells for systems serving 15 or more connections.

individual apartment units within a building to have metered water usage. However, parallel County ordinances promote water conservation for urban development outside of cities:

- For Los Osos, retrofits of water fixtures upon change of property ownership and retrofits for existing development to offset water use for new development are required
- For Nipomo, retrofits of water fixtures upon change of property ownership and low water use landscaping standards for new development are required

CONCLUSION

A few water service providers have not incorporated tiered pricing into their rate structures. Of those providers using tiered rates, only two indicate tiers on customer bills and only one shows usage by tiers. Thus, water bills are underutilized for promoting conservation.

Several sewer service providers base charges on volume of water used, but only one clearly indicates this on customer bills. Therefore, sewer bills are also underutilized for promoting water conservation.

Additional opportunities for water conservation exist through metering of both small water system customers and individual apartment units.

FINDINGS & RECOMMENDATIONS

FINDING 1: Morro Bay has not revised its water rate schedule since 1994.

RECOMMENDATION 1:

Morro Bay should review its water rate schedule.

FINDING 2: Paso Robles, Avila Beach CSD, and San Simeon CSD have uniform water rates that do not increase unit cost as consumption increases.

RECOMMENDATION 2:

Paso Robles, Avila Beach CSD, and San Simeon CSD should consider adopting tiered water rates that target high volume users.

FINDING 3: Only Atascadero MWC bills show rate tiers, tier consumption and tier charges.

RECOMMENDATION 3:

Arroyo Grande, Grover Beach, Morro Bay, Pismo Beach, San Luis Obispo, Cambria CSD, Heritage Ranch CSD, Los Osos CSD, Nipomo CSD, Oceano CSD, San Miguel CSD, and Templeton CSD should consider revising water bills to show rate tiers, water usage for each tier and the charges for each tier.

FINDING 4: Water meters are not used for all urban development outside of cities served by a water company.

RECOMMENDATION 4:

The County should consider adopting an ordinance for urban development outside of cities served by a water company, which would require that new development be metered and that existing developments be metered upon ownership transfer.

FINDING 5: Apartment buildings in the seven cities and urban areas outside of the cities typically do not have water meters that register indoor water use for individual units.

RECOMMENDATION 5:

The cities and County should consider adopting an ordinance that would require new apartment buildings to have meters that register indoor water used by individual units. To reduce costs, meters could be a type intended only for use by apartment building owners, instead of those supplied by water providers for water service hook-ups.

FINDING 6: Residential sewer providers that base charges on volume of water consumed do not clearly indicate on their bills that water volume affects sewer charges, with the exception of the City of San Luis Obispo

RECOMMENDATION 6:

Arroyo Grande, Grover Beach, Morro Bay, Avila Beach CSD, Cambria CSD, Heritage Ranch CSD, and San Simeon CSD should consider revising sewer bills to show that water usage affects sewer charges.

REQUIRED RESPONSES

The Board of Supervisors of San Luis Obispo County is required to respond to Findings 4 and 5 and Recommendations 4 and 5. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Department of Planning and Building of San Luis Obispo County is required to respond to Findings 4 and 5 and Recommendations 4 and 5. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **August 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The City of Arroyo Grande is required to respond to Findings 3, 5 and 6 and Recommendations 3, 5 and 6. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Atascadero Mutual Water Company is required to respond to Finding 5 and Recommendation 5. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The City of Grover Beach is required to respond to Findings 3, 5 and 6 and Recommendations 3, 5 and 6. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The City of Morro Bay is required to respond to Findings 1, 3, 5 and 6 and Recommendations 1, 3, 5 and 6. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The City of Paso Robles is required to respond to Findings 2 and 5 and Recommendations 2 and 5. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The City of Pismo Beach is required to respond to Findings 3 and 5 and Recommendations 3 and 5. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The City of San Luis Obispo is required to respond to Findings 3 and 5 and Recommendations 3 and 5. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Avila Beach Community Services District is required to respond to Findings 2 and 6 and Recommendations 2 and 6. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Cambria Community Services District is required to respond to Findings 3 and 6 and Recommendations 3 and 6. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Heritage Ranch Community Services District is required to respond to Findings 3 and 6 and Recommendations 3 and 6. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Los Osos Community Services District is required to respond to Finding 3 and Recommendation 3. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Nipomo Community Services District is required to respond to Finding 3 and Recommendation 3. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Oceano Community Services District is required to respond to Finding 3 and Recommendation 3. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The San Miguel Community Services District is required to respond to Finding 3 and Recommendation 3. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The San Simeon Community Services District is required to respond to Findings 2 and 6 and Recommendations 2 and 6. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The Templeton Community Services District is required to respond to Findings 3 and 6 and Recommendations 3 and 6. The responses shall be submitted to the Presiding Judge of the San Luis Obispo Superior Court by **September 14, 2011**. Please provide a paper copy and an electronic version of all responses to the Grand Jury, as well.

The mailing addresses for delivery are:

| Presiding Judge | Grand Jury |
|--|---|
| Presiding Judge Charles S. Crandall Superior Court of California 1050 Monterey Street San Luis Obispo, CA 93408 | San Luis Obispo County Grand Jury P.O. Box 4910 San Luis Obispo, CA 93402 |

The email address for the Grand Jury is: GrandJury@co.slo.ca.us

Response to Grand Jury Report Form

Report Title: _____

Report Date: _____

Response by: _____ Title: _____

FINDINGS

- I (we) agree with the findings numbered: _____
- I (we) disagree wholly or partially with the findings numbered: _____
(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

- Recommendations numbered _____ have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered _____ require further analysis.

(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)

- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.

(Attach an explanation.)

Date: _____ Signed: _____

Number of pages attached _____

California Penal Code

933. (a) Each grand jury shall submit to the presiding judge of the superior court a final report of its findings and recommendations that pertain to county government matters during the fiscal or calendar year. Final reports on any appropriate subject may be submitted to the presiding judge of the superior court at any time during the term of service of a grand jury. A final report may be submitted for comment to responsible officers, agencies, or departments, including the county board of supervisors, when applicable, upon finding of the presiding judge that the report is in compliance with this title. For 45 days after the end of the term, the foreperson and his or her designees shall, upon reasonable notice, be available to clarify the recommendations of the report.

(b) One copy of each final report, together with the responses thereto, found to be in compliance with this title shall be placed on file with the clerk of the court and remain on file in the office of the clerk. The clerk shall immediately forward a true copy of the report and the responses to the State Archivist who shall retain that report and all responses in perpetuity.

(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.

(d) As used in this section "agency" includes a department.

933.05. (a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent agrees with the finding.

(2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

(1) The recommendation has been implemented, with a summary regarding the implemented action.

(2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.

(3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

(4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.

(c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decisionmaking authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

(d) A grand jury may request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release.

(e) During an investigation, the grand jury shall meet with the subject of that investigation regarding the investigation, unless the court, either on its own determination or upon request of the foreperson of the grand jury, determines that such a meeting would be detrimental.

(f) A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.



