

TO: BOARD OF DIRECTORS  
FROM: MICHAEL S. LEBRUN *ML*  
GENERAL MANAGER  
DATE: MARCH 9, 2012



## BENEFIT ASSIGNMENT CHANGES FOR SUPPLEMENTAL WATER PROJECT ASSESSMENT DISTRICT

### ITEM

Consider and approve benefit assignment changes requested by property owners for proposed Supplemental Water Project Assessment District [RECOMMEND REVIEW AND APPROVE CHANGES]

### BACKGROUND

The assignment of supplemental water project benefit to the nearly 8,000 parcels within the proposed assessment district requires a varying degree of interpretation depending on property complexity. The main area of ambiguity arises when a property is vacant or partially developed.

On January 11, 2012, your Board considered and approved a Supplemental Water Project Benefit Assignment Change Policy intended to provide clear guidance to staff on the review of requests for changes to benefit assignment based on development potential. The Assessment Engineer has processed numerous requests for benefit assignment change and has summarized the ongoing effort in the attached memorandum.

The Assessment Engineer has prepared two memoranda summarizing the recommended changes to benefit assignments (Attached). The Assessment Engineer will review the materials and her recommendations with the Board.

### FISCAL IMPACT

Staff time and professional consulting services related to supplemental water project development are included in the 2011-2012 budget. These costs are capitalized and included in the project cost and are recoverable following a successful financing vote.

### STRATEGIC PLAN

Strategic Plan Goal 1.1 – Protect, Enhance and Assess available Water Supplies  
Strategic Plan Goal 1.2 – Secure New Water Supplies

### RECOMMENDATION

Staff recommends that your Honorable Board review the recommended benefit assignment changes, direct any revisions and/or corrections, and by motion and roll call vote approve the changes to benefit assignment.

### ATTACHMENTS

- March 8, 2012 Wallace Group Memorandum Re: Deed Restriction to decrease benefit assignment (Pages 1-4)
- March 8, 2012 Wallace Group Memorandum Re: Waiver to increase benefit assignment (pages 5-8)

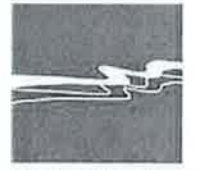
# MEMORANDUM

Date: March 8, 2012

To: Michael LeBrun, General Manager *MSL*  
Nipomo Community Services District

From: Kari Wagner, PE  
Assessment Engineer

Subject: Nipomo Supplemental Water Project – Deed Restrictions



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Per Board policy, the following parcels have requested deed restrictions on their property to reduce benefit unit assignments. A summary of the requested changes are provided in Table 1.

**092-121-085 (Native Gardens) (Nipomo Community Services District)** – County of San Luis Obispo is requesting to reduce the benefit unit assignment from 12.6 Benefit Units (BU) to 1.0 BU. This parcel is a recreational parcel with irrigation and was previously assessed based on the entire parcel being irrigated at a benefit unit assignment of 1.0 BU per acre. The County is limiting water use to one acre of the 12.6 acre parcel and therefore should only be assigned for the one acre, thus 1.0 BUs. *The assessment engineer concurs with the request.*

**092-121-086 (Park) (Nipomo Community Services District)** – County of San Luis Obispo is requesting to reduce the benefit unit assignment from 121.5 Benefit Units (BU) to 47.0 BU. This parcel is a recreational parcel with irrigation and was previously assessed based on the entire parcel being irrigated at a benefit unit assignment of 1.0 BU per acre. The County is limiting water use to forty-seven (47) acres of the 121.5 acre parcel and therefore should only be assigned for the forty-seven (47) acre, thus 47.0 BUs. *The assessment engineer concurs with the request.*

**092-154-009, 788 Story Street (Nipomo Community Services District)** – Christine O. Arreola is requesting to reduce the benefit unit assignment from 4.6 BUs to 2.0 BUs. This benefit unit assignment is for the existing home on the property and restricts any future development potential for any future primary or secondary homes. *The assessment engineer concurs with the request.*

**092-577-001, 719 West Tefft Street (Nipomo Community Services District)** - Mesa Dunes Investment Inc. is requesting to reduce the benefit unit assignment from 72.3 BUs, to 2.3 developed BUs and 13.2 undeveloped BUs for a total of 15.5 BUs. This will allow for the existing development (2.3 BUs) in addition to 3.0 for commercial development (category 5C) and 10.2 BUs for residential multi-family (15 residential multi-family at 0.7 BU/home) (category 4A). A 0.3 BU credit was provided on the primary residence to the RMF units since the property size will be significantly reduced, which ultimately would reduce the assessment on the existing homes. *The assessment engineer concurs with the request.*

