

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *msl*
GENERAL MANAGER
DATE: FEBRUARY 21, 2013



INTRODUCE ORDINANCE SUSPENDING DISTRICT POLICY AND ALLOW RENEWED PROCESSING OF APPLICATIONS FOR NEW DISTRICT WATER SERVICE

ITEM

Introduce and edit, if necessary, an Ordinance suspending Ordinance 2012-117 and thereby allowing the processing of applications for new District water service and Intent-To-Serve letters.

[RECOMMEND – BY MOTION AND ROLL CALL VOTE AUTHORIZE STAFF TO READ PROPOSED ORDINANCE BY TITLE ONLY AND THEN BY SEPARATE MOTION INTRODUCE ORDINANCE AND SET HEARING DATE FOR ADOPTION]

BACKGROUND

On May 10, 2012, there was a successful protest of the ballot measure to form Nipomo Community Services Assessment District 2012-1. The assessment district would have raised the funds needed to build a 3000AFY intertie water line between Nipomo CSD and the City of Santa Maria and deliver supplemental water to the Nipomo Mesa.

In light of the ballot measure's defeat, the timeline for delivery of supplemental water to the Nipomo Mesa became unknown. Concern over the health and ever-diminishing reliability of the local groundwater basin is well documented.

Over the years, studies by the CA Department of Water Resources, the County of San Luis Obispo, the court-appointed Nipomo Mesa Management Area Technical Group and others have consistently found cause for concern for basin health and sustainability under current pumping demands.

Therefore, following the failed funding vote, your Board was unable to make the findings required by District Code §3.28.020, "that sufficient excess water" exists to serve new projects and on May 23, 2012, adopted Resolution 2012-1259 suspending the processing of new application for District water service.

Subsequently, on June 27, 2012 your Board adopted Ordinance 2012-117 (attached) halting the processing of new applications for District water service.

On February 13, 2013, your Board received a presentation by the Supplemental Water Alternatives Evaluation Committee which included the committee's preliminary findings and raw scoring of alternatives. An intertie pipeline between the District and City of Santa Maria received the highest raw score values of the more than twenty alternatives the committee reviewed.

On February 13, 2013, your Board approved a funding plan to construct Supplemental Water Project Phase 1; A \$14M project to build a water supply pipeline linking the District's water

system to the City of Santa Maria to facilitate District purchase of supplemental water from the City. The funding plan includes a 2.2 Million Dollar grant of State funds toward the pipeline project.

On February 13, 2013, your Board authorized circulating bid documents and bid requests for Supplemental Water Project Phase 1, keeping the project on track for your Board's consideration of awarding the project construction contract on April 24, 2013.

Finally, on February 13, 2013, your Board directed staff to bring policy before your Board that would allow limited processing of applications for new District water service.

The draft proposed Ordinance would suspend enforcement of Ordinance 2012-117 thereby allowing a return to application processing. Suspension (versus full appeal) of the Ordinance provides your Board full flexibility to reinstitute 2012-117 should circumstances change in regard to supplemental water delivery.

STRATEGIC PLAN

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

RECOMMENDATION

By motion, authorize staff to read proposed Ordinance by title only and then by separate motion introduce Ordinance and set hearing date for adoption.

ATTACHMENTS

- A. Ordinance 2013-SUSPEND
- B. Ordinance 2012-117

FEBRUARY 27, 2013

ITEM E-1

ATTACHMENT A

ORDINANCE NO. 2013-XXX

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT SUSPENDING ENFORCEMENT OF ORDINANCE NO. 2012-117

WHEREAS, the District Board of Directors previously took action to suspend processing of requests for new District water service by its adoption of Ordinance No. 2012-117; and

WHEREAS, the Board took action at its February 13, 2013 regular Board meeting to authorize bids in regards to a modified inter-tie project with the City of Santa Maria, whereby 650 acre feet of water per year will be delivered for District water service customers; and

WHEREAS, the Board of Directors took action at its February 13, 2013 meeting to approve a finance plan for the construction of said modified inter-tie project; and

WHEREAS, the Board of Directors believes that there is now a substantial likelihood that supplemental water will be brought to the District as a result of the modified Santa Maria inter-tie project

WHEREAS, the Board wishes to maintain all options in regards to reacting to changed circumstances in regards to supplemental water for the Nipomo Community Services District.

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

Section 1 – Suspension

The Board hereby suspends enforcement of Ordinance No. 2012-117.

Section 2 — Inconsistency

To the extent that the terms of provision of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior district Ordinance(s), Motions, Resolutions, Rules, or Regulations adopted by the District, governing the same subject matter thereof, then such inconsistent and conflicting provisions of prior Ordinances, Motions, Resolutions, Rules, and Regulations are hereby repealed. All other non-suspended provisions of the Nipomo Water Code remain in force and effect

Section 3 — Incorporation of Recitals

The recitals to this Ordinance are true and correct, are incorporated herein by this reference.

Section 4 — 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

ORDINANCE NO. 2013-XXX

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
SUSPENDING ENFORCEMENT OF ORDINANCE NO. 2012-117**

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 8 — 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.

Section 9 — CEQA

The Board of Directors of the District finds that 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 policies and procedures 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 that the Suspension of Ordinance 2012-117 will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The District General Manager is directed to prepare and file an appropriate notice of exemption.

Section 10 — California Department of Fish and Game Certificate of Fee Exemption

Pursuant to § 711.4 (c)(2)A of the Fish and Game Code, the District Board of Directors finds that rules and regulations adopted by this Ordinance will have no effect on fish and wildlife. The General Manager is authorized to file a California Department of Fish and Game Certificate of Fee Exemption.

Section 11 — Effective Date

This Ordinance shall take effect and be in full force immediately after its passage. Before the expiration of the tenth (10th) day after passage this Ordinance shall be published once with the names of the members of the Board of Directors voting for or against the Ordinance in a newspaper of general circulation within the District.

ORDINANCE NO. 2013-XXX

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
SUSPENDING ENFORCEMENT OF ORDINANCE NO. 2012-117**

Introduced at its regular meeting of the Board of Directors held on February 27, 2013, and passed and adopted by the Board of Directors of the Nipomo Community Services District on the _____ day of _____, 2013, by the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICTS:

JAMES HARRISON,
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
Secretary to the Board

MICHAEL W. SEITZ
Deputy District Legal Counsel

FEBRUARY 27, 2013

ITEM E-1

ATTACHMENT B

ORDINANCE NO. 2012- 117

AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT REAFFIRMING RESOLUTION 2012-1259 SUSPENDING APPLICATIONS FOR INTENT-TO-SERVE LETTERS, SUSPENDING CHAPTER 3.05 OF THE DISTRICT CODE AND DISTRICT ORDINANCE 2009-114 RELATED TO WATER SERVICE LIMITATIONS, REPEALING DISTRICT CODE SECTION 3.04.052 AS ESTABLISHED BY DISTRICT ORDINANCE 2009-112 RELATED TO ESTABLISHING PAYMENT OF CAPACITY CHARGES FOR CERTAIN COMMERCIAL PROJECTS AND DECLARING DISTRICT CODE SECTION 3.04.053 AND SECTION 3 OF DISTRICT ORDINANCE 2010-115 RELATED TO PAYMENT OF CAPACITY CHARGES FOR CERTAIN RESIDENTIAL AND MIXED USE PROJECTS AS REPEALED PURSUANT TO THE TERMS OF SAID ORDINANCE

WHEREAS, the Nipomo Community Services District ("District") provides water service within the District's water service area pursuant to § 61100 (a) of the Community Services District Law which provides:

"(a) Supply water for any beneficial uses, in the same manner as a municipal water district, formed pursuant to the Municipal Water District Law of 1911, Division 20 (commencing with Section 71000) of the Water Code. In the case of any conflict between that division and this division, the provisions of this division shall prevail"; and

WHEREAS, § 61060 (b) of the Community Services District Law provides in relevant part:

"A district shall have and may exercise all rights and powers, expressed and implied, necessary to carry out the purposes and intent of this division, including, but not limited to, the following powers:

(b) To adopt, by ordinance, and enforce rules and regulations for the administration, operation, and use and maintenance of the facilities and services listed in Part 3 (commencing with Section 61100)"; and