Nipomo Community Services District

148 S Wilson
PO Box 326
Nipomo CA 93444
Phone: (805) 929-1133

UTILITY SERVICE BILL

| SERVICE ADDRESS | BILLING DATE | DUE DATE | TOTAL AMOUNT DUE |
|--|--------------|--|------------------|
| 148 S WILSON ST | 08/10/11 | 09/05/11 | .00 |
| NCSO OFFICE PO BOX 326 NIPOMO CA 000 0 | | TO AVOID PENALTY, PAYMENT MUST BE RECEIVED ON OR BEFORE DUE DATE | |
| | | ACCOUNT NUMBER | AMOUNT PAID |
| | | NCS0001 | |

Mail to: PO Box 326
Nipomo CA 93444

PAYABLE TO: **Nipomo CSD**

Detach and return above portion with your payment. Retain lower portion for your records

Nipomo Community Services District * Utility Service Bill

148 S Wilson, PO Box 326, Nipomo CA 93444, (805) 929-1133

| SERVICE ADDRESS | ACCOUNT NO. | FROM | TO | DUE DATE |
|-----------------|-------------|----------|----------|----------|
| 148 S WILSON ST | NCS0001 | 05/31/11 | 07/31/11 | 09/05/11 |

| METER READ | |
|--------------------|------|
| PRIOR METER READ | 2854 |
| CURRENT METER READ | 2872 |

| CONSUMPTION 100 CU FT | |
|---------------------------|----|
| USAGE THIS PERIOD | 18 |
| USAGE ONE YEAR AGO | 69 |
| A Message from Nipomo CSD | |

| CHARGES | |
|-----------------------|-----|
| PREVIOUS BALANCE | .00 |
| WATER SERVICE | .00 |
| WATER USE | .00 |
| TOTAL CURRENT CHARGES | .00 |
| TOTAL NOW DUE | .00 |

NIPOMO COMMUNITY

BOARD MEMBERS

JAMES HARRISON, PRESIDENT
LARRY VIERHEILIG, VICE PRESIDENT
MICHAEL WINN, DIRECTOR
ED EBY, DIRECTOR
DAN A. GADDIS, DIRECTOR



Serving the Community Since 1965

SERVICES DISTRICT

STAFF

MICHAEL S. LEBRUN, GENERAL MANAGER
LISA BOGNUDA, ASSISTANT GENERAL MANAGER
PETER SEVCIK, P.E., DISTRICT ENGINEER
TINA GRIETENS, UTILITY SUPERINTENDENT
JON SEITZ, GENERAL COUNSEL

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

September 14, 2011

Presiding Judge Charles S. Crandall
Superior Court of California
1050 Monterey Street
San Luis Obispo, California 93408

San Luis Obispo County Grand Jury
P.O. Box 4910
San Luis Obispo California 93402
GrandJury@co.slo.ca.us

Dear Judge Crandall and Grand Jury:

SUBJECT: RATE SETTING AS A CONSERVATION TOOL, DISTRICT RESPONSE

The District appreciates the commitment of the Grand Jury to ensure honest, efficient, and just local government. The District shares the Jury's concern for water resources and places a high value on water conservation education.

In July of this year, the District adopted the 2010 Update of its Urban Water Management Plan. This comprehensive water planning tool is required by the California Water Code, Urban Water Management Planning Act. The District's 2010 Update was the third review and update undertaken by the District since the Act became applicable to the District.

As part of the update effort, the District reviewed baseline and target daily per capita water use as required by Senate Bill 7 and California Water Code. Using the State mandated methodology, the District determined that conservation efforts implemented in the last three years have significantly curbed per capita water use in the District, so much, so the District customers is currently meeting State mandated goals for the 2020.

Despite the positive findings, the District continues its long-term commitment to prudent efficient use of potable water and water conservation practices.

Grand Jury Findings and Recommendation (Only those findings addressed to the District are listed):

Finding 3: Nipomo CSD bills do not show rate tiers, tier consumption and tier charges.

Recommendation 3: Nipomo CSD should consider revising water bills to show rate tiers, water usage for each tier and charges for each tier.

Response – Nipomo CSD billing system is an antiquated DOS based system that represented 'state of the art' in 2000 when implemented. Making changes to the system requires expenditure of resources to have code written by our software provider.

District staff is currently reviewing billing and accounting systems to replace the current system. Programs that allow more options for billing format and online account interface to promote conservation are being considered. The Board is scheduled to receive a formal review and recommendation (by staff) for upgrading the system during fiscal 2011/2012. A billing system overhaul may then be scheduled for 2012/2013.

At this time, the District does not propose making changes to the current bill format prior to system wide upgrade. If billing system replacement/overhaul is delayed our conservation figures start slipping, the District will revisit this decision.

Very truly yours,

NIPOMO COMMUNITY SERVICES DISTRICT

James D. Harrison
President, Board of Directors

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN *MGL*
GENERAL MANAGER

**AGENDA ITEM
E-2
SEPTEMBER 14, 2011**

DATE: September 9, 2011

REVIEW SUPPLEMENTAL WATER SUPPLY PROJECT STATUS

ITEM

Review Supplemental Water Project Status [CONSIDER INFORMATION PRESENTED AND PROVIDE INSTRUCTION TO STAFF]

BACKGROUND

For more than 40 years numerous agencies and parties have conducted groundwater studies of the Nipomo Mesa area. These studies have voiced varying levels of concern for aquifer health and long-term reliability. In 2004, the County of San Luis Obispo commissioned a meta-study (review of previous work and available data) by S.S. Papadopoulos. The report found the aquifer area underlying the mesa to be in overdraft. Subsequently, the County affirmed a Level of Severity III (resources unable to meet current demand) for the area. In May 2006, San Luis Obispo County adopted Ordinance 3090 establishing the Nipomo Mesa Water Conservation Area and restricting development in the Area contingent on importation of supplemental water and/or participation in supplemental water importation efforts.

Today, groundwater remains the sole potable water supply for the entire mesa area which includes an estimated 30,000 residents, three golf courses, numerous commercial agricultural businesses including both greenhouses and outdoor growing/row crops, and an oil refinery. Supplemental sources of water would increase reliability of the area supply and protect the aquifer from possible damage including seawater contamination.

The District has been evaluating water resources to augment local groundwater supply for nearly twenty years. The District has conducted three formal studies of water supply alternatives since 1994; the most recent is a series of Technical Memorandums completed in 2007. The 2007 study reaffirmed the purchase of water from the City of Santa Maria as the most cost efficient, timely, and technically viable option for obtaining supplemental water.

To date, the District has made significant progress in defining a project that would allow the community to act on the opportunity to develop additional water resources. As of July 1, 2011, the District has expended approximately 3.1 million dollars to plan and design a pipeline that would connect Nipomo Mesa area water providers to the City of Santa Maria's potable water distribution system. This source would serve to diversify the Mesa's water supply portfolio, increase supply dependability, reduce pumping from the pumping depressions, and improve groundwater supply quality.