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**091-294-037, Sweet Gum Lane, vacant (Nipomo Community Services District)** – Anita Hernandez, owner, is requesting to reduce the benefit unit assignment from 2.0 BUs to 0.0 BUs. This benefit unit assignment will eliminate all future development potential on this property. ***The assessment engineer does not concur with the request.***

**092-141-037, Orchard Road, vacant (Nipomo Community Services District)** – Aurelio M. Hernandez, owner, is requesting to reduce the benefit unit assignment from 19.6 BUs to 0.0 BUs. This benefit unit assignment will eliminate all future development potential on this property. ***The assessment engineer does not concur with the request.***

**092-141-036, 429 Orchard Road (Nipomo Community Services District)** - Aurelio M. Hernandez, owner, is requesting to reduce the benefit unit assignment from 26.6 BUs to 2.3 BUs. This benefit unit assignment is for the existing primary and secondary home and will restrict any future development. ***The assessment engineer concurs with the request.***

**092-141-035, Orchard Road, Vacant (Nipomo Community Services District)** - Aurelio M. Hernandez, owner, is requesting to reduce the benefit unit assignment from 30.1 BUs to 0.0 BUs. This benefit unit assignment will eliminate all future development potential on this property. ***The assessment engineer does not concur with the request.***

**092-141-015, 767 Grande Avenue (Nipomo Community Services District)** - Aurelio M. Hernandez, owner, is requesting to reduce the benefit unit assignment from 26.6 BUs to 2.0 BUs. This benefit unit assignment is for the existing primary home and will restrict any future development. ***The assessment engineer concurs with the request.***

**092-141-034, 437 Orchard Road (Nipomo Community Services District)** - Aurelio M. Hernandez, owner, is requesting to reduce the benefit unit assignment from 6.4 BUs to 2.0 BUs. This benefit unit assignment is for the existing primary home and will restrict any future development. ***The assessment engineer concurs with the request.***

**090-161-018, 381 West Tefft Street (Nipomo Community Services District)** - Aurelio M. Hernandez, owner, is requesting to file a deed restriction that maintains the current benefit unit of assignment at 4.2 BUs. This is to allow for the existing six (6) residential multi-family homes (at 0.7 BU each) and no additional development. ***The assessment engineer does not require a deed restriction to be filed on this property for this request. This action is being done at the owner's request.***

**091-294-038, 972 Sweet Gum Lane (Nipomo Community Services District)** - Aurelio M. Hernandez, owner, is requesting to file a deed restriction that maintains the current benefit unit of assignment at 2.0 BUs. This is to allow for the existing residential single family home on greater than 0.65 acres and no additional development. ***The assessment engineer does not require a deed restriction to be filed on this property for this request. This action is being done at the owner's request.***

**092-141-033, 421 Orchard Road (Nipomo Community Services District) -**  
Aurelio M. Hernandez, owner, is requesting to file a deed restriction that maintains the current benefit unit of assignment at 2.3 BUs. This is to allow for the existing primary and secondary home on greater than 0.65 acres and no additional development. ***The assessment engineer does not require a deed restriction to be filed on this property for this request. This action is being done at the owner's request.***



Table 1. Summary of Deed Restriction Requests

APN	Address	Owner	Water Purveyor	Original Benefit Unit Assignment	Requested BU Assignment		
					Developed	Undeveloped	Total
092-121-085	Native Gardens	County of San Luis Obispo	NCSD	12.6	1.0	0.0	1.0
092-121-086	Park	County of San Luis Obispo	NCSD	121.5	47.0	0.0	47.0
092-154-009	788 Story Street	Christine O. Arreola	NCSD	4.6	2.0	0.0	2.0
092-577-001	719 West Tefft Street	Mesa Dunes Investment Inc.	NCSD	72.3	2.3	13.2	15.5
091-294-037	Sweet Gum Lane (Vacant)	Anita Hernandez	NCSD	2.0	0.0	0.0	0.0
092-141-037	Orchard Road (Vacant)	Aurelio M. Hernandez	NCSD	19.6	0.0	0.0	0.0
092-141-036	429 Orchard Road	Aurelio M. Hernandez	NCSD	26.6	2.3	0.0	2.3
092-141-035	Orchard Road (Vacant)	Aurelio M. Hernandez	NCSD	30.1	0.0	0.0	0.0
092-141-015	767 Grande Avenue	Aurelio M. Hernandez	NCSD	26.6	2.0	0.0	2.0
092-141-034	437 Orchard Road	Aurelio M. Hernandez	NCSD	6.4	2.0	0.0	2.0
090-161-018	381 West Tefft Street	Aurelio M. Hernandez	NCSD	4.2	4.2	0.0	4.2
091-294-038	972 Sweet Gum Lane	Aurelio M. Hernandez	NCSD	2.0	2.0	0.0	2.0
092-141-033	421 Orchard Road	Aurelio M. Hernandez	NCSD	2.3	2.3	0.0	2.3
Total				330.8	67.1	13.2	80.3



