



**Meetings**

*Meetings attended:*

- *May 23, Regular Board Meeting*
- *June 4, Coordination with Board Officers*
- *June 5, Coordination with District Engineer*
- *June 5, San Luis Coastal RCD on Low Impact Development*
- *June 6, Ethics Training*
- *June 6, Coordination with District counsel*
- *June 8, County Parks on District comment letter regarding Community Park Master Plan EIR*

*Meetings Scheduled:*

- *June 11, Water Resources Policy Committee*
- *June 11, Southland WWTF Phase I Improvements Committee*
- *June 12, Southland WWTF Bond Bid Opening*
- *June 12, Fire Extinguisher Training*
- *June 12, coordination with General Counsel and Water Counsel*
- *June 12, supplemental water partners*
- *June 13, Regular Board meeting*
- *June 13, Nutrient Pesticide TMDL*
- *June 13, Management Coordination*
- *June 13, GYROS*
- *June 14 Coordination with General Counsel*
- *June 18, Coordination with Board Officers*
- *June 21, Santa Barbara County IRWM*

**Safety Program**

No accidents incidents or injuries to report

**RECOMMENDATION**

Staff seeks direction and input from your Honorable Board

**ATTACHMENTS**

- Supplemental Water Project Accounting Summary

**NIPOMO COMMUNITY SERVICES DISTRICT  
SUPPLEMENTAL WATER COST SUMMARY**

| A/C #   | DESCRIPTION                                | 7/1/2004 TO<br>6/30/2005 | 7/1/2005 TO<br>6/30/2006 | 7/1/2006 TO<br>6/30/2007 | 7/1/2007 TO<br>6/30/2008 | 7/1/2008 TO<br>6/30/2009 | 7/1/2009 TO<br>6/30/2010 | 7/1/2010 TO<br>6/30/2011 | 7/1/2011 TO<br>6/30/2012<br>April | GRAND<br>TOTAL |
|---------|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------------------|----------------|
| 1645    | Reservation Fee-City of Santa Maria        | 37,500.00                | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 37,500.00      |
| 1590-A1 | Feasibility Study (Cannon)                 | 25,887.29                | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 25,887.29      |
| 1590-A2 | EIR Preparation (Wood & Assoc)             | 29,037.48                | 87,100.23                | 16,053.83                | 45,407.70                | 76,544.11                | 500.00                   | 0.00                     | 14,786.89                         | 269,430.24     |
| 1590-A3 | Est/Preliminary Schedule (Cannon)          | 3,706.19                 | 2,602.75                 | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 6,308.94       |
| 1590-A4 | Proposed Routes/Facilities (Cannon)        | 5,050.07                 | 520.00                   | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 5,570.07       |
| 1590-A5 | Prop 50 Grant Application                  | 2,757.00                 | 6,210.00                 | 0.00                     | 1,857.60                 | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 10,824.60      |
| 1590-A6 | Project Support (Cannon)                   | 0.00                     | 11,797.44                | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 11,797.44      |
| 1590-A7 | Groundwater Grant Assistance (SAIC)        | 0.00                     | 0.00                     | 0.00                     | 15,000.00                | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 15,000.00      |
| 1590-B1 | Shipsey & Seitz                            | 0.00                     | 23,095.55                | 17,564.25                | 2,201.50                 | 18,224.00                | 16,601.58                | 18,654.80                | 31,072.80                         | 127,424.48     |
| 1590-B2 | McDonough, Holland & Allen                 | 0.00                     | 34,177.28                | 15,871.65                | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 50,048.93      |
| 1590-B3 | Richard, Watson & Gershon                  | 0.00                     | 9,472.38                 | 27,954.81                | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 37,427.19      |
| 1590-C1 | Appraisals (Tarvin & Reeder Gilman)        | 0.00                     | 0.00                     | 16,170.00                | 10,000.00                | 0.00                     | 8,000.00                 | 3,600.00                 | 0.00                              | 37,770.00      |
| 1590-C2 | Property Negotiations (Hamner Jewell)      | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 15,250.00                | 14,748.75                | 36,481.90                | 12,782.75                         | 79,263.40      |
| 1590-C3 | Property Acquisitions                      | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 673.00                   | 2,772.00                 | 600.00                   | 2,800.00                          | 6,845.00       |
| 1590-D1 | Reed Group and Wallace Group               | 0.00                     | 2,809.85                 | 0.00                     | 0.00                     | 7,585.45                 | 4,476.25                 | 0.00                     | 0.00                              | 14,871.55      |
| 1590-D2 | Lobbying                                   | 0.00                     | 0.00                     | 0.00                     | 38,801.11                | 38,950.00                | 54,000.00                | 9,000.00                 | 0.00                              | 140,751.11     |
| 1590-E1 | Preliminary Engineering Design (Boyle)     | 0.00                     | 6,470.33                 | 223,286.67               | 103,460.19               | 2,194.43                 | 0.00                     | 0.00                     | 0.00                              | 335,411.62     |
| 1590-E2 | Water Modeling by Carollo (City of SM)     | 0.00                     | 0.00                     | 24,942.00                | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 24,942.00      |