Pipeline design is nearly complete and detailed review of a project-funding plan is ongoing. All four major water providers on the Mesa are participating in the project and the Court appointed Nipomo Mesa Management Area Technical Group supports the supplemental water project.

Throughout the summer, the District has conducted an Education and Outreach campaign to inform property owners within the participating water companies' service areas on the status of area water supply and the need for supplemental water sources. Polling of property owners is

AGENDA ITEM E-2
September 14, 2011

currently being conducted to measure the impacts of this education effort. Results of the polling are scheduled to be presented to your Board on September 28.

SCHEDULE

Ultimately, the schedule forward will depend in large part on the polling results your Board will receive on September 28. The most aggressive schedule forward would culminate with closing assessment proceedings and evaluating the assessment vote outcome in early April 2012. (A property tax measure is currently envisioned as the primary mechanism for funding Project capital costs – more below). This would allow three months following the assessment vote to bid and award project, fix final costs and enter the assessments on the 2012/2013 property tax roll.

In order to support this schedule, staff has re-engaged the project Assessment Engineer and Design Engineer. A project 'All Hands' meeting is scheduled for September 20. At this meeting all facets of the projects professional team will be brought together to update and review the schedule ahead. This collective meeting has been held twice previously, most recently in June 2010. The meeting outcomes will include a comprehensive and updated project schedule that will be presented to your Board on September 28, 2011.

A key milestone in making the spring 2012 assessment timeline will be the County of San Luis Obispo Board of Supervisor's approval of the District leading assessment proceedings. Currently the County, under a Memorandum of Understanding with the District, is leading the assessment effort. Last month, your Board directed staff to make a formal request to lead the assessment proceedings in accordance with the Municipal Improvement Act of 1913 and the Improvement Bond Act of 1915, which govern the establishment of assessment districts. County staff has agreed to take the request in front of the Board of Supervisors. A tentative date before the Board of Supervisors in October has been set. County staff envisions needing two meetings before the Supervisors reach a decision. Staff has scheduled a day and half of meetings between the County and District during the third week of September to prepare for the Board of Supervisors meetings in October.

PROJECT COSTS

As design has progressed during the past year, the infrastructure cost estimate of building the intertie pipeline has remained relatively stable at near \$23.6 Million. In an effort to provide the Assessment Engineer a cost estimate for inclusion in the draft Assessment Report, and with an understanding that this value would set the ceiling for property assessments, staff reviewed project soft costs and increased budget estimates where justified resulting in a \$25.3 million estimate. This estimate does not include financing costs or the cost of delivered water.

Your Board previously authorized the formation of an Assessment District to fund the Supplemental Water Project because, unlike user fees, assessments can be spread over both developed and undeveloped properties located within the participating water companies/purveyors that will benefit from the Supplemental Water Project.

As the Project Design engineer reactivates, an updated estimate of construction costs will be generated. The updated engineer's estimate will provide the basis for establishing the ceiling on assessment values and must represent a balance between insuring the assessment generates enough revenue to complete the project while at the same time keeping the cost to property owners as reasonable as possible. Future inflationary pressure may affect project costs.

The 2010 Wholesale Water Agreement signed with the City of Santa Maria defines the cost of delivered supplemental water. Supplemental water has two variable cost components; one

AGENDA ITEM E-2
September 14, 2011

linked to the City's Tier 1 water rate (the lowest rate at which City customers are charged for water) and one to an energy index. A portion of supplemental water cost represents capital charges and could be financed, along with the pipeline infrastructure costs outlined above, via property assessment.

With the hope of reducing project costs, the District teamed with the County of San Luis Obispo to submit an Integrated Regional Water Management grant application. The County's application has received approval by the Department of Water Resources. County staff are currently working with the State to define a funding agreement. **It now seems very likely the District will receive at least \$2.2M dollars of grant monies for the Project.** A draft funding agreement between the County and District will be presented to your Board in the coming months.

While the cost estimates for building the infrastructure and buying the supplemental water are well defined, the method by which costs are financed can have a significant effect on the lifetime costs of the project. Staff is working with project partners and the Bond team to define funding options and a recommended funding plan. The current goal is to have project capital costs and bonding approach sufficiently defined to support a letter to property owners that defines assessment values by early November. Staff expects to provide draft values and an overview of the assessment approach to your Board in October.

FISCAL IMPACT

Budgeted staff time was used to prepare this report. The supplemental water project is, by far, the largest capital improvement project ever undertaken by the District. Six million dollars in District reserves are earmarked to offset the District portion of project capital costs. The District has collected over three million dollars in supplemental water charges.

RECOMMENDATION

Staff recommends that the Board consider the information presented and provide staff direction.

ATTACHMENTS

None

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2011\110914 SUPP WATER STATUS . docx

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: SEPTEMBER 9, 2011



REVIEW ON-LINE BILL PAYMENT OPTION

ITEM

Review On-Line Bill Payment Option [REVIEW OPTION AND DIRECT STAFF].

BACKGROUND

In March 2011, the Board of Directors reviewed and approved the implementation of a pilot program to accept credit/debit cards as an option for customers to pay their water/sewer utility bill. The fees associated with accepting credit/debit cards "over-the-counter" (i.e. customer walk-ins) are costing the District on average approximately 3% per transaction. Over the past five months the District averaged 36 transactions per month with an average transaction amount of \$170.11. Based on this data, each transaction is costing the District approximately \$5.10. This cost cannot be passed on to the customer as a "convenience fee". A thorough review of this pilot program will be presented to the Board in Spring 2012.

Even though accepting credit/debit cards is now an option, a number of customers are still requesting an "on-line" bill pay option. Staff previously determined that it was cost prohibitive to utilize the District's current billing software to provide on-line bill pay. Staff has, however, recently been made aware of a cost-effective alternative for customers who wish to pay their utility bill on-line.

Official Payments Corp. (www.officialpayments.com) provides on-line bill pay and toll-free touch-tone telephone service to over 4,000 county and municipal governments nationwide, including City of Pismo Beach and Cambria CSD locally. Official Payments would provide a link that is placed on the District's website as well as provide a toll-free phone number. The customer would need to know their account number, service address and the amount they wish to pay. The customer would be charged a convenience fee of \$3.95 per transaction. The maximum transaction amount is \$400.00 with unlimited transaction capability. For example, if a customer's bill is \$800.00, they can make 2 transactions to pay their entire bill.

There is no cost to the District. Official Payments Corp. retains all of the convenience fees collected as payment for their services. The funds paid by the customer (less the convenience fee) are deposited into the District's account within 24 hours and a transaction log is emailed to the District on a daily basis.

FISCAL IMPACT

There is no cost to the District. The "convenience fee" is passed on to the customer who elects to use the on-line bill pay or toll-free method. Staff time to implement on-line bill pay utilizing this option will be minimal.

RECOMMENDATION

Staff recommends your Board direct Staff to implement on-line bill pay and toll-free option with Official Payments and review the program after one year.