WHEREAS, it is essential for the protection of the health, welfare, and safety of the residents of the District and the public benefit of the State of California ("State"), that the groundwater resources of the Nipomo Mesa be conserved; and

WHEREAS, the District's current water supply is limited to groundwater extracted from the Nipomo Mesa Management Area (NMMA) (also referred to as the Nipomo Mesa Water Conservation Area (NMWCA) by the County of San Luis Obispo), of the Santa Maria Groundwater Basin; and

AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT REAFFIRMING RESOLUTION 2012-1259 SUSPENDING APPLICATIONS FOR INTENT-TO-SERVE LETTERS, SUSPENDING CHAPTER 3.05 OF THE DISTRICT CODE AND DISTRICT ORDINANCE 2009-114 RELATED TO WATER SERVICE LIMITATIONS, REPEALING DISTRICT CODE SECTION 3.04.052 AS ESTABLISHED BY DISTRICT ORDINANCE 2009-112 RELATED TO ESTABLISHING PAYMENT OF CAPACITY CHARGES FOR CERTAIN COMMERCIAL PROJECTS AND DECLARING DISTRICT CODE SECTION 3.04.053 AND SECTION 3 OF DISTRICT ORDINANCE 2010-115 RELATED TO PAYMENT OF CAPACITY CHARGES FOR CERTAIN RESIDENTIAL AND MIXED USE PROJECTS AS REPEALED PURSUANT TO THE TERMS OF SAID ORDINANCE

WHEREAS, the District is a party to a groundwater adjudication, Santa Maria Valley Water Conservation District v. City of Santa Maria, etc. et al., Case No. CV 770214 ("Groundwater Litigation"); and

WHEREAS, pursuant to Section VI D(1) of the June 2005 Stipulation as incorporated into the January 25, 2008 Final Judgment in the Groundwater Litigation the Nipomo Mesa Management Area Technical Group has declared that a potentially severe water shortage condition exists within the Nipomo Mesa Management Area; and

WHEREAS, the San Luis Obispo County Department of Planning and Building's 2004 Resource Capacity Study for the Water Supply in the Nipomo Mesa Area recommended a Level of Severity III (existing demand equals or exceeds dependable supply) be certified for the Nipomo Mesa Water Conservation Area and that measures be implemented to lessen adverse impacts of future development (said Study and referenced documents are incorporated herein by reference); and

WHEREAS, on June 26, 2007, the San Luis Obispo County Board of Supervisors certified the waters underlying the NMWCA at a Severity Level III; and

WHEREAS, the resource protection goals of the San Luis Obispo County South County Area Plan include the following:

- Balance the capacity for growth allowed by the Land Use Element with the sustained availability of resources.
- Avoid the use of public resources, services and facilities beyond their renewable capacities, and monitor new development to ensure that its resource demands will not exceed existing and planned capacities or service levels; and

WHEREAS, District Code §3.28.020 provides:

"all intent-to-serve letters shall be based on findings that sufficient excess water and sewer capacity exists to serve the project"; and

WHEREAS, § 71640 of the Municipal Water Service District Law provides:

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AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT
REAFFIRMING RESOLUTION 2012-1259 SUSPENDING APPLICATIONS FOR INTENT-TO-SERVE LETTERS,
SUSPENDING CHAPTER 3.05 OF THE DISTRICT CODE AND DISTRICT ORDINANCE 2009-114 RELATED TO
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"A district may restrict the use of district water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the wastage of district water or the use of district water during such periods for any purpose other than household uses or such other restricted uses as the district determines to be necessary. A district may also prohibit use of district water during such periods for specific uses which it finds to be nonessential"; and

WHEREAS, the District Board of Directors, at a public meeting on June 13, 2012, considered the Staff Report and public testimony regarding the adoption of this Ordinance; and

WHEREAS, based on the Staff Report, staff presentation, the reports and studies referenced in this Ordinance and public comment, and the failure of the recent ballot proceedings to fund and implement a Supplemental Water Project to the NMMANMWCA, the District Board of Directors finds that:

- (a) It is currently unable to make the findings required by District Code Section 3.28.020, "that sufficient excess water --- exists to serve new projects"; and
- (b) That there is a threatened or existing water shortage; and

WHEREAS, based on the Staff Report, staff presentation, the reports and studies referenced in this Ordinance, public comment and the failure of the recent ballot proceedings to fund and implement the Supplemental Water Project to the NMMANMWCA, the District Board of Directors further finds:

- A. That the purpose and intent of this Ordinance is consistent with the purposes found in the Judgment and Stipulation in the Ground Water Litigation imposing a physical solution to assure long-term sustainability of the groundwater basin and the San Luis Obispo County's certification of a Severity Level III for the waters underlying the NMWCA; and
- B. Prohibiting the issuance of new Intent-To-Serve Letters will provide greater assurances that there will be adequate groundwater to meet the present needs of the District residences consistent with District Code §3.28.020 and the resource protection goals of the San Luis Obispo County South County Area Plan; and

AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT
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- C. That adopting this Ordinance will further conserve the water supply for the greater public benefit, with particular regards to domestic use, sanitation and fire protection; and
- D. That this Ordinance adopts Rules and Regulations for the administration, operation, and use of District services; and

WHEREAS, by adopting this Ordinance, the District does not intend to limit other means of managing, protecting and conserving the groundwater basin by the District. Further, the District intends to work cooperatively with the NMMA Technical Group and other agencies, such as the County of San Luis Obispo, to implement regional solutions such as groundwater management and the importation of Supplemental Water to the NMMA\NMWCA; and

WHEREAS, based on the Staff Report, staff presentation, and public comment, the District Board of Directors further finds this Ordinance is adopted for the protection of the health, safety and welfare of District water customers who depend on the underlying groundwater basin as their source of water supply.

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

Section 1 — Intent-To-Serve Letters

District Resolution 2012-1259 Suspending The Processing Of Intent-To-Serve Letters is affirmed. All applications for new District water service are suspended and will be received and filed without priority. Chapter 3.05 of the District Code and District Ordinance 2009-114 are suspended.

Section 2 — Payment of Capacity Charges for Certain Commercial Projects

Section 3.04.052 of the District Code as established by District Ordinance 2009-112 Establishing Procedures For Payment Of District Fees For Connection Of Commercial Projects Developed On Two Or More Parcels are Repealed.

Section 3.04.051 of the District Code is modified to remove reference "Except as provided in Section 3.04.052"

Section 3 — Payment of Capacity Charges for Certain Residential and Mixed Use Projects

ORDINANCE NO. 2012- 117

AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT
REAFFIRMING RESOLUTION 2012-1259 SUSPENDING APPLICATIONS FOR INTENT-TO-SERVE LETTERS,
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MIXED USE PROJECTS AS REPEALED PURSUANT TO THE TERMS OF SAID ORDINANCE

Section 3.04.053 of the District Code as established by District Ordinance 2010-115 Establishing 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 Required a Dedication Of Any Water And Sewer Improvements Pursuant To a Plan Check Inspection is repealed, pursuant to Section 3.04.053 H of Ordinance 2010-115.

Section 3.04.051 of the District Code is modified to remove reference "Except as provided in Section 3.04.052 and 3.04.053"

Section 4 of District Ordinance 2010-115 and Section 5.02.010 (4) of the District Code are reaffirmed.

Section 5 of District Ordinance 2010-115 and Section 4.03.010 of the District Code are reaffirmed.

Section 4 — Reconsideration

The District Board shall reconsider Sections 1, and 2 of this Ordinance, as part of its Regular or Special Meeting Agendas, during the month of October of this year and during the months of May and October of each succeeding year.

Section 5 — Inconsistency

To the extent that the terms of provision of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior district Ordinance(s), Motions, Resolutions (including District Resolution 2010-1199 establishing fees for processing applications for deferral of District Connection Charges), Rules, or Regulations adopted by the District, governing the same subject matter thereof, then such inconsistent and conflicting provisions of prior Ordinances, Motions, Resolutions, Rules, and Regulations are hereby repealed.

Section 6 — Incorporation of Recitals

The recitals to this Ordinance are true and correct, are incorporated herein by this reference, including the referenced documents, and constitute further findings for the implementation of the Water Service Limitations adopted by this Ordinance.

AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT
REAFFIRMING RESOLUTION 2012-1259 SUSPENDING APPLICATIONS FOR INTENT-TO-SERVE LETTERS,
SUSPENDING CHAPTER 3.05 OF THE DISTRICT CODE AND DISTRICT ORDINANCE 2009-114 RELATED TO
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Section 7 — 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 8 — 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.

Section 9 — CEQA

The Board of Directors of the District finds that 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 policies and procedures 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 that the Suspension of Intent-To-Serve Letters and Ordinances related to payment of connection/capacity fees will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The District incorporates by reference the CEQA findings in support of San Luis Obispo County Ordinance 3090, the County of San Luis Obispo's certification of a Severity Level III for the NMVCA and the District's CEQA findings supporting the adoption of Chapter 3.05. The District General Manager is directed to prepare and file an appropriate notice of exemption.

Section 10 — California Department of Fish and Game Certificate of Fee Exemption

Pursuant to § 711.4 (c)(2)A of the Fish and Game Code, the District Board of Directors finds that rules and regulations adopted by this Ordinance will

AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT
REAFFIRMING RESOLUTION 2012-1259 SUSPENDING APPLICATIONS FOR INTENT-TO-SERVE LETTERS,
SUSPENDING CHAPTER 3.05 OF THE DISTRICT CODE AND DISTRICT ORDINANCE 2009-114 RELATED TO
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have no effect on fish and wildlife. The General Manager is authorized to file a California Department of Fish and Game Certificate of Fee Exemption.

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 the tenth (10th) day after passage this Ordinance shall be published once with the names of the members of the Board of Directors voting for or against the Ordinance in a newspaper of general circulation within the District.

Introduced on the 13TH day of June, 2012, and adopted by the Board of Directors of the Nipomo Community Services District on June 27, 2012, by the following roll call vote, to wit:

AYES: Directors Eby, Winn, Vierheilg, and Gaddis
NOES: Director Harrison
ABSENT: None
ABSTAINING: None



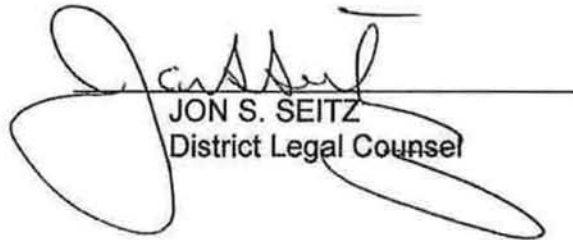
JAMES HARRISON,
President of the Board

ATTEST:

APPROVED AS TO FORM



MICHAEL S. LEBRUN
Secretary to the Board



JON S. SEITZ
District Legal Counsel

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: FEBRUARY 21, 2013



**INTRODUCE ORDINANCE AMENDING DISTRICT CODE SECTION
3.03.110 AND ADDING SECTION 3.03.120
TO ALLOW CONSIDERATION OF RELIEF FROM
WATER LEAK RELATED HIGH BILLS**

ITEM

Introduce and edit, if necessary, an Ordinance to allow limited discretion to General Manager for considering relief from high water bills caused by leaks on customer side of meter.

[RECOMMEND – BY MOTION AND ROLL CALL VOTE AUTHORIZE STAFF TO READ PROPOSED ORDINANCE BY TITLE ONLY AND THEN BY SEPARATE MOTION INTRODUCE ORDINANCE AND SET HEARING DATE FOR ADOPTION]

BACKGROUND

Current District policy holds that all water metered to a customer is the customer's responsibility regardless of circumstance. When leaks occur on the customer side of the water meter and go undetected, high water use and high water bills can result.

Chapter 3.04.290 of District Code, Water receiving equipment – Responsibility, holds the customer solely responsible for connecting to the District water meter stating; "The customer shall furnish and install at his own risk and expense that portion of the water system which begins at the outlet side of the meter." In addition; "Such water receiving equipment shall remain the property of the customer and he shall be responsible for its maintenance and repair."

Chapter 3.03.110 of District Code allows for amortizing a customer's high water bill over a period not to exceed twelve months. One amortization is allowed per customer every eighteen months.

In November 2011, your Board approved a four-tier water rate that is designed to increase customer awareness and water conservation by charging higher cost per unit of water as use increases.

Any home, no matter how well maintained, may experience a water leak on occasion. For example, a broken half-inch pipe can flow approximately 2,000-gallons of water (2.7 billing units) in one-hour at typical District system pressure. Applying the District's tiered water rate under such conditions may not serve your Board's intended conservation goal and may severely impact District customers who experience an unfortunate and infrequent leak in their system.

On January 9, 2013, your Board directed staff to draft ordinance language that would provide measured relief in the event of an unfortunate and infrequent leak yet maintain individual customer responsibility for maintaining the delivery system on the customer side of the meter.

Consideration of additional relief in the case of unusual circumstances and/or undue hardship would continue to be brought to the Board of Directors either by staff or the customer.

Staff hopes the attached draft Ordinance strikes the appropriate balance between individual customer responsibility and reasonable relief in the event of difficult circumstances.

STRATEGIC PLAN

Strategic Plan Goal 5.1 – Maintain clear and functional policies and procedures.

Strategic Plan Goal 5.3 – Provide excellent customer service.

Strategic Plan Goal 6.3 – Ensure that decisions consider short and long term fiscal impacts.

RECOMMENDATION

By motion, authorize staff to read proposed Ordinance by title only and then by separate motion introduce Ordinance and set hearing date for adoption.

ATTACHMENTS

- A. Ordinance 2013-XXX
- B. Code Section 3.03.110

FEBRUARY 27, 2013

ITEM E-2

ATTACHMENT A

ORDINANCE NO. 2013-XXX

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING NIPOMO DISTRICT CODE SECTION 3.03.110 AND ADDING SECTION 3.03.120
TO ALLOW CONSIDERATION OF RELIEF FROM WATER LEAK RELATED HIGH WATER
BILLS**

WHEREAS, the District Board of Directors has previously developed standards in regards to the investigation and amortization of a bill for residential water and/or sewer service as set forth in Nipomo District code at Section 3.03.110; and

WHEREAS, the District Board of Directors has adopted a system of tiered water rates to encourage water conservation; and

WHEREAS, the tiered rates have resulted in significantly higher charges for District water service customers when a water leak has occurred on the customer's side of the water service connection; and

WHEREAS, the District Board of Directors upholds all previously adopted Ordinances and Resolutions requiring the customer be responsible for all maintenance and repair of all water receiving and regulating equipment on his side of the meter; and

WHEREAS, the Board of Directors of the Nipomo Community Services District wish to provide the means for District water service customers to seek relief from high water bills resulting from leaks occurring on the customer's side of the water service connection

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

Section 1 — Code Revision

District code shall be amended as to read:

3.03.110 – Investigation and amortization of delinquent bill for residential water and/or sewer service

1. Investigation, amortization and relief of delinquent bills for residential water and for sewer service.
 - a. The General Manager, or his or her designee, is authorized to investigate complaints in regards to disputes pertaining to any matters for which the water or sewer service may be discontinued; and to rectify errors and settle controversies pertaining to such disputes.
 - b. Every complaint or request for investigation by a residential customer that is made within five days of receiving the disputed bill for water and/or sewer service, and any request by a residential customer that is made within thirteen days, other than mailing of such notice required by Section 3.03.070 for an extension of the payment period of such bill asserted to be beyond the means of the customer to pay in full during the normal period of payment, shall be reviewed by the General Manager or his or her designee. The review shall include consideration of whether the customer shall be permitted to amortize the unpaid balance of the amount over a reasonable period of time not to exceed twelve months. The District will only permit one amortization over a period of eighteen months.