| 1590-E3 | Alternative Water Supplies (Boyle)         | 0.00                     | 0.00                     | 164,230.48               | 70,772.01                | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 235,002.49     |
| 1590-E4 | Project Information (Boyle)                | 0.00                     | 0.00                     | 0.00                     | 6,000.00                 | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 6,000.00       |
| 1590-E5 | Project Design (AECOM)                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 752,319.66               | 228,952.01               | 172,785.69               | 147,177.06                        | 1,301,234.42   |
| 1590-E6 | Pressure Testing                           | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 8,682.92                 | 0.00                     | 0.00                     | 0.00                              | 8,682.92       |
| 1590-E7 | Peer Review                                | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 7,571.05                 | 37,349.25                | 12,134.80                | 0.00                              | 57,055.10      |
| 1590-E8 | Pol Hoing                                  | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 29,053.05                | 0.00                     | 0.00                              | 29,053.05      |
| 1590-F1 | Lab Testing (FGL Environmental)            | 0.00                     | 0.00                     | 5,047.00                 | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                              | 5,047.00       |
| 1590-F2 | Copy/Print                                 | 0.00                     | 0.00                     | 740.24                   | 1,022.01                 | 0.00                     | 0.00                     | 52.07                    | 0.00                              | 1,814.32       |
| 1590-G1 | Permits                                    | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 130.00                   | 0.00                     | 0.00                     | 0.00                              | 130.00         |
| 1590-H1 | Assessment District                        | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 83,030.71                | 21,227.92                | 56,931.64                | 196,319.16                        | 357,509.43     |
| 1590-H2 | SLO County Reimb Agreement-JPA             | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 36,603.80                | 6,799.89                 | 11,476.99                         | 54,880.68      |
| 1590-H3 | Purveyor Partner Reimbursements to<br>NCSD | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | (10,492.04)              | 0.00                              | (10,492.04)    |
| 1590-H4 | A/D Financial Advisor                      | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 8,835.63                 | 0.00                              | 8,835.63       |
| 1590-H5 | A/D Outreach/Education                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 74,571.75                | 164,687.27                        | 239,259.02     |
| 1590-I1 | Construction Management (MNS)              | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 360.00                            | 360.00         |
| 1590-I2 | Arborist (A&T Arborist)                    | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 0.00                     | 2,830.00                 | 0.00                     | 0.00                              | 2,830.00       |
| 1590-Z1 | Wages-Capitalized                          | 0.00                     | 29,076.92                | 35,884.51                | 28,197.08                | 31,926.57                | 50,005.29                | 46,698.55                | 39,742.11                         | 261,531.03     |
| 1590-Z2 | Payroll Taxes-Capitalized                  | 0.00                     | 587.22                   | 587.42                   | 455.96                   | 504.53                   | 2,058.44                 | 1,918.13                 | 728.11                            | 6,839.81       |
| 1590-Z3 | Retirement-Capitalized                     | 0.00                     | 8,418.08                 | 10,344.53                | 8,110.84                 | 8,690.47                 | 9,443.17                 | 6,729.62                 | 9,943.75                          | 61,680.46      |
| 1590-Z4 | Medical-Capitalized                        | 0.00                     | 2,861.36                 | 3,367.02                 | 2,564.88                 | 2,757.36                 | 3,390.94                 | 3,352.92                 | 3,227.90                          | 21,522.38      |
| 1590-Z5 | Dental/Vision-Capitalized                  | 0.00                     | 0.00                     | 247.90                   | 328.23                   | 348.15                   | 459.62                   | 239.83                   | 382.27                            | 2,006.00       |
| 1590-Z6 | Workers Compensation-Capitalized           | 0.00                     | 260.35                   | 341.83                   | 225.21                   | 259.81                   | 271.21                   | 277.61                   | 160.46                            | 1,796.48       |
|         |  | 103,938.03               | 225,459.74               | 562,634.14               | 334,404.32               | 1,055,642.22             | 522,743.28               | 449,182.79               | 635,647.52                        | 3,889,652.04   |