ATTACHMENT

- Examples from Cambria CSD, City of Pismo Beach and Official Payments web sites

**Customer Service****Pay Your Bill**

Start & Stop Service
Pay Your Bill
Rates & Fees
Calculate Your Bill
Report a Leak
Read Your Meter
Who Do You Call

**Paying Your Bill**

For your convenience, there are a variety of ways to pay your water and wastewater bill:

1. Mail payment in the return envelope provided with bill or send to CCSD, P.O. Box 65, Cambria CA 93428.
2. Place it in the drop box outside the CCSD offices off Tamsen Street.
3. Pay at the CCSD lobby, 1316 Tamsen Street, Suite 201.
4. Drop it off at Village Pharmacy, 2306 Main Street.
5. To pay your bill electronically, just click on [Electronic Debit](#) to obtain the necessary form. Mail your completed form to CCSD, P.O. Box 65, Cambria CA 93428.
6. Make a payment by Credit Card, Debit Card, or Electronic Check (see below).

Credit Cards Accepted Discover®, Master Card®, and Visa® credit and debit cards are accepted. To make a payment by credit card, debit card, or electronic check click [HERE](#). Please note Convenience Fee below. If you prefer to make your payment using your touch-tone telephone, please call toll-free at 1-800-272-9829. At the prompt enter **Jurisdiction Code 7219**.

Convenience Fee

Official Payments, the service provider, charges the customer a convenience fee for payment processing of \$4.95 per transaction. The maximum transaction amount is \$300 with unlimited transaction capability. For example, if a customer's bill is \$900, they can make 3 transactions to pay their entire bill.

Cambria CSD



Home | Payment Center | Help | Special Offers

En Español

My Account

Log In (Optional)
 Log in for expedited access to our enhanced payment services.

E-mail Address:

Password:

[Sign Up / Forgot Password?](#)

Make A Payment

Select Service > Enter Amount > Accept Terms > Provide Details > Confirm Details > Digital Receipt



Cambria Community Services District, CA
Utility Payment (Water and Sewer)

Enter your Payment Amount, including any penalties or interest, select Payment Option, then click "Continue" to proceed with the payment process.

- Your convenience fee will be calculated and presented on the next page, if applicable.
- Do not use your browser's "Back" button. Instead, navigate using the buttons below.

*Payment Amount \$

(Without convenience fee)

*Payment Options:

Credit Card

Debit Card

Debit Card

E-Check

- Pay Now
- View History
- Schedule Payments
- Verify Payments
- Schedule Reminders
- My Account Dashboard
- E-Wallet

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Cambria CSD

Charges

Water meters are read bi-monthly, for an average billing cycle of approximately 60 days. Your utility bill includes fixed charges and charges for water consumption. The fixed charges for a Single-Family Residence (SFR) 3/4" meter include the following:

Average Charges for Single Family:

| | |
|---|---------|
| Water Meter Service Charge (SFR) 3/4" meter) | \$31.90 |
| Sewer Charge (Flat Rate) | \$78.98 |
| Water Usage Fee (Varies per amount used—this example is 10 HCF of usage @ 2.30 per HCF) | \$23.00 |
| (Consumption amounts over 12 HCF are billed at \$2.99 per HCF) | |

Total Bill \$133.88

Meter sizes have been determined by either a contractor or the building department and cannot be reduced to a smaller size.

The Water Meter Service Charge is charged upon all City water users to help pay for the cost of maintenance of the water mains, pump stations, equipment and water reservoir systems.

View [Comprehensive Water & Sewer Fee Schedule](#)

Paying Your Bill

For your convenience the following methods are available:

- **Mail** your payment to: City of Pismo Beach, Finance Department, 760 Mattie Road, Pismo Beach, CA 93449
- Deposit payment in the **Night Drop Box** located in the City Hall parking lot.
- **Pay in person** - Cash and check payments are accepted in the Finance Department.
- **Automatic Payment Service** - Utility bill is paid automatically from your checking account on the due date stated on the bill. Please call (805) 773-4655 to receive an [application](#) to sign up for City of Pismo Beach Automatic Payment Service. An [application](#) can also be downloaded using this website.
- **Pay On-Line** - The City of Pismo Beach has partnered with Official Payments to offer payment of utility services over the Internet using the [on-line payment service](#). A small convenience fee applies.
- **Pay by Phone** - Official Payments also offers a convenient payment service via telephone. If you prefer to make your payment using your touch-tone telephone, please call toll-free at 1-800-2PAY-TAXSM (1-800-272-9829). At the prompt, enter **Jurisdiction Code 1567**. A small convenience fee applies.

Payment is due 30 days from the billing date shown on your regular bill. If payment is not made by this date, the bill becomes delinquent and a Delinquent Notice including penalties and interest are generated and mailed.

Terminating Service

Utility services can be terminated by completing a [Request to Discontinue Utility Services](#) form. Completed form can be faxed, emailed or submitted to the Finance Department. There is a 24-hour advance notice required for the termination of services. Contact the Finance Department at (805) 773-4655 for further information.

City of Pismo Beach



Home | Payment Center | Help | Special Offers

My Account

Log In (Optional)

Log in for expedited access to our enhanced payment services.

E-mail Address:

Password:

Submit

Sign Up /

Forgot Password?

- ▶ Pay Now
- ▶ View History
- ▶ Schedule Payments
- ▶ Verify Payments
- ▶ Schedule Reminders
- ▶ My Account Dashboard
- ▶ E-Wallet

Make A Payment

Select Service > Enter Amount > Accept Terms > Provide Details > Confirm Details



Pismo Beach, City of, CA Utilities

Enter your Payment Amount, including any penalties or interest, select Payment Option, then payment process.

- Your convenience fee will be calculated and presented on the next page, if app
- Do not use your browser's "Back" button. Instead, navigate using the buttons b

*Payment Amount \$.
(Without convenience fee)

*Payment Options: Credit Card
 E-Check



Back <

Cancel X

Conti

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Authorized IRS Payment Provider Since 1999

City of Pismo Beach

TO: MICHAEL S. LEBRUN
GENERAL MANAGER *MSL*

FROM: PETER V. SEVCIK
DISTRICT ENGINEER *P.V.S.*

DATE: SEPTEMBER 7, 2011



**CONSIDER FEE DEFERRAL REQUEST BY
DEVELOPER OF TRACT 2634**

ITEM

Consider fee deferral request by developer of Tract 2634 [CONSIDER REQUEST AND PROVIDE DIRECTION TO STAFF].

BACKGROUND

Tract 2634 is a re-subdivision of an existing 1 acre lot with an existing single family residence with District water and sewer service into a three lot subdivision (two new lots created) being developed by Sean Schuur on Grande Avenue in Nipomo. The District originally issued an Intent-to-Serve Letter for the project in 2004 and reissued an Intent-to-Serve letter for the project in October 2007. The District approved the project improvement plans for the development in June 2008. The project improvements consist of water and sewer services to serve the new lots. No new water line or sewer line improvements that would be dedicated to the District are required for the project. The water and sewer services have not yet been installed.