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**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING NIPOMO DISTRICT CODE SECTION 3.03.110 AND ADDING SECTION 3.03.120 TO
ALLOW CONSIDERATION OF RELIEF FROM WATER LEAK RELATED HIGH WATER BILLS**

3.03.120 – Investigation and possible relief for water customers

1 Relief for District water customers.

a. In regards to any complaint or request for relief made by a water service customer that is made within five days of receiving a high and/or disputed bill for water service, the General Manager or his or her designee shall investigate such complaint in the following manner:

i. The District Manager or his or her designee shall first determine whether or not the increase in water consumption is related to a leak occurring on the customer's side of the water service connection and that the leak has been remedied.

ii. The District Manager or his or her designee shall review the bills for water usage for the water service customer for the previous five years for the same time period to determine whether or not there is a significant differential in terms of water use that was evidenced by a leak. Where there is a significant difference determined by the General Manager or his or her designee, water usage for the billing period shall be billed as follows:

a) The average normal usage will be billed at the Rates/Tiers in place at the time of the high bill.

b) All excess usage (over and above the average normal usage) will be billed at the Tier 2 rate in place at the time of the high bill.

b. For water service customers who have not established a five year history in regards to water usage, the General Manager shall determine equivalent water services using similar billings with a five year history to make the appropriate findings as set forth in section (a) above. The customer shall then be charged according to Section 1 (a) (ii) above.

c. The relief provided by these sections is available, upon written request, for a District water service customer once during a three year period. In other words, a water service customer would not be able to apply for relief under this Ordinance if relief had been sought and granted any time during the previous three years.

d. The General Manager or his or her designee may consider of whether the customer shall be permitted to amortize the amount equal to the excess usage over a reasonable period of time, not to exceed twelve months.

ORDINANCE NO. 2013-XXX

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING NIPOMO DISTRICT CODE SECTION 3.03.110 AND ADDING SECTION 3.03.120 TO
ALLOW CONSIDERATION OF RELIEF FROM WATER LEAK RELATED HIGH WATER BILLS**

Section 2 — Inconsistency

To the extent that the terms of provision of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior district Ordinance(s), Motions, Resolutions, Rules, or Regulations adopted by the District, governing the same subject matter thereof, then such inconsistent and conflicting provisions of prior Ordinances, Motions, Resolutions, Rules, and Regulations are hereby repealed.

Section 3 — Incorporation of Recitals

The recitals to this Ordinance are true and correct, are incorporated herein by this reference, including the referenced documents, and constitute further findings for the implementation of the changes adopted by this Ordinance.

Section 4 — 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 5 — 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.

Section 6 — CEQA

The Board of Directors of the District finds that 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 policies and procedures 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 that limited relief from high water bills will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The District General Manager is directed to prepare and file an appropriate notice of exemption.

Section 7 — California Department of Fish and Game Certificate of Fee Exemption

Pursuant to § 711.4 (c)(2)A of the Fish and Game Code, the District Board of Directors finds that rules and regulations adopted by this Ordinance will have no effect on fish and wildlife. The General Manager is authorized to file a California Department of Fish and Game Certificate of Fee Exemption.

ORDINANCE NO. 2013-XXX

AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING NIPOMO DISTRICT CODE SECTION 3.03.110 AND ADDING SECTION 3.03.120 TO
ALLOW CONSIDERATION OF RELIEF FROM WATER LEAK RELATED HIGH WATER BILLS

Section 8 — Effective Date

This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage. Before the expiration of the tenth (10th) day after passage this Ordinance shall be published once with the names of the members of the Board of Directors voting for or against the Ordinance in a newspaper of general circulation within the District.

Introduced at its regular meeting of the Board of Directors held on _____, 2013, and passed and adopted by the Board of Directors of the Nipomo Community Services District on the ____ day of _____, 2013, by the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICTS:

JAMES HARRISON
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
Secretary to the Board

MICHAEL W. SEITZ
Deputy District Legal Counsel

FEBRUARY 27, 2013

ITEM E-2

ATTACHMENT B

3.03.110 - Investigation and amortization of delinquent bill for residential water and/or sewer service.



A.

The district general manager, or his/her designee, is authorized to investigate complaints and review disputes pertaining to any matters for which water and/or sewer service may be discontinued and to rectify errors and settle controversies pertaining to such disputes.

B.

Every complaint or request for investigation by a residential customer that is made within five days of receiving the disputed bill for water and/or sewer service, and every request by a residential customer that is made within thirteen days of the mailing of the notice required by Section 3.03.070 for an extension of the payment period of such a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment shall be reviewed by the district general manager, or his/her designee. The review shall include consideration of whether the customer shall be permitted to amortize the unpaid balance of the amount over a reasonable period of time, not to exceed twelve months. The district will permit only one amortization agreement per eighteen months. Any customer whose complaint or request for an investigation has resulted in an adverse determination by the district general manager, or his or her designee, may appeal the determination to the board of directors.

(Ord. 95-81 § 1 (part), 1995)

TO: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

FROM: PETER V. SEVCIK, P.E.
DIRECTOR OF ENGINEERING
& OPERATIONS

DATE: February 21, 2013

**AGENDA ITEM
E-3
FEBRUARY 27, 2013**

**AWARD CONTRACT FOR
BLACKLAKE WELL 4 PUMP REPLACEMENT PROJECT**

ITEM

Award contract for Blacklake Well 4 Pump Replacement Project to Sansone Company, Inc. in the amount of \$202,086.25 and authorize construction contingency in the amount of \$10,000 [RECOMMEND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION AWARDDING CONTRACT TO LOWEST RESPONSIVE AND RESPONSIBLE BIDDER SANSONE COMPANY, INC. IN THE AMOUNT OF \$202,086.25, AUTHORIZE STAFF TO EXECUTE CONTRACT, AND AUTHORIZE CHANGE ORDER CONSTRUCTION CONTINGENCY IN THE AMOUNT OF \$10,000].

BACKGROUND

Blacklake Well 4 currently pumps water into a ground level storage tank (Blacklake Tank) that is subsequently re-pumped into the main District water system pressure zone. The water returns blended with water from the main District water system pressure zone to the Blacklake pressure zone through two pressure reducing stations. This configuration exists due to the previous separation of the Blacklake pressure zone from the main District pressure zone. The arrangement is inefficient and creates the potential for water quality problems due to stagnation of water and loss of chlorine residual in the Blacklake Tank when Blacklake Well 4 is off.

Staff developed a project to improve the efficiency of the Blacklake Well 4 system. The project will replumb Blacklake Well 4 directly into the main District water system pressure zone and permanently take the Blacklake Tank out of service. The tank, along with the hydro tank and booster pump station equipment that has already been taken out of service, will be surplus. The Board authorized staff to seek bids for the project at the November 14, 2012 Board meeting.

On January 31, 2013, bids for the Project were opened from five (5) bidders as listed below:

Contractor	Total Bid Price
Brough Construction	\$230,761.00
John Madonna	\$231,830.00
Newton Construction	\$292,000.00
R. Baker, Inc.	\$218,573.00
Sansone Company, Inc.	\$204,422.25

The apparent low bidder was Sansone Company, Inc. with a bid of \$204,422.25. Staff reviewed the bid and determined that the bid is responsive and the bidder is responsible. Furthermore, staff reviewed the contractor's bid calculations and determined that there was a discrepancy between the overall total in the Sansone Company, Inc. bid and the amounts listed for the individual bid items. Staff confirmed the corrected overall bid amount with the contractor in accordance with the procedures outlined in the bid documents. The corrected overall total bid amount based on the unit prices submitted by Sansone Company, Inc. is \$202,086.25. The Engineer's Estimate for construction of the project was \$237,600.

FISCAL IMPACT

Funding in the amount of \$200,000 for construction of the project was budgeted in the FY 2012-2013 budget. The original budget did not anticipate the need for the extensive level of electrical work required for the project. However, part of the cost to implement the project may be eligible for a PG&E rebate since the arrangement will be less energy intensive than the current system. A budget adjustment from reserves to provide an adequate construction contingency is required.

STRATEGIC PLAN

Strategic Plan Goal 1.3 – Upgrade and Maintain Water Storage and Distribution Works

RECOMMENDATION

Staff recommends that the Board, by motion and roll call vote, adopt Resolution 2013-XXXX Blacklake Well 4 Pump Replacement Project Bid Award to:

1. Award the bid for the Blacklake Well 4 Pump Replacement Project to lowest responsive and responsible bidder, Sansone Company, Inc., in the amount of \$202,086.25 and authorize General Manager to execute construction agreement.
2. Authorize the General Manager to issue Change Orders for construction of the project with an aggregate total amount not to exceed \$10,000.
3. Authorize budget adjustment in the amount of \$13,000 from Fund 805, Funded Replacement reserves, for the project.