**NIPOMO COMMUNITY SERVICES DISTRICT  
CERTIFICATES OF PARTICIPATION  
DEBT SERVICE SCHEDULE**

|                  | PRINCIPAL  | INTEREST   | TOTAL<br>DEBT SERVICE | PRINCIPAL<br>BALANCE |
|------------------|------------|------------|-----------------------|----------------------|
|                  |            |            |                       | 4,000,000.00         |
| FY June 30, 2004 | 0.00       | 136,384.79 | 136,384.79            | 4,000,000.00         |
| FY June 30, 2005 | 75,000.00  | 169,950.00 | 244,950.00            | 3,925,000.00         |
| FY June 30, 2006 | 80,000.00  | 167,625.00 | 247,625.00            | 3,845,000.00         |
| FY June 30, 2007 | 80,000.00  | 165,225.00 | 245,225.00            | 3,765,000.00         |
| FY June 30, 2008 | 85,000.00  | 163,132.50 | 248,132.50            | 3,680,000.00         |
| FY June 30, 2009 | 85,000.00  | 161,198.75 | 246,198.75            | 3,595,000.00         |
| FY June 30, 2010 | 85,000.00  | 159,988.75 | 243,988.75            | 3,510,000.00         |
| FY June 30, 2011 | 90,000.00  | 158,425.00 | 248,425.00            | 3,420,000.00         |
| FY June 30, 2012 | 90,000.00  | 153,545.00 | 243,545.00            | 3,330,000.00         |
| FY June 30, 2013 | 95,000.00  | 150,397.50 | 245,397.50            | 3,235,000.00         |
| FY June 30, 2014 | 100,000.00 | 146,885.00 | 246,885.00            | 3,135,000.00         |
| FY June 30, 2015 | 100,000.00 | 143,110.00 | 243,110.00            | 3,035,000.00         |
| FY June 30, 2016 | 105,000.00 | 139,137.50 | 244,137.50            | 2,930,000.00         |

NIPOMO COMMUNITY SERVICES DISTRICT  
 SUPPLEMENTAL WATER PROJECT  
 MONTHLY REPORT TO THE BOARD OF DIRECTORS  
 (FY JUNE 30, 2012)