The District President received the attached email request from the developer on September 2, 2011. The developer has requested that the Board consider fee phasing for Tract 2634.

Attached is the District's Fee Phasing Ordinance 2010-115 and Resolution 2010-1199 that establishes the administrative fees collected by the District to implement fee phasing. The Ordinance applies to residential projects that create 4 or more new parcels under a single application and that require the dedication of any water and sewer improvements. Also attached is a flowchart that was developed at the time the ordinance was adopted that illustrates the new process. Based on the requirements for fee phasing as outlined in the Ordinance and as illustrated on flowchart, Tract 2634 is not eligible for fee phasing.

The current Intent-to-Serve Letter expires on October 2, 2011. The applicant can apply for a new Intent-to-Serve letter for the project by submitting an application and paying the current application fee. The application is not subject to Board approval in accordance with District Ordinance since the project involves less than 4 lots. The new application and Intent-to-Serve letter would be subject to the District's water allocation ordinance.

FISCAL IMPACT

Current capacity charges due for the project are \$26,047 for each new lot or \$52,094 total. One lot is already served by District Water and Sewer so no capacity charges are due for that lot.

STRATEGIC PLAN

N/A

RECOMMENDATION

Staff recommends that the Board consider the developer's request and provide direction to staff.

AGENDA ITEM E-4
September 14, 2011

ATTACHMENTS

- Developer Email Request dated September 2, 2011
- Project Overview Map
- Ordinance 2010-115
- Resolution 2010-1199
- Fee Phasing Flowchart

From: Sure Mortgage Solutions [<mailto:suremortgage@sbcglobal.net>]
Sent: Friday, September 02, 2011 7:56 AM
To: 'sbwlff@sbcglobal.net'
Subject: Tract 2643

Mr. Harrison,

Tract 2643 was brought up in previous board meeting to be placed on agenda to look at the options for securing a will serve letter. The property was originally and acre and has been divided in order to create housing in Nipomo. The original three lots have been completed on Butterfly. The county of San Luis Obispo required the next three lots to continue as a subdivision. The agenda item specific to tract 2643 is where we would like to be able to use the subdivision reduction initial fee/stepped payment on this subdivision that has been approved. The property has original 6 units and 4 have been completed. The next separate agenda item is to grant all approved subdivision regardless of number units to be able to use the stepped payments used by subdivisions 4 or more units. The next agenda item is to look at all will serve as equals and have the initial stepped fee applied regardless as a subdivision status. If tract 2643 is unable to be put on a step fee structure- I need to know the steps to re-secure a intent to serve letter and would like an extension on this until the previous agenda items have been exhausted due to a Oct permit date expiring. In these hard economic times, we need to help all individuals through this process.

Thank you for your consideration,
Sean Schuur
805-489-1257

**NIPOMO COMMUNITY SERVICES DISTRICT
ORDINANCE NO. 2010-115**

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING TITLE 3 OF THE NIPOMO COMMUNITY SERVICES DISTRICT
CODE TO ESTABLISH NEW PROCEDURES FOR PAYMENT OF
DISTRICT FEES FOR CONNECTION FOR
RESIDENTIAL PROJECTS CREATING FOUR OR MORE PARCELS AND MIXED USE
PROJECTS UNDER A SINGLE APPLICATION FOR A FINAL MAP THAT REQUIRE THE
DEDICATION OF ANY WATER AND SEWER IMPROVEMENTS PURSUANT TO A DISTRICT
PLAN CHECK AND INSPECTION AGREEMENT**

WHEREAS, it is a major responsibility of the Nipomo Community Services District ("District") to:

Operate and maintain its water production and distribution facilities so as to provide adequate water service and fire protection to District water customers; and

Maintain adequate levels of revenue, equitably collected from District water customers and future customers, to meet the District's financial commitments including acquiring supplemental water to augment the District's current water production facilities to prevent impairment to the Groundwater Basin.

WHEREAS, pursuant to District Code Section 3.04.051, the District currently requires the initial deposit for "Fees for Connections" to be paid prior to issuance of District Will-Serve Letter; and

WHEREAS, San Luis Obispo County ("County") requires a District Will-Serve Letter prior to recording final maps; and

WHEREAS, on December 16, 2009, January 27, 2010, February 24, 2010, and April 28, 2010, the District Board of Directors received testimony from the Homeowners Association of San Luis Obispo County, Coast National Bank and the public regarding the impacts of the current credit crunch on the ability of developers to borrow money to pay the costs of development including local agency impact fees for water and sewer. The testimony is summarized in an April 02, 2010 letter from Coast National Bank.

WHEREAS, based upon the Staff Report, this Ordinance, Staff Presentation and public testimony, including testimony received on February 24, 2010 and April 28, 2010, the Board of Directors finds:

- A. The public meetings adopting this Ordinance have been properly noticed pursuant to Government Code Section 54954.2 (The Brown Act);
- B. The purpose of this Ordinance is to provide temporary relief for residential and mixed use projects where the developer is required to construct any offsite water and sewer improvements to be dedicated to the District pursuant to a District Plan Check Inspection Agreement, by deferring payment of a portion of the Fees for Connection as provided in Section 3.04.053, below.

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

Section 1. Authority.

**NIPOMO COMMUNITY SERVICES DISTRICT
ORDINANCE NO. 2010-115**

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING TITLE 3 OF THE NIPOMO COMMUNITY SERVICES DISTRICT
CODE TO ESTABLISH NEW PROCEDURES FOR PAYMENT OF
DISTRICT FEES FOR CONNECTION FOR
RESIDENTIAL PROJECTS CREATING FOUR OR MORE PARCELS AND MIXED-USE PROJECTS UNDER A
SINGLE APPLICATION FOR A FINAL MAP THAT REQUIRE THE DEDICATION OF ANY WATER AND SEWER
IMPROVEMENTS PURSUANT TO A DISTRICT PLAN CHECK AND INSPECTION AGREEMENT**

This Ordinance is enacted pursuant to Government Code Sections 61600(a), 61060 (a) and (b) and 6115(a)(2).

Section 2. Section 3.04.051 of the District Code is hereby amended and restated as follows:

Section 3.04.051 Payment of Connection Fees and Capacity Charges.

Except as provided in Section 3.04.052 and 3.04.053, below, the Applicant shall pay the water capacity charges (including supplemental water capacity charges), sewer capacity charges, reimbursement charges (if applicable), meter fee and account set-up fee, collectively "Fees for Connection" as follows:

- A. The Applicant shall make a non-refundable deposit ("Deposit") at the time the District issues a Will-Serve Letter in an amount equal to the then calculated Fees for Connection.
- B. The Fees for Connection shall be calculated and owing as of the date the District sets the water meter(s) to serve the affected property from which the amount of the Deposit shall be deducted.
- C. The District will set water meter(s) upon proof of a building permit from the County of San Luis Obispo and that the District has accepted improvements to be dedicated to the District, if applicable.
- D. All water and sewer improvements shall be bonded for or otherwise secured in the District's name to the satisfaction of the District.