ATTACHMENTS

- A. Resolution 2013-XXXX Blacklake Well 4 Pump Replacement Project Bid Award

FEBRUARY 27, 2013

ITEM E-3

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2013-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT AWARDING THE BID FOR THE BLACKLAKE WELL 4 PUMP
REPLACEMENT PROJECT TO SANSONE COMPANY, INC. IN THE AMOUNT OF \$202,086.25
AND AUTHORIZING CONSTRUCTION CONTINGENCY OF \$10,000**

WHEREAS, the 2007 Water and Sewer Master Plan and the 2010 Strategic Plan outline the need for upgrading and replacing District Facilities; and

WHEREAS, the current Blacklake Well 4 pumping scheme is inefficient and creates the potential for water quality problems; and

WHEREAS, the Blacklake Well 4 Pump Replacement Project will improve the efficiency of the District's water system and reduce potential for water quality problems in the Blacklake pressure zone; and

WHEREAS, plans and technical specifications for the Blacklake Well 4 Pump Replacement Project, dated December 2012, were prepared by Cannon; and

WHEREAS, based on the staff report, staff presentation and public comment, the Board makes the following findings:

1. The project was advertised for bids in accordance with State of California Public Contracts Code requirements.
2. The District received five bids for the project.
3. Staff has reviewed the bids and has determined that Sansone Company, Inc., the apparent low bidder, submitted a responsive bid and is a responsible bidder.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE NIPOMO COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

1. The bid for the Blacklake Well 4 Pump Replacement Project is hereby awarded to the lowest responsive and responsible bidder, Sansone Company, Inc., in the amount of \$202,086.25 and the General Manager is authorized to execute the construction agreement.
2. The General Manager is authorized to issue Change Orders for construction of the project with an aggregate total amount not to exceed \$10,000.
3. The District Board of Directors does hereby authorize a budget adjustment of \$13,000 from Reserves to Fund #805 (Funded Replacement Water) to fund the Project.
4. The above recitals and findings are incorporated herein by this reference.

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

AYES:
NOES:
ABSENT:
CONFLICTS:

The foregoing resolution is hereby adopted this 27th day of February 2013.

JAMES HARRISON,
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
Secretary to the Board

MICHAEL W. SEITZ
Deputy District Legal Counsel

TO: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

FROM: PETER V. SEVCIK, P.E.
DIRECTOR OF ENGINEERING
& OPERATIONS

DATE: February 21, 2013



**AUTHORIZE TASK ORDER WITH CANNON
FOR CONSTRUCTION MANAGEMENT SERVICES
FOR BLACKLAKE WELL 4 PUMP REPLACEMENT PROJECT**

ITEM

Authorize Task Order for Blacklake Well 4 Pump Replacement Project Construction Management Services with Cannon in the amount of \$38,860 and authorize contingency in the amount of \$5,000 [RECOMMEND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION TO AUTHORIZE TASK ORDER WITH CANNON IN THE AMOUNT OF \$38,860, AUTHORIZE STAFF TO EXECUTE TASK ORDER, AND AUTHORIZE CHANGE ORDER CONTINGENCY IN THE AMOUNT OF \$5,000].

BACKGROUND

Blacklake Well 4 currently pumps water into a ground level storage tank (Blacklake Tank) that is subsequently re-pumped into the main District water system pressure zone. The water returns blended with water from the main District water system pressure zone to the Blacklake pressure zone through two pressure reducing stations. This configuration exists due to the previous separation of the Blacklake pressure zone from the main District pressure zone. The arrangement is inefficient and creates the potential for water quality problems due to stagnation of water and loss of chlorine residual in the Blacklake Tank when Blacklake Well 4 is off.

Staff developed a project to improve the efficiency of the Blacklake Well 4 system. The project will replumb Blacklake Well 4 directly into the main District water system pressure zone and permanently take the Blacklake Tank out of service. The tank, along with the hydro tank and booster pump station equipment that has already been taken out of service, will be surplus. The Board authorized staff to seek bids for the project at the November 14, 2012 Board meeting.

Cannon was selected by the District to provide design services for the Blacklake Well 4 Pump Replacement Project. The project design was completed in November 2012, bids for the construction of the project were opened in January 2013, and construction of the project is pending award of the construction contract.

Staff requested that Cannon provide a proposal for construction management services for the Blacklake Well 4 Pump Replacement Project. Cannon submitted the attached proposal to perform the work for a not to exceed amount of \$38,860. The proposal includes additional design services that were required to finalize the design as well as construction engineering and construction inspection services required for the project.

FISCAL IMPACT

Funding in the amount of \$200,000 for construction of the project was budgeted in the FY 2012-2013 budget. Estimated construction cost based on the low bid for the project including

contingency is approximately \$213,000. A budget adjustment in the amount of \$43,860 from reserves to provide funding for construction management services and a \$5000 contingency is required.

STRATEGIC PLAN

Strategic Plan Goal 1.3 – Upgrade and Maintain Water Storage and Distribution Works

RECOMMENDATION

Staff recommends that the Board, by motion and roll call vote, adopt Resolution 2013-XXXX Blacklake Well 4 Pump Replacement Project Bid Construction Management Services to:

1. Authorize Task Order for the Blacklake Well 4 Pump Replacement Project Construction Management Services with Cannon in the amount of \$38,860 and authorize General Manager to execute Task Order.
2. Authorize the General Manager to issue Change Orders to the Task Order with an aggregate total amount not to exceed \$5,000.
3. Authorize budget adjustment in the amount of \$43,860 from Fund 805, Funded Replacement reserves, for the project.

ATTACHMENTS

- A. Cannon proposal dated February 12, 2013
- B. Resolution 2013-XXXX Blacklake Well 4 Pump Replacement Project Construction Management Services

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2013\130227 BLACKLAKE WELL 4 PUMP REPLACEMENT PROJECT CM TASK ORDER.docx

FEBRUARY 27, 2013

ITEM E-4

ATTACHMENT A



February 12, 2013

Sent via e-mail

Mr. Peter Sevcik, PE
District Engineer
Nipomo Community Services District
148 South Wilson Street
Nipomo, CA 93444

**PROJECT: BLACKLAKE WELL 4 PUMP REPLACEMENT PROJECT
 ADDITIONAL DESIGN SERVICES, BID SERVICES, CONSTRUCTION ENGINEERING,
 AND CONSTRUCTION OBSERVATION**

Dear Mr. Sevcik:

Thank you for the opportunity to provide the District with additional design services, bid services, and construction management services to upgrade the equipment at the Blacklake Well No. 4 facility.

We understand the District is busy with the Southland WWRP construction in addition to typical assignments. We can provide construction management services to minimize your time on the project during construction and ensure a successful construction effort – timely and cost effective. We will translate our understanding of this project and its extensive construction management experience to the District and its customers.

Should you have any questions regarding the scope of services listed above, please contact me. We look forward to your approval and the opportunity to serve the District on this project. I will call you next week to further discuss this proposal. The fees are based upon current California Prevailing Wages.

Sincerely,

A handwritten signature in black ink that reads "Rob Morrow".

Rob Morrow, PE
Senior Associate Engineer
C 68916

*Proposal: Additional Design Services, Bid Services,
Construction Engineering, and Construction Observation for
Blacklake Well 4 Pump Replacement Project*

PROJECT UNDERSTANDING AND APPROACH

Cannon recently completed the Construction Plans and Specifications for replacement of the Blacklake Well No. 4 pump and aboveground piping and a new leachfield. The specifications include a downhole well color video survey to be reviewed by NCS D's hydrogeologist to determine if additional rehabilitation is necessary. The timing of the construction is such that Well No. 4 will be offline during NCS D's low water demand period. Once the modifications are complete, Well No. 4 can directly discharge into the existing 10-inch ACP main in Willow Road.

SCHEDULE

The following schedule is based on the project specifications and is used as the basis for the scope and fee estimate.

Contractor Notice to Proceed	
Pre-Mobilization / Submittals	8 weeks
Construction*	6 weeks*
De-Mobilization / Closeout	2 weeks

**Four weeks of active construction activities are assumed for construction observation*

SCOPE OF WORK

This scope of work was developed based on the Nipomo Community Services District (NCS D) Blacklake Well 4 Pump Replacement Plans and Specifications as well as our discussions with you regarding the project. Four tasks are included.