| REVENUES FY 2011-2012                                      | <u>MONTH OF</u><br><u>APRIL</u> | <u>FISCAL YEAR</u><br><u>7/1/2011 TO</u><br><u>6/30/2012</u> |
|--|---------------------------------|--|
| Supplemental Water Capacity Fees Collected                 | 0.00                            | 14,605.00  |
| Interest Income (monthly & quarterly posting)              | 217.98                          | 3,941.99   |
| Revenue Subtotal   | 217.98                          | 18,546.99  |
| <b>EXPENDITURES FY 2011-2012 (1)</b>                       |                                 |  |
| <u>CONSULTANTS</u>   |                                 |  |
| 1590-A1 Feasibility Study (Cannon)                         | 0.00                            | 0.00   |
| 1590-A2 EIR Preparation (Wood & Assoc)                     | 2,836.89                        | 14,786.89  |
| 1590-A3 Estimate/Preliminary Schedule (Cannon)             | 0.00                            | 0.00   |
| 1590-A4 Proposed Routes/Facilities (Cannon)                | 0.00                            | 0.00   |
| 1590-A5 Prop 50 Grant Applicatin                           | 0.00                            | 0.00   |
| 1590-A6 Project Support (Cannon)                           | 0.00                            | 0.00   |
| 1590-A7 Groundwater Grant Assistance (SAIC)                | 0.00                            | 0.00   |
| <u>LEGAL</u>   |                                 |  |
| 1590-B1 Shipsey & Seitz                                    | 4,593.60                        | 31,072.80  |
| 1590-B2 McDonough, Holland & Allen                         | 0.00                            | 0.00   |
| 1590-B3 Richards, Watson & Gershon                         | 0.00                            | 0.00   |
| <u>LAND ACQUISITION</u>                                    |                                 |  |
| 1590-C1 Appraisals (Tarvin & Reeder Gilman)                | 0.00                            | 0.00   |
| 1590-C2 Property Negotiations (Hamner Jewell)              | 581.06                          | 12,782.75  |
| 1590-C3 Property Acquisitions                              | 0.00                            | 2,800.00   |
| <u>FINANCIAL</u>   |                                 |  |
| 1590-D1 Reed Group and Wallace Group                       | 0.00                            | 0.00   |
| 1590-D2 Lobbying   | 0.00                            | 0.00   |
| <u>ENGINEERING</u>   |                                 |  |
| 1590-E1 Preliminary Engineering Design (AECOM)             | 0.00                            | 0.00   |
| 1590-E2 Water Modeling by Carollo (City of Santa Maria)    | 0.00                            | 0.00   |
| 1590-E3 Alternative Water Supplies (AECOM)                 | 0.00                            | 0.00   |
| 1590-E4 Project Information (AECOM)                        | 0.00                            | 0.00   |
| 1590-E5 Project Design (AECOM)                             | 14,673.75                       | 147,177.06   |
| 1590-E6 Pressure Testing                                   | 0.00                            | 0.00   |
| 1590-E7 Peer Review  | 0.00                            | 0.00   |
| 1590-E8 Pot Holing   | 0.00                            | 0.00   |
| <u>OTHER</u>   |                                 |  |
| 1590-F1 FGL Environmental                                  | 0.00                            | 0.00   |
| 1590-F2 Copy/Print   | 0.00                            | 0.00   |
| <u>PERMITS</u>   |                                 |  |
| 1590-G1 Santa Maria Valley Water Conservation District     | 0.00                            | 0.00   |
| <u>ASSESSMENT DISTRICT</u>                                 |                                 |  |
| 1590-H1 Wallace Group (includes printing/postage)          | 21,086.51                       | 196,319.16   |
| 1590-H2 SLO County Reimbursement Agreement for JPA         | 0.00                            | 11,476.99  |
| 1590-H3 Purveyor Partner Reimbursements to NCSD            | 0.00                            | 0.00   |
| 1590-H4 A/D Financial Advisor                              | 0.00                            | 0.00   |
| 1590-H5 A/D Outreach/Education (includes printing/postage) | 0.00                            | 164,687.27   |
| <u>CONSTRUCTION</u>  |                                 |  |
| 1590-I1 Construction Management (MNS)                      | 0.00                            | 360.00   |
| 1590-I2 Arborist (A&T Arborists)                           | 0.00                            | 0.00   |
| <u>SALARY AND BENEFITS (2)</u>                             |                                 |  |
| 1590-Z1 Wages-Capitalized                                  | 3,621.03                        | 39,742.11  |
| 1590-Z2 Payroll Taxes-Capitalized                          | 52.50                           | 728.11   |
| 1590-Z3 Retirement-Capitalized                             | 920.96                          | 9,943.75   |
| 1590-Z4 Medical-Capitalized                                | 0.00                            | 3,227.90   |
| 1590-Z5 Dental/Vision-Capitalized                          | 0.00                            | 382.27   |
| 1590-Z6 Workers Compensation-Capitalized                   | 14.62                           | 160.46   |
| Expenditure Subtotal                                       | 48,380.92                       | 635,647.52   |
| Net Revenues less Expenditures                             | (48,162.94)                     | (617,100.53)   |
| Beginning Fund Balance as of July 1, 2011                  |                                 | 2,070,224.10   |
| Ending Fund Balance as of April 30, 2012                   |                                 | 1,453,123.57   |

(1) See attached "Supplemental Water Cost Summary" for more detail.  
 (2) Salary and Benefits of GM and District Engineer are allocated among NCSD projects and capitalized as part of the cost of the project.

TO: BOARD OF DIRECTORS  
FROM: MICHAEL S. LEBRUN *MSL*  
GENERAL MANAGER  
DATE: JUNE 8, 2012



## COMMITTEE REPORTS

### ITEM

Review Committee meeting minutes.

### BACKGROUND

The following meetings were held for which meeting minutes are being provided:

- May 29, 2012, Water Resources Policy Committee Meeting Minutes

### RECOMMENDATION

It is recommended that your Honorable Board discuss the meeting minutes as appropriate.

### ATTACHMENTS

- Water Resources Policy Committee Meeting Minutes

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## SPECIAL MEETING MINUTES

### WATER RESOURCES POLICY COMMITTEE

MAY 29, 2012, AT 10:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

#### COMMITTEE MEMBERS

ED EBY, CHAIRMAN  
MIKE WINN, MEMBER

#### PRINCIPAL STAFF

MICHAEL S. LEBRUN, GENERAL MANAGER  
LISA BOGNUDA, ASSISTANT GENERAL MANAGER  
JON SEITZ, GENERAL COUNSEL

00:00:00

#### 1. CALL TO ORDER AND FLAG SALUTE

Chairman Eby called the Special Meeting of May 29, 2012, to order at 10:00 a.m. and led the flag salute. At roll call, both committee members were present.