Section 3.

Section 3.04.053 is added to the District Code as follows:

Section 3.04.053 Payment of Fees for Connection for residential projects creating four or more parcels and mixed-use developments, developed under a single application for a final map, where the Applicant is required to construct and dedicate any water and sewer improvements to the District pursuant to a Plan Check and Inspection Agreement.

- A. For residential projects and mixed-use projects that do not meet the requirements of subparagraphs B, C and D below, or at the option of Applicant, the payment provisions of Section 3.04.051 shall apply.
- B. Residential projects creating four or more parcels, under a single application

**NIPOMO COMMUNITY SERVICES DISTRICT
ORDINANCE NO. 2010-115**

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING TITLE 3 OF THE NIPOMO COMMUNITY SERVICES DISTRICT
CODE TO ESTABLISH NEW PROCEDURES FOR PAYMENT OF
DISTRICT FEES FOR CONNECTION FOR
RESIDENTIAL PROJECTS CREATING FOUR OR MORE PARCELS AND MIXED-USE PROJECTS UNDER A
SINGLE APPLICATION FOR A FINAL MAP THAT REQUIRE THE DEDICATION OF ANY WATER AND SEWER
IMPROVEMENTS PURSUANT TO A DISTRICT PLAN CHECK AND INSPECTION AGREEMENT**

for a final map and mixed use projects, where the Applicant is required to construct and dedicate any water and sewer improvements to the District pursuant to a Plan Check and Inspection Agreement the following procedures shall apply:

Prior to the District issuing a "Map Recordation" Will-Serve Letter, the Applicant may make written request to the District Board of Directors to reduce the Deposit referenced in Section 3.04.051, not-to-exceed eighty (80%) percent of the then calculated Fees for Connection. The written request shall be submitted to the District and shall include the following:

1. Evidence that the Applicant's Plan Check and Inspection Agreement deposit is current as of the date of the written request.
 2. Applicant, at Applicant's cost, submits a current title report for each assessor parcel number under the application for final map.
 3. Any other information requested by the District prior to consideration of the request.
- C. At the hearing where the Board of Directors considers Applicant's request for deferral, and after considering the information provided by Applicant pursuant to paragraph B , above, and information from other interested parties, the District Board of Directors will defer payment of fees not-to-exceed eighty (80%) percent of the then owed Fees for Connection on the following conditions:
1. The project is in compliance with all other District rules, regulations and ordinances.
 2. Applicant has timely complied with all terms and conditions of the Plan Check and Inspection Agreement including requests to increase the deposit.
 3. Applicant agrees to pay the District's non-refundable administrative costs for processing and tracking the project. The administrative costs shall be established by resolution of the District.
 4. Property owner(s), at Applicant's sole costs, submits a petition and ballot to the satisfaction of District Legal Counsel committing the project and parcels created therein in favor of the Assessment District to finance (in whole or in part) the Santa Maria Waterline Intertie Project.
 5. Applicant provides recordable document for the approval of District Legal Counsel, that notifies potential buyers of the entire project or portions of

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the project (i.e. individual parcels) within Applicant's project of the assessment petition and ballot and the conditions upon which building permits will be issued by the County of San Luis Obispo and the conditions upon which the District will set water meter(s) including the payment of outstanding fees and the developers obligations to complete the off-site improvements and dedicate them to the District.

6. Applicant provides written verification from the San Luis Obispo County Planning Department that each parcel created by the project will be appropriately flagged so that the County will not issue a building permit for project parcels without first receiving written confirmation from the District that District Fees for Connection have been paid in full.
 7. Applicant submits an Indemnification Agreement, to the satisfaction of District Legal Counsel wherein Applicant and the owner of the real property agree to hold harmless, defend and indemnify the District from any and all claims related to the District's actions and/or conditions imposed on Applicant or the owner of the property in considering and/or granting the Application for deferral of the payment of Fees for Connection.
- D. Upon Applicant satisfying the conditions referenced in Section 3.04.053 B and C above, and upon satisfaction of the following conditions, the District will issue Applicant a "Map Recordation" Will-Serve Letter:
1. Payment in full for all Fees for Connection associated with common irrigation, drainage basin meters and fire system fees that may provide benefit to more than one parcel within the development.
 2. The Applicant makes a deposit of fees not less than twenty percent (20%) of the then owing Fees for Connection. The Deposit shall be applied to the District's standard Fees for Connection for water and sewer service excluding the Santa Maria Waterline Intertie supplemental water capacity charge. The Deposit shall be first applied to sewer capacity charges, if applicable, second to water capacity charges (other than Santa Maria Waterline Intertie supplemental water capacity charge) and third to water meter fees.
 3. The Applicant shall pay one hundred percent (100%) of Reimbursement Charges, if applicable.
 4. Proof that all water and sewer improvements are separately bonded for or otherwise secured in the name of the District, to the satisfaction of the District.
- E. Upon map recordation, the Applicant shall supply the District with newly

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created assessor parcel numbers as soon as they are made available by SLO County. Failure of Applicant to supply the District with the assessor parcel numbers may cause further delay in the processing.

- F. Upon the satisfaction of the conditions referenced in 3.04.053 B, C, D and E above, and upon the following, the District will accept improvements to be offered and dedicated to the District:
1. Applicant has complied with the Plan Check and Inspection Agreement and other District Code Sections related thereto.
 2. Applicant has supplied, to the satisfaction of District, a Title Report for each of the created parcels identified in final map.
 3. Applicant provides a recordable document to be recorded on each newly created assessor parcel number for approval of District Legal Counsel, to notify potential buyers of parcels of the assessment petition and ballot and the conditions upon which building permits will be issued by the County of San Luis Obispo and the conditions upon which the District will set water meter(s) including the payment of fees and the developers obligations to complete the off-site improvements and dedicate them to the District.
- G. The District will not issue a Will-Serve Letter for an individual assessor parcel numbers nor set a water meter on any parcel within Applicant's project until the following have occurred:
- a) Payment of all outstanding project Fees for Connection and other District associated costs for individual assessor parcel numbers; and
 - b) The District has accepted improvements to be dedicated to the District.
- H. Unless extended by Resolution by the District Board of Directors Section 3.04.053 shall automatically be repealed (sunseted) upon the first of the following to occur: 1) anytime by District Resolution, or 2) a determination by the District or other designated Governmental Agency that a majority protest exists to the Assessment District to finance the Santa Maria Waterline Intertie Project or, 3) twenty-four months (24) from the effective date of this Ordinance.

Section 4. Section 5.02.010 of the District Code is hereby amended to add:

Section 5.02.010 (4)

All water and sewer improvements shall be bonded for or otherwise secured in the District's name, to the satisfaction of the District.

**NIPOMO COMMUNITY SERVICES DISTRICT
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**AN ORDINANCE OF THE BOARD OF DIRECTORS
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Section 5. Section 4.03.010 of the District Code is hereby amended to add:

Section 4.03.010 title Chapter 3.03 and 3.04 incorporated by reference.