Task 1 – Additional Design Services

The following items were added to the design scope subsequent to approval of Task Order #11-004 and incorporated into the final plans and specifications:

- Demolition Plan Sheet
- Leach Field Details
- Downhole Video (spec/sequencing)
- SCADA Power During Construction
- Erosion Control Notes vs. SWPPP
- Static Mixer
- New SCADA Cabinet

Task 2 – Bid Support

During bidding, we will attend a pre-bid site meeting with the interested contractors, take questions from contractors and issue addenda or respond to requests for information as required.

*Proposal: Additional Design Services, Bid Services,
Construction Engineering, and Construction Observation for
Blacklake Well 4 Pump Replacement Project*

Task 3 - Construction Engineering

We will provide the following construction management services:

- Interact with contractors and NCSD
- Administer construction contract
- Provide progress photos
- Provide observation
- Provide quality review
- Provide daily reports
- Provide final walk down
- Provide project closeout

The following construction engineering support services are included in our fees:

- Pre-construction meeting at the project site (1)
- Verification of compliance with drawings and specifications
- Verification of contractor's schedule and progress tracking
- Review contractor submittals (24 submittals estimated)
- Respond to Requests for Information (RFIs) (4 included)
- Respond to Requests for Change (4 included)
- Review Progress Pays and Change Orders (4 included)
- Attend project progress meetings (4 included)
- Final site inspection and punch list (1)
- Final Record Drawing preparation and submittal

We will attend a Pre-Construction meeting and job walk with the selected contractor, and NCSD staff. The meetings will allow an opportunity for thorough review of the project plans, compliance requirements, and construction schedule prior to the start of work.

We will provide a final walkdown of the completed project, as directed by NCSD. We will prepare a punch-list and recommendations for corrections and/or completion of remaining work.

Utilizing as-built information and project revision documentation provided by the contractor, we will prepare and submit project Record Drawings. These plans will be based on the finalized Construction Documents and incorporate the as-constructed survey data and contractor's red-line comments showing changes made during construction for NCSD archiving and future reference purposes. Digital computer drawing files of the completed Record Drawings will be submitted to NCSD in AutoCAD format for NCSD's internal use.

Task 4 - Construction Observation Services

Construction observation services specific to the construction of the Well 4 Pump Replacement Project are listed below. We estimate actual construction activities to take approximately 4 weeks to complete, given the time needed to coordinate shutdowns, testing, and commissioning. The construction observer will have the following responsibilities:

*Proposal: Additional Design Services, Bid Services,
Construction Engineering, and Construction Observation for
Blacklake Well 4 Pump Replacement Project*

- Observe the project site during the construction period (as necessary) to act as an on-site representative of NCSD to ensure that the tank modifications work is in general compliance with the project plans and specifications.
- Implement observation guidelines for monitoring the quality of the contractor's work, conduct field observation, and prepare documentation of construction tasks.
- Obtain delivery slips and tickets for materials delivered to the jobsite to use when checking payment requests.

The construction observer will not be responsible for site safety, including but not limited to OSHA and traffic control requirements as well as safety inspection, evaluation or supervision. Project work direction and acceptance will be the responsibility of NCSD.

We will provide NCSD a summary report of the work activities on a weekly basis. The summary report will be based upon the daily work activity logs that will be prepared by the designated construction observer.

DELIVERABLES

- Weekly Construction Summary Reports (4)
- Contractor Submittal Responses (24)
- RFI Responses (4)
- Requests for Change Responses (4)
- Punch List
- Record Drawings

ASSUMPTIONS AND EXCLUSIONS

This proposal was based on the following assumptions related to the proposed project:

- All data prepared by others and provided to Cannon will be made available in a digital format, compatible with our systems.
- It is understood the information and technical data provided by and prepared by others, on the Client's behalf or Property Owner's behalf, may be used by Cannon in performing its services and is entitled to rely upon the accuracy and completeness thereof.
- Project identification signs and way finding signs will be designed by others.
- Cannon is not involved with and not responsible for construction sequencing, scheduling, and coordination of contractor or subcontractor work schedules (we do not determine who does what task first). This is the responsibility of the Client or Client-appointed superintendent.
- We are not responsible for the review, scope determination, schedule, and content of construction contracts. Cannon cannot be held responsible for construction issues, as they relate to plans prepared by our office, if we are not informed by the Construction Superintendent and included in the RFI process.

Items not specifically identified in the scope of service sections of this proposal are to be excluded from this work effort and would be considered additional services. Such services would include, but are not limited to, the following:

*Proposal: Additional Design Services, Bid Services,
Construction Engineering, and Construction Observation for
Blacklake Well 4 Pump Replacement Project*

- Traffic Control Plans
- Pot Holing/Pot Hole Surveys
- Construction Staking Services

Additional work will be billed on a Time and Materials basis or as an addendum to this proposal with prior written authorization from Client.

FEES

Fees are based on the rates per the enclosed fee schedule and do not include Agency checking or recording fees, or title company fees. It is our understanding that this project qualifies for California Prevailing Wages.

Task	Fee
1. Additional Design Services	\$5,440
2. Bid Support	\$2,960
3. Construction Engineering	\$11,200
4. Construction Observation Services	\$18,560
Reimbursables	\$700
T&M Not to Exceed	\$38,860

*Proposal: Additional Design Services, Bid Services,
Construction Engineering, and Construction Observation for
Blacklake Well 4 Pump Replacement Project*

FEE SCHEDULE

Engineering/Design Staff: Civil, Mechanical, Electrical, Structural, Planning

Sr. Principal Engineer.....	160.00 - 185.00	Sr. Principal Designer	105.00 - 130.00
Principal Engineer	160.00 - 185.00	Principal Designer	100.00 - 125.00
Sr. Associate Engineer	135.00 - 160.00	Sr. Project Designer	95.00 - 120.00
Associate Engineer.....	125.00 - 150.00	Lead Designer.....	90.00 - 115.00
Sr. Project Engineer	115.00 - 140.00	Project Designer.....	80.00 - 105.00
Project Engineer	100.00 - 125.00	Sr. CAD Tech.....	60.00 - 90.00
Design Engineer.....	90.00 - 115.00	CAD Tech	50.00 - 80.00
Engineering Assistant I, II.....	60.00 - 85.00	Grant Funding Manager I, II	120.00 - 135.00
Project Coordinator.....	85.00 - 100.00	Associate Planner	125.00 - 150.00
Administrative/Clerical	60.00 - 100.00	Sr. Consultant	185.00 - 210.00

Construction Management Staff

Principal Construction Engineer ...	185.00 - 210.00	Construction Engineer.....	165.00 - 190.00
Sr. Construction Engineer	175.00 - 200.00	Structures Representative.....	145.00 - 170.00
Resident Engineer.....	155.00 - 180.00	Sr. Construction Inspector.....	120.00 - 145.00
Assistant Resident Engineer.....	140.00 - 165.00	Construction Inspector	115.00 - 140.00
Office Engineer.....	125.00 - 150.00	Associate Construction Engineer .	100.00 - 125.00
Construction Coordinator I, II.....	85.00 - 100.00	Administrative/Clerical.....	60.00 - 100.00

This schedule provides ranges for various staff classifications. The actual rate may differ depending on the discipline; however, it will not be higher than the given range.

All of the above hourly rates include all direct labor costs and labor overhead, general and administrative expenses and profit. If the client requests, or the client's schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the above rates for weekdays as well as weekends and holidays.

Other Direct Charges

In-House Reproduction

Printing/Copies 8 1/2 x 11.....	\$0.50 per page
Printing/Copies 11 x 17.....	\$1.00 per page
Black Line Plots.....	\$2.00 per page
Color Plots.....	\$5.00 per page

Outside Reproduction

Travel and Related Subsistence	Cost + 15%
Truck or Field Vehicle	\$80.00 per day
CAD and Simulation Software.....	\$15.00 per day
Mileage Reimbursement (or IRS allowable rate).....	\$0.56 mile
Automation & Electrical Materials	Cost + 25% (+tax)

All direct expenses, such as special equipment, shipping costs, travel other than by automobile, parking expenses, and permit fees will be billed at the actual cost plus 15%.

If the client requests, or the client's schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the stated rates for weekdays for daily hours in excess of 8 as well as weekends and a multiplier of 2.0 for daily hours in excess of 12 and holidays.

