

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN
GENERAL MANAGER

MSL

DATE: JUNE 21, 2013

AGENDA ITEM

F

JUNE 26, 2013

GENERAL MANAGER'S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is June 7, 2013 through June 21, 2013.*

DISTRICT BUSINESS

Administrative

- District closed the sale of \$9.6M in revenue certificates on June 21, 2013 thereby securing all financing required for the \$17M supplemental water project. Staff issued a Notice of Award to ARB following the close of sale.
- A summary of District expenditures on supplemental water development since July 2004 is attached. During May 2013, \$105,292 was expended on supplemental water development. Since July 2007, the District has expended over \$4.5M on the project.
- Most recent data from Nipomo area County rain gauges recorded no rain during the past two weeks. The Nipomo South gauge (Sensor 730) is reporting 7 inches of cumulative rain fall this season or 44% of the 16-inch annual average. The Nipomo North gauge (Sensor 730) is reporting 5.9 inches of cumulative rain fall this season or 33% of the 18 inch annual average. Twitchell Reservoir reports 0.0% capacity (at gauge minimum); Lopez Lake stands at 70.5% capacity (34,818 Acre-feet).

Safety Program

- No accidents or injuries to report

Monthly Connection Report

Report is updated near the 5th of the month when bills are issued.

Nipomo Community Services District

Water and Sewer Connections

End of Month Report 2013

	DEC-12	JAN-13	FEB-13	MAR-13	APR-13	MAY-13	JUN-13	JUL-13
Water Connections (Total)	4259	4268	4268	4268	4268	4287	4287	
Sewer Connections (Total)	3055	3064	3064	3064	3064	3083	3083	
Meters turned off (Non-payment)	20	18	34	32	14	20	13	
Meters off (Vacant)	52	55	57	56	58	57	55	
Sewer Connections off (Vacant)	20	22	24	22	23	24	20	
New Water Connections	12	9	0	0	0	2	0	
New Sewer Connection	12	9	0	0	0	2	0	
Galaxy & PSHH at Orchard and Division Sewer Connections billed to the County	462	462	462	462	462	462	462	

Public Outreach

The following information is attached to the Manager's Report:

- A summary of outreach and education activities
- 2013 Press Release Log
- Press releases over past two weeks
- News articles over past two weeks

Meetings

Meetings Attended (telephonically or in person):

- *June 11, Rating Call*
- *June 12, Regular Board Meeting*
- *June 13, City of Santa Maria Utilities Director*
- *June 13, Management coordination*
- *June 14, General Counsel coordination*
- *June 17, Board Officer coordination*
- *June 18, ENG/OPS coordination*
- *June 18, Bond Pricing*
- *June 18, Blacklake HOA*
- *June 19, Final Bond Pricing*
- *June 19, NMMA Technical Group*
- *June 20, Special Board Meeting*
- *June 21, Bond Close*

Meetings Scheduled:

- *June 24, Supplemental Water Project construction coordination*
- *June 24, Water Conservation Program coordination*
- *June 25, Southland Wastewater Landscape*
- *June 26, Regular Board Meeting*
- *June 27, Management coordination*
- *July 1, Board Officer coordination*
- *July 2, ENG/OPS coordination*
- *July 3, Public Outreach*

RECOMMENDATION

Staff seeks direction and input from your Honorable Board

ATTACHMENTS

- A. Summary of Supplemental Water Project development expenditures
- B. Outreach Materials

JUNE 26, 2013

ITEM F

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
SUPPLEMENTAL WATER PROJECT
MONTHLY REPORT TO THE BOARD OF DIRECTORS
(FY JUNE 30, 2013)**