Chapter 3.03 and 3.04 of this code is incorporated herein by reference as though set forth at length.

Section 6. Incorporation of Recitals

The Recitals are true and correct and incorporated herein by this reference.

Section 7. Effect of Repeal on Past Actions and Obligations.

This Ordinance does not affect prosecutions for Ordinance violations committed prior to the effective date of this Ordinance, does not waive any fee or penalty due and unpaid on the effective date of this Ordinance, and does not affect the validity of any bond or cash deposit posted, filed or deposited pursuant to the requirements of any Ordinance.

Section 8. CEQA Findings

The Board of Directors of the District finds that the revisions of the policies and procedures adopted by this Ordinance are exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15378 (b) (2) because such amendments constitute general policy and procedure making. The Board of Directors further finds that the adoption of the rules and regulations established by this Ordinance is not a project as defined in CEQA Guideline Section 15378, because it can be seen with certainty that the revisions will not result in either a direct physical change in the environment, nor is there a reasonable indirect physical change in the environment. The District General Manager is directed to prepare and file an appropriate notice of exemption.

Section 9. Severance Clause.

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, ineffective or in any manner in conflict with the laws of the United States, or the State of California, such decision shall not affect the validity of the remaining portions of this Ordinance. The Governing Board of the District hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsection, sentence, clause or phrase be declared unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California.

Section 10. Effect of Headings in Ordinance.

Title, division, part, chapter, article, and section headings contained herein do not in any manner affect the scope, meaning, or intent of the provisions of this Ordinance.

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AN ORDINANCE OF THE BOARD OF DIRECTORS
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Section 11. Effective Date.

This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage. Before the expiration of fifteen (15) days after passage it shall be posted in three (3) public places with the names of the members voting for and against the Ordinance and shall remain posted thereafter for at least one (1) week. The Ordinance shall be published once in the Santa Maria Times with the names of the members of the Board of Directors voting for and against the Ordinance.

Introduced at its regular meeting of the Board of Directors held on June 9, 2010, and passed and adopted by the Board of Directors of the Nipomo Community Services District on the 23rd day of June, 2010, by the following roll call vote, to wit:

AYES: Directors Winn, Vierheilig, and Nelson
NOES: Directors Eby and Harrison
ABSENT: None
CONFLICTS: None

/s/James Harrison, President
Nipomo Community Services District Board
of Directors

ATTEST:

APPROVED AS TO FORM:

DONNA K. JOHNSON
Secretary to the Board

/s/JON S. SEITZ
District Legal Counsel

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**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-1199**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ESTABLISHING FEES FOR PROCESSING
APPLICATIONS FOR DEFERRAL OF DISTRICT CONNECTION CHARGES**

WHEREAS, it is a responsibility of the Nipomo Community Services District ("District") to recover administrative costs, including the cost of processing applications for District services from persons that apply for District services; and

WHEREAS, Govt. Code § 61123(a) provides that a Board of Directors may charge a fee to cover the cost of any service which the District provides or the cost of enforcing any regulation for which the fee is charged. No fee shall exceed the costs reasonably borne by the District in providing the service or enforcing the regulation for which the fee is charged; and

WHEREAS, District Code § 3.04.053.C.3 provides in relevant part that as a condition of the deferral, the applicant shall pay the District's non-refundable administrative costs for processing and tracking the project as established by resolution; and

WHEREAS, based upon facts and analysis presented by the Staff Report, Staff Presentation and public comment received, the Board of Directors finds:

- A. The public meetings adopting this Resolution have been properly noticed pursuant to Government Code § 54954.2 (The Brown Act); and
- B. That notice has been provided pursuant to Government Code Section 66018; and

WHEREAS, based on the Staff Report, Staff Presentation and public comment, the Board of Directors further finds and determines that the processing and tracking fees established herein comply with Government Code §§ 66014, 66016 and 61123 in that, said Reports and public comment:

- A. Identify the estimated cost to provide the service.
- B. Identify the revenue source to provide the service.
- C. Demonstrate a reasonable relationship between the amount of the fee and the estimated cost to provide the service.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the District as follows:

Section 1. Authority.

This Resolution is enacted pursuant to Government Code §§61123, 66014, 66016 and District Code §3.04.053.C.3.

Section 2. Connection Fee Deferral Reimbursement Agreement.

Applicant shall enter into a Connection Fee Deferral Reimbursement Agreement with District to reimburse the District for all costs in processing the application for Connection Fee Deferral through the steps outlined in District Code Sections 3.04.053.C, 3.04.053.D, 3.04.053.E and 3.04.053.F.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-1199

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ESTABLISHING FEES FOR PROCESSING
APPLICATIONS FOR DEFERRAL OF DISTRICT CONNECTION CHARGES

Section 3. Connection Fee Deferral Tracking Fee.

In addition to paying all District costs in processing the application for Connection Fee Deferral, as partial reimbursement to the District for its administrative costs in record keeping, collection and tracking activities to process the project through the steps outlined in District Code Section 3.04.053.G, the District shall charge a one-time non-refundable amount equal to 5% of the total owed but deferred Fees For Connection.

Section 4. Additional Fees

The fee deferral processing and tracking fees adopted by this Resolution are in addition to other fees and charges the District imposes on projects, including, but not limited to fees and charges billed by District Consultants for processing applications for service, fees for connections and plan check and inspection fees.

Section 5. Timing of Fee.

- A. The Connection Fee Deferral Reimbursement Agreement deposit is due and payable with the application for Connection Fee Deferral.
- B. The Connection Fee Deferral Tracking Fee is due and payable prior to the District issuance of the "Map Recordation" Will-Serve Letter.

Section 6. Incorporation of Recitals

The Recitals are true and correct and incorporated herein by this reference. The Recitals and referenced reports contained therein constitute additional findings of the District in support of this Resolution and the Processing and Tracking Fees adopted herein.

Section 7. CEQA Findings

The Board of Directors of the District finds that the fees adopted by this Resolution are for the purposes of recovering District expenses and are therefore exempt from the California Environmental Quality Act pursuant to Public Resources Code § 21080(b)(8) and CEQA Guidelines Section 15273. The Board of Directors further finds that the adoption of the Rules and Regulations established by this Resolution fall within the activities described in Section 15378(b)(3) of the CEQA Guidelines which are deemed not to be "projects" for the purposes of CEQA, because it can be seen with certainty that the adoption of the Rules and Regulations may have a significant effect on the environment. The District General Manager is directed to prepare and file an appropriate notice of exemption.

Section 8. Severability.

If any section, subsection, sentence, clause or phrase of this Resolution or the imposition of a fee for any project described in the Study or the application thereof to any person or circumstance shall be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions of this Resolution or other fees adopted by this Resolution that can be given effect without the invalid provisions or application of fees.

Section 9. Effect of Headings in Resolution.

Title, division, part, chapter, article, and section headings contained herein do not in any manner

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-1199

A RESOLUTION OF THE BOARD OF DIRECTORS
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ESTABLISHING FEES FOR PROCESSING
APPLICATIONS FOR DEFERRAL OF DISTRICT CONNECTION CHARGES

affect the scope, meaning, or intent of the provisions of this Resolution.