# MEMORANDUM

Date: March 8, 2012

To: Michael LeBrun, General Manager *MLB*  
Nipomo Community Services District

From: Kari Wagner, PE  
Assessment Engineer

Subject: Nipomo Supplemental Water Project – Waiver to Increase Benefit Unit Assignments



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Per Board policy, the following parcels have requested waivers on their property to increase benefit unit assignments. A summary of the requested changes are provided in Table 1.

**091-421-022, 935 Blue Gum Lane (Nipomo Community Services District)** – Bradford W. Fuller and Sherri Fuller, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. *The assessment engineer concurs with the request.*

**092-173-024, 1680 Primavera Lane (Golden State Water Company)** – John G. Steventon Living Trust, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. *The assessment engineer concurs with the request.*

**091-292-056, 749 Glenhaven Place (Nipomo Community Services District)** – Dennis and Sue Shaleen, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. *The assessment engineer concurs with the request.*

**091-247-044, 928 Live Oak Ridge (Nipomo Community Services District)** – Patton 2007 Family Revocable Living Trust, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. *The assessment engineer concurs with the request.*

**092-206-034, 240 Calle Del Sol (Golden State Water Company)** – Susanne Wilch Anderson Trust, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. *The assessment engineer concurs with the request.*

**091-202-055, 1395 Coloma Lane (Nipomo Community Services District)** – Robert and Joanne Feeney, owner, is requesting to increase the benefit unit

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assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. ***The assessment engineer concurs with the request.***

**092-138-001, 749 Juniper Street (Nipomo Community Services District)** – Spittler Family Trust, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. ***The assessment engineer concurs with the request.***

**091-283-051, 975 Camino Caballo (Nipomo Community Services District)** – Monroe Richard Tre-Etal, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. ***The assessment engineer concurs with the request.***

**092-562-021, 290 Verbena Street (Golden State Water Company)** – Beverly Knowles Living Trust, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. ***The assessment engineer concurs with the request.***

**091-421-031, 958 Olympic Way (Nipomo Community Services District)** – Mark and Helen Schwind, owner, is requesting to increase the benefit unit assignment from 2.0 to 2.3 BUs, an increase of 0.3 BUs to allow for the construction of one granny unit on the existing parcel. ***The assessment engineer concurs with the request.***

**092-531-001, 410 Napel Way (Nipomo Community Services District)** – Howard and Cheryl Hess, owner, is requesting to increase the benefit unit assignment from 2.0 to 3.2 BUs, an increase of 1.2 BUs to allow for the property to split into two residential single family parcels between 0.35 and 0.65 acres, each assigned 1.6 BUs. The 1.2 additional BUs will be at the undeveloped BU rate. ***The assessment engineer concurs with the request.***

**090-383-003, 172 – 176 East Tefft Street (Nipomo Community Services District)** – Mark T. Ferguson, owner, is requesting to increase the benefit unit assignment from 1.6 to 5.6 BUs, an increase of 4.0 BUs to allow for the development of 8 residential multi-family homes, in lieu of the existing single family home currently on the property. The BUs assigned would be 1.6 BU at the developed rate and 4.0 BUs at the undeveloped rate. ***The assessment engineer concurs with the request.***

**092-572-036, 130 Pino Solo Court (Nipomo Community Services District)** – Fitz-Gerald Family Trust, Owner, is requesting to increase the benefit unit assignment from 2.0 BU to 3.0 BUs, an increase of 1.0 BUs to allow for the development of three (3) primary homes, plus three (3) secondary homes on less than 0.35 acres. The 2.0 BU will be at the developed BU rate and the additional 1.0 BU will be at the undeveloped BU rate. ***The assessment engineer concurs with the request.***



**090-385-017, 140 North Thompson Road (Nipomo Community Services District)** - Fitz-Gerald Family Trust, Owner, is requesting to increase the benefit unit assignment from 1.0 to 2.1 BUs, an increase of 1.1 BUs to allow for three (3) residential multi-family homes at 0.7 BU each. The 2.1 BUs will be at the undeveloped rate. *The assessment engineer concurs with the request.*