REVENUES FY 2012-13	<u>MONTH OF</u> <u>MAY</u>	<u>FISCAL YEAR</u> <u>7/1/2012 TO</u> <u>6/30/2013</u>
Supplemental Water Capacity Fees Collected	0.00	323,697.62
Interest Income (monthly & quarterly posting)	66.65	1,240.92
Revenue Subtotal	66.65	324,938.54
EXPENDITURES FY 2012-2013 (1)		
<u>CONSULTANTS</u>		
1590-A2 EIR Preparation	0.00	0.00
<u>LEGAL</u>		
1590-B1 Shipsey & Seitz	0.00	19,852.80
<u>LAND ACQUISITION</u>		
1590-C1 Appraisals	0.00	0.00
1590-C2 Property Negotiations	1,663.57	38,167.79
1590-C3 Property Acquisitions	115,432.00	145,892.00
<u>FINANCIAL</u>		
1590-D1 Tuckfield & Associates	1,080.00	11,313.75
<u>ENGINEERING</u>		
1590-E1 Preliminary Engineering Design (AECOM)	0.00	982.80
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)	0.00	194,163.95
1590-E6 Pressure Testing	0.00	0.00
1590-E7 Peer Review	0.00	0.00
1590-E8 Pot Holing	0.00	0.00
1590-E9 Phasing Feasibility Study	0.00	2,968.85
<u>OTHER</u>		
1590-F1 FGL Environmental	0.00	0.00
1590-F2 Print/Copy	0.00	9,737.39
<u>PERMITS</u>		
1590-G1 Santa Maria Valley Water Conservation District	0.00	0.00
<u>CONSTRUCTION</u>		
1590-I1 Construction Management (MNS)	900.00	9,945.00
<u>OTHER</u>		
1590-J1 Suppl Water Alternatives Evaluation Committee	15,508.15	44,610.65
Expenditure Subtotal	134,583.72	477,634.98
Net Revenues less Expenditures	(134,517.07)	(152,696.44)
Beginning Fund #500 Balance as of July 1, 2012		1,155,903.10
Ending Fund #500 Balance as of May 31, 2013		1,003,206.66

(1) See attached "Supplemental Water Cost Summary" for more detail.