If the client requests field services to be provided outside of normal working hours (between 6:00 p.m. and 6:00 a.m.), a multiplier of 1.5 will be applied to the stated rates.

Survey Crews and Automation Field staff are billed portal to portal, and mileage charges are included in the hourly rate. A minimum charge of 4 hours will be charged for any Automation Field Service calls outside of normal working hours (between 6:00 p.m. and 6:00 a.m.).

The stated rates are subject to change, typically on an annual basis.

FEBRUARY 27, 2013

ITEM E-4

ATTACHMENT B

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2013-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING TASK ORDER FOR BLACKLAKE WELL 4
PUMP REPLACEMENT PROJECT CONSTRUCTION MANAGEMENT SERVICES WITH CANNON IN THE
AMOUNT OF \$38,860 AND AUTHORIZING CONTINGENCY OF \$5,000**

WHEREAS, plans and technical specifications for the Blacklake Well 4 Pump Replacement Project, dated December 2012, were prepared by Cannon; and

WHEREAS, the project was advertised for bids in accordance with State of California Public Contracts Code requirements; and

WHEREAS, the District received 5 bids for the project and has awarded the construction contract for the project; and

WHEREAS, the District desires to have Cannon provide construction management services for the Blacklake Well 4 Pump Replacement Project.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE NIPOMO COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

1. The task order for Blacklake Well 4 Pump Replacement Project construction management services with Cannon in the amount of \$38,860 is hereby authorized and the General Manager is authorized to execute the task order.
2. The General Manager is authorized to issue Change Orders for the task order with an aggregate total amount not to exceed \$5,000.
3. The District Board of Directors does hereby authorize a budget adjustment of \$43,860 from Reserves to Fund #805 (Funded Replacement Water) to fund the Project.
4. The above recitals are incorporated herein by this reference.

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

AYES:

NOES:

ABSENT:

CONFLICTS:

The foregoing resolution is hereby adopted this 27th day of February 2013.

JAMES HARRISON,
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
Secretary to the Board

MICHAEL W. SEITZ
Deputy District Legal Counsel

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: FEBRUARY 21, 2013



STRATEGIC PLAN REVIEW

ITEM

Review District Strategic Plan [RECOMMEND REVIEW STRATEGIC PLAN AND PROVIDE DIRECTION TO STAFF]

BACKGROUND

In July 2009, your Board adopted the *2010 – 2014 Strategic Plan*. In 2010 and 2011, your Board adopted formal updates of the plan.

Attached for reference is Table 1-The Strategic Plan “At a Glance” from the 2011 Update.

The General Manager is primarily responsible for implementing the District Strategic Plan. The District senior management staff; namely Finance Director, Director of Engineering and Operations, and Utility Superintendent, directly assist in the effort.

The District’s 2012-2013 Fiscal Budget includes \$7.1 million in budgeted operations and maintenance expenditure and \$14 million dollars in budgeted capital improvement expenditure. Collectively, the four-person management team is managing \$21 million of budgeted expenditure in 2012-2013.

Currently the District has a major capital project under construction, the \$13-million Southland Wastewater Treatment and Reclamation Facility, Phase I Improvements and is preparing to award a \$200,000 construction contract to replace Blacklake Well 4. Additionally, the District is soliciting bids on a \$14-million pipeline project to deliver supplemental water supply and is actively recruiting to fill two of the four existing staff vacancies.

In August 2012, staff provided your Board a list of priorities for the 2012-2013 Fiscal year. A revised and update list – with revisions shown in underline/strike out – is attached for review and discussion. The District’s current organizational chart is provided to give an overview of current staffing resources.

The Strategic Plan is intended as a five-year living document. The Plan is scheduled for a full review and update in 2014.

FISCAL IMPACT

Strategic planning helps focus limited staff resources and improve efficiency. Implementation of the Plan will be dependent on subsequent adoption of budgets and approval of specific projects. Budgeted staff time was used to prepare this report.

RECOMMENDATION

Staff recommends your Board review the materials and provide direction to staff.

ATTACHMENTS

- A. Table 1- Strategic Plan "At a Glance", 2011 Strategic Plan Update
- B. 2012-2013 Fiscal Year, Priorities and Goals, January 2013 Update
- C. Current Organizational Chart

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ATTACHMENT A

Table 1 –The Strategic Plan “At a Glance”

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

	<i>4.5 Integrate operational technology</i>	<i>FY11-12</i>
5.0 ADMINISTRATIVE MANAGEMENT	<i>5.1 Maintain clear and functional policies and procedures</i>	<i>On-going</i>
	<i>5.2 Complete conversion to electronic records</i>	<i>FY 11-12 On going</i>
	<i>5.3 Provide excellent customer service</i>	<i>FY 10-11 On-going</i>
6.0 FINANCES	<i>6.1 Operate all enterprise funds to be financially sound</i>	<i>On-going</i>
	<i>6.2 Achieve targeted operating and non-operating reserves</i>	<i>On-going</i>
	<i>6.3 Ensure that decisions consider short and long term fiscal impacts</i>	<i>On-going</i>
	<i>6.4 Minimize commitment of discretionary resource long-term projects</i>	<i>Ongoing</i>
	<i>6.5 Protect reserves with sound investment policy and investments</i>	<i>On-going</i>
	<i>6.6 Review Other Post- Employment Benefits (OPEB)</i>	<i>FY 11-12</i>
7.0 OTHER SERVICES	<i>7.A.1 Promote recycling</i>	<i>On-going</i>
	<i>7.A.2 Provide additional solid waste services</i>	<i>On-going</i>
	<i>7.A.3 Communicate with customers</i>	<i>On-going</i>
	<i>7.B.1 Monitor maintenance of facilities</i>	<i>On-going</i>
	<i>7.B.2 Communicate with customers</i>	<i>On-going</i>
	<i>7.C.1 Monitor maintenance of facilities</i>	<i>On-going</i>
	<i>7.C.2 Communicate with customers</i>	<i>On-going</i>
	<i>7.D.1 Plan for Parks and Open Space</i>	<i>FY14-15</i>
	<i>7.E.1 Monitor landscape maintenance</i>	<i>On-going</i>
	<i>7.E.2 Communicate with residents</i>	<i>On-going</i>

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ATTACHMENT B

**Nipomo Community Services District
2012-2013 Fiscal Year
Priorities and Goals
February 2013 Update**

ADMINISTRATIVE

PROJECT	LEAD	PRIORITY	Key Date
Revise and update Personnel Manual	Finance Director	High	To BOD 12/12/12 <u>December 2013</u>
Define new Information Assistant Position, recruit and hire Information Assistant	General Manager	High	To BOD by 9/26/12 <u>Completed December 2012</u>
Reinitiate Quarterly Newsletters and an active program to educate customers on District services	General Manager	High	January 2013 <u>Completed February 2013</u>
Seat Supplemental Water Alternatives Evaluation Committee and support Committee efforts	General Manager	High	Chair Nom 8/8 Comm Nom 8/14 <u>Completed</u>
Meet Budget goals	ALL	High	Ongoing
Maintain fiscal strength through careful and prudent management of District enterprise accounts, billing and collections	Finance Director	High	Ongoing
Upgrade and replace computer servers and local network	Finance Director	High/Medium	<u>Completed January 2013</u>
Research new billing and accounting software programs, prepare and circulate Request for Proposals to replace billing software	Finance Director	Medium	RFP by Feb 2013 <u>December 2013</u>
Adopt Reserve Policies	Finance Director	Medium	<u>Completed January 2013</u>
Conduct Emergency Drill	Director of Eng. & Ops.	Medium	Prior to 1/1/13 <u>Prior to August 2013</u>
Update Fee Schedule	Finance Director	Medium	June 30, 2013
Review Special Assessment Districts	Finance Director	Medium	March 2013
Negotiate expansion of water storage facility	General Manager	Medium/Low	Commence Spring 2013

**Nipomo Community Services District
2012-2013 Fiscal Year
Priorities and Goals
February 2013 Update**

Update Purchase Policy to include Policy on bidding Service Contracts	Finance Director	Medium/Low	June 2013
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ENGINEERING/CAPITAL PROJECTS