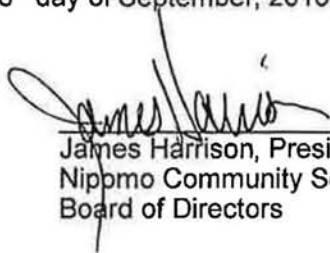
Section 10. Effective Date.

The fees identified by this Resolution shall take effect sixty (60) days following the adoption of this Resolution by the Board of Directors.

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

AYES: Directors Nelson, Vierheilig, Eby, Winn, and Harrison
NOES:
ABSENT:
CONFLICTS:

the foregoing resolution is hereby adopted this 8th day of September, 2010.


James Harrison, President
Nipomo Community Services District
Board of Directors

ATTEST:

APPROVED AS TO FORM:

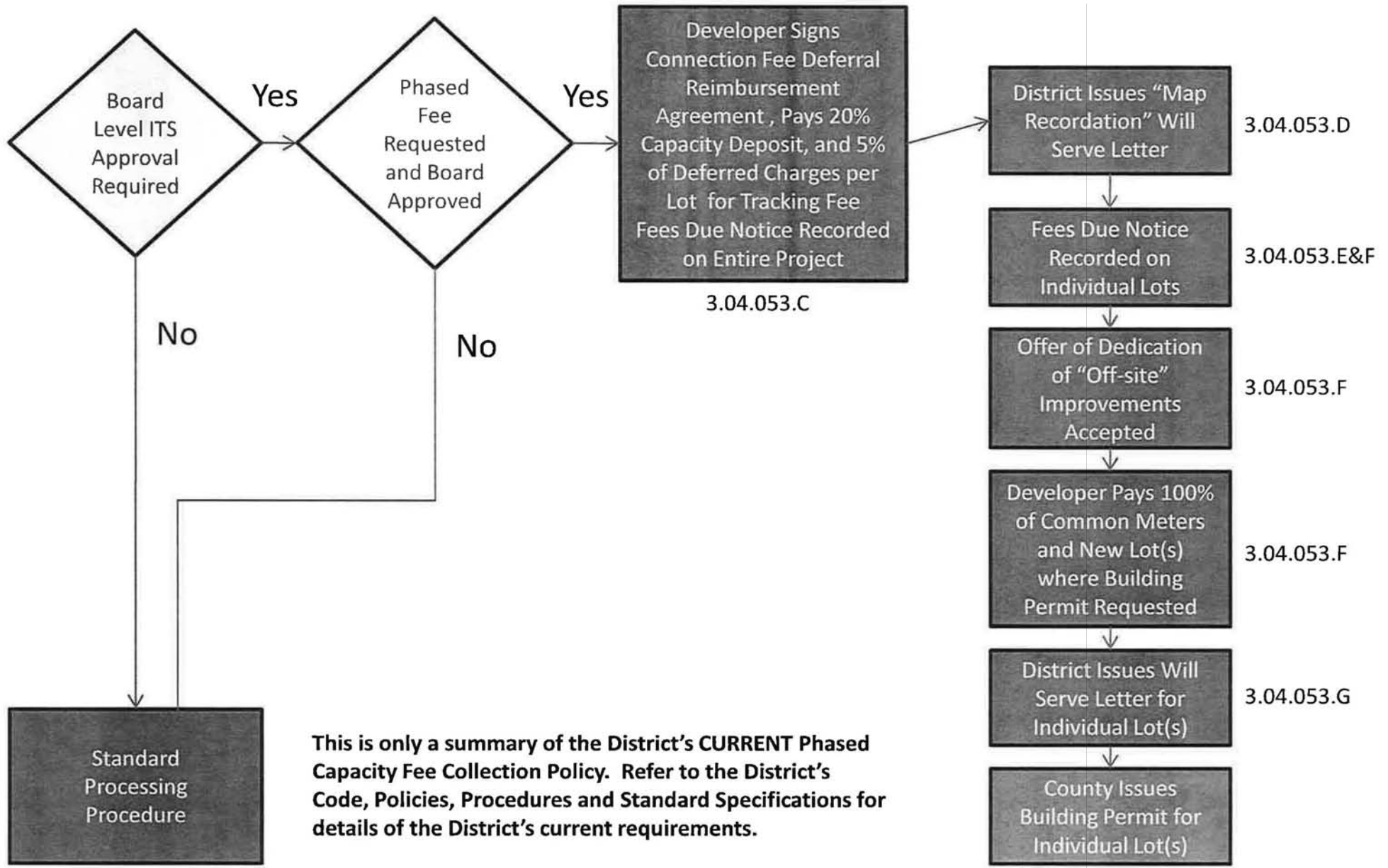

DON SPAGNOLO
General Manager and
Secretary to the Board


JON S. SEITZ
District Legal Counsel

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NCSD PHASED CAPACITY FEE COLLECTION (Ordinance 2010-115)

FOR 4 OR MORE PARCEL RESIDENTIAL OR MIXED USE DEVELOPMENTS

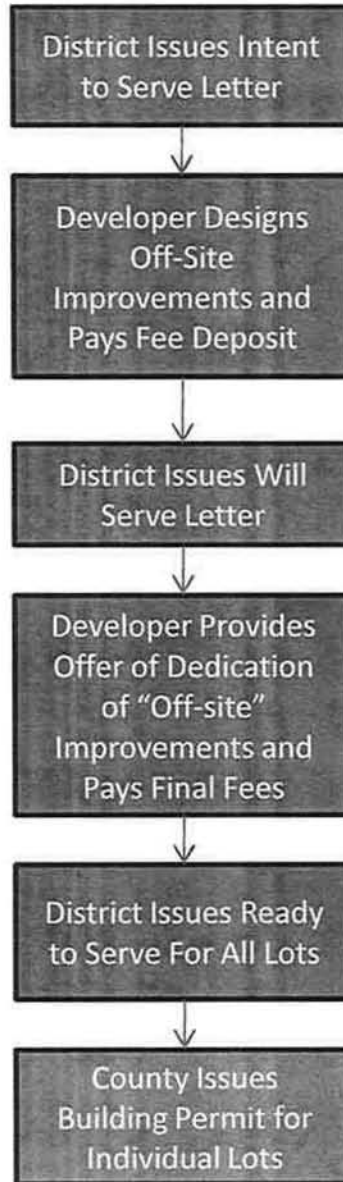


This is only a summary of the District's CURRENT Phased Capacity Fee Collection Policy. Refer to the District's Code, Policies, Procedures and Standard Specifications for details of the District's current requirements.

Copy of document found at www.NoNewWpTax.com

EXISTING NCSD STANDARD PROCESSING PROCEDURE

FOR ALL DEVELOPMENT PROJECTS



This is only a summary. Refer to the District's Code, Policies, Procedures and Standard Specifications for details of the District's current requirements.