NIPOMO COMMUNITY SERVICES DISTRICT
SUPPLEMENTAL WATER COST SUMMARY

A/C #	DESCRIPTION	7/1/2004 TO 6/30/2005	7/1/2005 TO 6/30/2006	7/1/2006 TO 6/30/2007	7/1/2007 TO 6/30/2008	7/1/2008 TO 6/30/2009	7/1/2009 TO 6/30/2010	7/1/2010 TO 6/30/2011	7/1/2011 TO 6/30/2012	SUBTOTAL 6/30/2012	WRITE OFF SUNK COSTS 6/30/2012	7/1/12 TO 6/30/2012	GRAND TOTAL 6/30/2013
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	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	(25,887.29)	0.00	0.00
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	14,836.89	269,480.24	0.00	0.00	269,480.24
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	(6,308.94)	0.00	0.00
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	(5,570.07)	0.00	0.00
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	(10,824.60)	0.00	0.00
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	(11,797.44)	0.00	0.00
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	(15,000.00)	0.00	0.00
1590-B1	Shipsey & Seitz	0.00	23,095.55	17,564.25	2,201.50	18,224.00	16,601.58	18,664.80	34,355.20	130,706.88	(130,706.88)	19,852.80	19,852.80
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	(50,048.93)	0.00	0.00
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	(37,427.19)	0.00	0.00
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	0.00	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	13,794.53	80,275.18	0.00	38,167.79	118,442.97
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	0.00	145,892.00	152,737.00
1590-D1	Financial	0.00	2,809.85	0.00	0.00	7,595.45	4,476.25	0.00	0.00	14,871.55	(14,871.55)	11,313.75	11,313.75
1590-D2	Lobbying	0.00	0.00	0.00	38,601.11	38,950.00	54,000.00	9,000.00	0.00	140,751.11	(140,751.11)	0.00	0.00
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	0.00	982.80	336,394.42
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	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	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	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	212,942.04	1,366,999.40	0.00	194,163.95	1,561,163.35
1590-E6	Pressure Testing	0.00	0.00	0.00	0.00	8,682.92	0.00	0.00	0.00	8,682.92	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	0.00	0.00	57,055.10
1590-E8	Pot Holing	0.00	0.00	0.00	0.00	0.00	29,053.05	0.00	0.00	29,053.05	0.00	0.00	29,053.05
1590-E9	Phasing Feasibility Study	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,548.15	4,548.15	0.00	2,966.85	7,517.00
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	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	(1,814.32)	9,737.39	9,737.39
1590-G1	Permits	0.00	0.00	0.00	0.00	130.00	0.00	0.00	0.00	130.00	0.00	0.00	130.00
1590-H1	Assessment District	0.00	0.00	0.00	0.00	83,030.71	21,227.92	56,931.84	212,504.75	373,695.02	(373,695.02)	0.00	0.00
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	(54,880.68)	0.00	0.00
1590-H3	Purveyor Partner Reimbursements to NCSD	0.00	0.00	0.00	0.00	0.00	0.00	(10,492.04)	0.00	(10,492.04)	10,492.04	0.00	0.00
1590-H4	A/D Financial Advisor	0.00	0.00	0.00	0.00	0.00	0.00	8,835.63	39,375.00	48,210.63	(48,210.63)	0.00	0.00
1590-H5	A/D Outreach/Education	0.00	0.00	0.00	0.00	0.00	0.00	74,571.75	221,121.09	295,692.84	(295,692.84)	0.00	(0.00)
1590-H6	A/D Bond Counsel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	85,000.00	85,000.00	(85,000.00)	0.00	0.00
1590-H7	A/D Ballot Tabulation/Observation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,262.21	8,262.21	(8,262.21)	0.00	0.00
1590-I1	Construction Management (MNS)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,035.00	10,035.00	0.00	9,945.00	19,980.00
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	(2,830.00)	0.00	0.00
1590-J1	Supp Water Evaluations Committee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44,610.65	44,610.65
1590-Z1	Wages-Capitalized	0.00	29,076.92	35,884.51	28,197.08	31,926.57	50,005.29	46,698.55	45,173.63	266,962.55	(266,962.55)	0.00	0.00
1590-Z2	Payroll Taxes-Capitalized	0.00	587.22	587.42	455.96	504.53	2,058.44	1,018.13	806.86	6,918.56	(6,918.56)	0.00	(0.00)
1590-Z3	Retirement-Capitalized	0.00	8,418.08	10,344.53	8,110.84	8,690.47	9,443.17	6,729.62	11,325.19	62,676.23	(62,676.23)	0.00	0.00
1590-Z4	Medical-Capitalized	0.00	2,861.36	3,367.02	2,564.88	2,757.36	3,390.94	3,352.92	4,114.98	22,409.46	(22,409.46)	0.00	0.00
1590-Z5	Dental/Vision-Capitalized	0.00	0.00	247.90	328.23	348.15	459.62	239.83	492.93	2,126.77	(2,126.77)	0.00	0.00
1590-Z6	Workers Compensation-Capitalized	0.00	260.35	341.83	225.21	259.81	271.21	277.61	182.39	1,808.30	(1,808.30)	0.00	0.00
		103,938.03	225,459.74	562,634.14	334,404.32	1,055,642.22	522,743.28	449,182.79	933,147.83	4,186,766.68	(1,671,989.53)	477,634.98	2,992,412.13

JUNE 26, 2013

ITEM F

ATTACHMENT B

**NCSO Outreach Summary
June 2013**

Date Started	Outreach	Description	Status	Date Completed
3/28/2013	Website Updates	Updating/Cleaning-up District's website	In Progress	
5/2/2013	Value of Water Display	Value of Water display for lobby	In Progress	
5/29/2013	Lobby Bulletin Board	Update of the District Office's public information bulletin board in the lobby	In Progress	
6/3/2013	Ad	Conservation 1/4 page Ad in Adobe, pub date 6/7	Complete	6/5/2013
6/12/2013	Press Release	NCSO Board Hears Sobering News Regarding Groundwater Condition	Complete	6/12/2013
6/12/2013	Press Release	Nipomo CSD Board of Directors Authorizes \$10.5M in Bond Sales to Support Pipeline Construction Financing	Complete	6/12/2013
6/17/2013	Plaque	Creation of copper plaque honoring the District's first Board members	In Progress	
6/20/2013	Press Release	Nipomo CSD Board of Directors approves \$17M in contracts to build Supplemental Water Line	Complete	6/12/2013
6/20/2013	Manager's Column	Article 5 for Manager's Column in Adobe Press, pub date 6/28	In Progress	