PROJECT	LEAD	PRIORITY	KEY DATE
Define Phased Intertie water project with Santa Maria	Director of Eng. & Ops.	High	Schedule and Cost to BOD 9/12/12 <u>Completed October 2012</u>
Initiate Southland Wastewater Treatment Facility Improvements, Phase I	Director of Eng. & Ops.	High	August 2012— Summer 2014 <u>Under Construction and on schedule</u>
Define new Assistant Engineer (ASSITANT ENGINEER) position, recruit, and hire Assistant Engineer	Director of Eng. & Ops.	High	To BOD 9/26/12 <u>Position approved, recruitment ongoing</u>
Maintain strong safety program including regular safety training for all staff	Director of Eng. & Ops.	High	Ongoing
Complete SCADA upgrade project	Director of Eng. & Ops.	High	November <u>Complete, pending final sign off.</u>
Support Supplemental Water Alternatives Evaluation Committee (Vice Chair)	Director of Eng. & Ops.	High	Ongoing
Maintain strong presence on NMMA Technical Group	General Manager	Medium	Ongoing
Complete Willow Road Phase II waterline	Director of Eng. & Ops.	Medium	SLO GO LEAD <u>Complete</u>
Complete Blacklake Well #4 refurbishment	Director of Eng. & Ops.	Medium	BOD authorization to Bid, October <u>Bid award scheduled for 2/27/13</u>
Schedule and complete Standpipe Mixing project	Director of Eng. & Ops.	Medium	Bid docs to BOD in October <u>August 2013</u>
Install level measurement transducers, capable of remote monitoring, at four well	Assistant Engineer	Medium	After SCADA

**Nipomo Community Services District
2012-2013 Fiscal Year
Priorities and Goals
February 2013 Update**

sites			
Monitor and maintain compliance with California Urban Water Conservation Council/Department of Water Resources water conservation Best Management Practices	Assistant Engineer	Medium	Ongoing
Monitor per-capita water use	Assistant Engineer	Medium	Ongoing
Development Support	Director of Eng. & Ops.	Medium	Ongoing
Decommission obsolete Blacklake Water system infrastructure	Director of Eng. & Ops.	Medium/Low	After BL #4 refurb.

OPERATIONS

PROJECT	LEAD	PRIORITY	KEY DATE
<u>Recruit and hire Utilities Operator/Water Quality Technician – update CS/MW position.</u>	Utilities Superintendent	<u>High</u>	<u>Completed, promoted Utilities Worker</u>
Maintain 100% compliance with regulatory monitoring and reporting requirements	Utilities Superintendent	High	Ongoing
Zero reportable wastewater spills	Utilities Superintendent	High	Ongoing
Maintain accident and injury free workplace	Utilities Superintendent	High	Ongoing
Continue staff training to increase aptitude and readiness	Utilities Superintendent	High	Ongoing
Maintain facilities and equipment in high level of operational readiness	Utilities Superintendent	High	Ongoing
<u>Recruit and hire Utilities Worker/Waste Water Supervisor</u>	Utilities Superintendent	High/Medium	<u>Before 1/1/13ASAP</u>
<u>Restructure Operations organization to: respond to retirement of Superintendent; reclassification of Southland plant to Grade III; promote advancement and retention of staff; and support planned</u>	Utilities Superintendent	Medium	

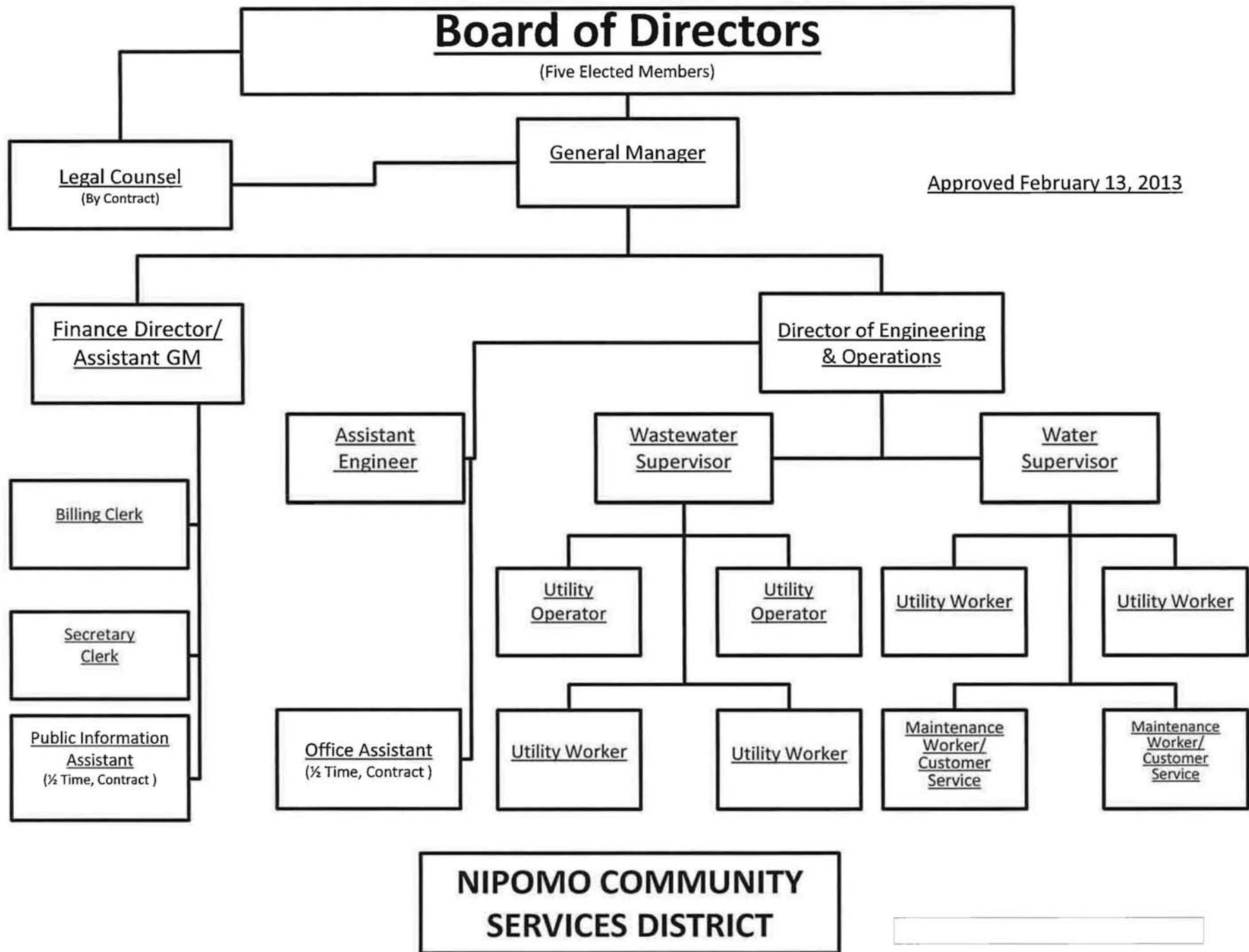
**Nipomo Community Services District
2012-2013 Fiscal Year
Priorities and Goals
February 2013 Update**

staffing growth to meet needs of facilities expansion and upgrade			
Perform a comprehensive facilities review of Blacklake Sewer System	Utilities Superintendent – with support from Director of Eng. & Ops.	Medium	RFP to BOD by 12/12/12 Contract award January 2013
Fully implement electronic preventive maintenance program	Utilities Superintendent	Medium	June 30, 2013 December 2013
Meet 100% water and sewer systems maintenance goals	Utilities Superintendent	Medium	Get staffed up 2013-2014
Continue <u>Maintain</u> Laboratory Certification advancement	Utilities Superintendent	Medium	Next level by XXXX (Utilities Superintendent advise)
Replace on-call Utility Truck and fleet Utility Truck	Utilities Superintendent	Medium	December 2012 Utility Truck replaced, Heavy Duty service truck on order
Annual Service Contracts for system support	Utilities Superintendent	Medium	In place for 2013-2014 Fiscal year
<u>Transfer Superintendent Duties to Director Engineering and Operations</u>	Utilities Superintendent	<u>High</u>	<u>Complete by June 2, 2013</u>

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ATTACHMENT C



Approved February 13, 2013