#### 2. PURPOSE OF COMMITTEE

Chairman Eby stated Water Resources Policy Committee was formed by the Board of Directors on May 23, 2012 to explore new avenues to bring supplemental water to the Nipomo Mesa. The goals of the committee are:

- Deliver supplemental water (fresh water that is not pumped from beneath the Nipomo Mesa Management Area) before NMMA aquifer damage occurs
- Fulfill legal obligations of court order
- Equitably share cost of supplemental water with beneficiaries
- Preserve \$2.3M dedicated by Dept of Water Resources for Blosser reach of Supplemental Water Project
- Capitalize on:
  - Recognized technical data
  - Existing agreements
  - Recent technology, regulatory, financial and political events
- Involve regional government and affected community in process

Member Winn pointed out this is a standing committee, with full access by the public.

There was no public comment.

00:11:00

#### 3. INTERTIE PIPELINE ALTERNATIVES

The Committee would like to explore alternative pipeline configurations from City of Santa Maria to District distribution system that reduce funding demands and consider renegotiations of contract with City of Santa Maria.

00:23:33

Sam Saltoun, Nipomo resident and presenter invited by Committee, presented his memo included in the Committee Staff Report on his concept of forming a Public Facilities Corporation and how it could be used to fund a supplemental water project.

00:51:37

Pat Eby, Nipomo resident, stated 3 minutes is not sufficient time to make her comments. Mesa Community Alliance is a public benefit corporation and District should respect results of vote.

Sam Scarborough, NCS D resident, stated we should move forward on supplemental water and don't form layers of bureaucracy.

Larry Versaw, Nipomo resident, stated District should look at alternatives to pipeline, respect the outcome of the vote, and work with community.

**Nipomo Community Services District  
SPECIAL MEETING MINUTES  
WATER RESOURCES POLICY  
COMMITTEE**

John Snyder, Nipomo resident, stated 3 minutes is unreasonable and does not agree with most goals set by the Committee and should consider supplying new development with supplemental water and should consider using old oil pipelines.

Committee direction to Staff:

- Explore specific modifications to project that may reduce pipeline flow rate and or phasing of project construction to reduce annual funding demands.
- Explore funding requirements of reduced or phased project.
- Review District Budget for discretionary funds that can be spent on supplemental water.
- Legal Counsel to provide opinion on forming a Public Facilities Corporation.

01:13:00

**4. SUPPLEMENTAL WATER PROJECT ALTERNATIVES**

Chairman Eby reviewed the past reports and studies on supplemental water alternatives that have been completed over the past 10-15 years.

John Syder, Nipomo resident, stated 3 minutes is not sufficient time to make his comments. Reports have fatal flaws because they were based on false assumptions, there is no time requirement for bringing in supplemental water, and settlement did not provide a funding mechanism that can override Prop 218. We own part of CCWA and can use pipeline.

Sam Scarborough, NCSD resident, this is beginning to sound like Los Osos CSD-always about the money. If we don't have water, our homes will have no value.

Larry Versaw, Nipomo resident, there are a lot of talented people with a lot of knowledge. A blue ribbon committee is a good idea as long as it can be given a free hand and be honest and open and not be a waste of time.

Director Winn stated he would not support a "meta" study and would like to start fresh with water supply studies completed in and since 2007.

4<sup>th</sup> District Supervisor, Paul Teixeira, stated the community voted and the people don't want a pipeline. He stated the table should be cleared off and start from scratch to look at alternatives.

Director Winn welcomed Supervisor Teixeira's involvement and asked him to work with the Board of Supervisors to get three votes to allow for cooperative action with NCSD.

Committee direction to Staff:

- Explore what alternatives should be studied.
- Explore new ideas that are feasible.
- Determine if an update of existing studies would be fruitful.
- Explore formation and configuration of a "blue ribbon" committee.
- Examine the budget to find if there are funds to meet the demands of a scaled-down pipeline project.

01:47:00

**5. SET NEXT WATER RESOURCES POLICY COMMITTEE MEETING**

The next meeting will be Monday, June 11, 2012, at 10:00 a.m.  
The meeting was adjourned at 11:50 a.m.