**090-386-027, 139 East Dana Street (Nipomo Community Services District)** – The Hermreck Group, LLC, owner, is requesting to increase the benefit unit assignment from 0.0 to 2.1 BUs, an increase of 2.1 BUs to allow for three (3) residential multi-family homes at 0.7 BU each. The 2.1 BUs will be at the undeveloped rate. *The assessment engineer concurs with the request.*

**092-111-024, no site address, vacant (Golden State Water Company)** – Catherine E. Martin, owner, is requesting to increase the benefit unit assignment from 0.0 to 5.0 BUs, an increase of 5.0 BUs to allow for the construction of five (5) residential single family homes. *The assessment engineer concurs with the request.*

**091-411-006, Blacklake Village Clubhouse (Nipomo Community Services District)** – Blacklake Golf Resort LLC, owner, is requesting to increase their benefit units from 4.46 BUs to 61.46 BUs. This will allow for the existing 4.46 BUs for the existing Restaurant/Banquet Room at 4.46 Developed BUs, 60 Interval Ownership Suites (new category 19A) at 0.55 BU/unit for a total of 33.0 BU at the undeveloped benefit unit rate and 60 hotel rooms (category 17A) at 0.4 BU/unit for a total of 24.0 BU at the undeveloped benefit unit rate. *The assessment engineer concurs with the request.*

**091-411-026, Blacklake Village Golf Course (Nipomo Community Services District)** – Blacklake Golf Resort LLC, owner, is requesting to increase their benefit units from 0.0 BUs to 70 BUs. This will allow for the existing approximately 5 acres of land that is currently irrigated using NCSD water throughout the open space areas of the golf course at a rate of 1.0 BUs per acre at the developed benefit unit rate and 65 residential single family homes on less than 0.35 acres at 1.0 BU per home for a total of 65 BUs at the undeveloped benefit unit rate. *The assessment engineer concurs with the request.*



Table 1. Summary of Consent to Increase Waiver Requests

APN	Address	Owner	Water Purveyor	Original Benefit Unit Assignment	Requested BU Assignment		
					Developed	Undeveloped	Total
091-421-022	935 Blue Gum Lane	Bradford W. Fuller and Sherri Fuller	NCS D	2.0	2.3	0.0	2.3
092-173-024	1680 Primavera Lane	Steventon Living Trust	G S W C	2.0	2.3	0.0	2.3
091-292-056	749 Glenhaven Place	Dennis and Sue Shaleen	NCS D	2.0	2.3	0.0	2.3
091-247-044	928 Live Oak Ridge	Patton 2007 Family Revocable Living Trust	NCS D	2.0	2.3	0.0	2.3
092-206-034	240 Calle Del Soll	Anderson Trust	G S W C	2.0	2.3	0.0	2.3
091-202-055	1395 Coloma Lane	Robert and Joanne Feeney	NCS D	2.0	2.3	0.0	2.3
092-138-001	749 Juniper Street	Spittler Family Trust	NCS D	2.0	2.3	0.0	2.3
091-283-051	975 Camino Caballo	Monroe Richard Tre-Etal	NCS D	2.0	2.3	0.0	2.3
092-562-024	290 Verbena Street	Knowles Living Trust	G S W C	2.0	2.3	0.0	2.3
091-421-031	958 Olympic Way	Mark and Helen Schwind	NCS D	2.0	2.3	0.0	2.3
092-531-001	410 Napel Way	Howard and Cheryl Hess	NCS D	2.0	2.0	1.2	3.2
090-383-003	172 - 176 East Tefft Street	Mark T. Ferguson	NCS D	1.6	1.6	4.0	5.6
092-572-036	130 Pino Solo Courty	Fitz-Gerald Family Trust	NCS D	2.0	2.0	1.0	3.0
090-385-017	140 North Thompson Road	Fitz-Gerald Family Trust	NCS D	1.0	0.0	2.1	2.1
090-386-027	139 East Dana Street	The Hermreck Group, LLC	NCS D	0.0	0.0	2.1	2.1
092-111-024	Vacant	Catherine E. Martin	G S W C	0.0	0.0	5.0	5.0
091-411-006	Blacklake Village Clubhouse	Blacklake Golf Resort LLC	NCS D	4.46	4.46	57.0	61.46
091-411-026	Blacklake Village Golf Course	Blacklake Golf Resort LLC	NCS D	0.0	5.0	65.0	70.0
Total				31.1	38.1	137.4	175.5