**Press Release Log
2013**

Date of PR	Title	Date Sent to Media	Date Placed On Website	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published
1/10/2013	Board Authorizes Purchase of New Service Truck	1/10/2013	1/10/2013	Times Press	1/18/2013						
1/10/2013	Board Ratifies Committee Assignments for 2013	1/10/2013	1/10/2013								
1/10/2013	Board to Consider Revision of District's Bill Payment Policy	1/10/2013	1/10/2013	SM Times	1/18/2013	Adobe	1/18/2013	Times Press	1/25/2013	Univision	1/18/2013
1/10/2013	Board Authorizes Representation for Nipomo Mesa Management Area Technical Group	1/10/2013	1/10/2013								
1/24/2013	Board Commends District's Finance Director for Twenty Years of Outstanding Service	1/24/2013	1/25/2013	Adobe	2/1/2013	SM Times	2/24/2013				
1/24/2013	Board Awards Contract for Blacklake Sewer Master Plan to Michael K. Nunley & Associates	1/24/2013	1/25/2013	Adobe	2/1/2013						
1/24/2013	Board Considers Requests for New Water Service at Jim Miller Park and New Development	1/24/2013	1/25/2013	Tribune	1/31/2013	Adobe	2/1/2013	SM Times	2/4/2013		

**Press Release Log
2013**

Date of PR	Title	Date Sent to Media	Date Placed On Website	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published
2/5/2013	Committee Develops Initial Ranking of Supplemental Water Alternatives	2/5/2013	2/6/2013	Adobe	2/8/2013	SM Times	2/10/2013	KCOY On Air	2/13/2013		
2/14/2013	Board Authorizes Bidding for Supplemental Water Project Phase 1	2/15/2013	2/15/2013	SM Times	2/16/2013	Tribune	2/18/2013	Adobe	2/22/2013	Sun & New Times	2/27/2013
2/14/2013	Board Approves Financing Plan for Supplemental Water Pipeline Project	2/15/2013	2/15/2013	SM Times	2/16/2013	Tribune	2/18/2013	Adobe	2/22/2013	Sun & New Times	2/27/2013
2/14/2013	Committee Presents Preliminary Findings on Supplemental Water Alternatives	2/15/2013	2/15/2013	SM Times	2/16/2013	Tribune	2/18/2013	Adobe	2/22/2013		
2/14/2013	Board Approves an Increase to District Trash Rates	2/15/2013	2/15/2013	Adobe	2/22/2013						
2/14/2013	Board Awards Contract for Auditing Services to The Crosby Company	2/15/2013	2/15/2013								
2/14/2013	Board Considers Revising Policy on New Water Service Applications	2/15/2013	2/15/2013	Tribune	2/18/2013	Adobe	2/22/2013	SM Times	2/25/2013		
2/25/2013	District Suspects Illegal Dumping In Sewer System	2/26/2013	2/26/2013	KCOY	2/26/2013	SM Times	2/27/2013	Tribune	2/28/2013	Adobe	3/1/2013

**Press Release Log
2013**

Date of PR	Title	Date Sent to Media	Date Placed On Website	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published
2/28/2013	Committee Presents Draft-Final Report on Supplemental Water Alternatives	2/28/2013	2/28/2013	Tribune	2/28/2013						
2/28/2013	District Utilities Superintendent Provides Summary of 2012 Operational Highlights	2/28/2013	2/28/2013								
2/28/2013	Board Initiates Process to Allow Applications for New Water Service	2/28/2013	2/28/2013	Adobe	3/8/2013	SM Times	3/10/2013				
2/28/2013	Board Initiates Process to Allow Relief to Customers with High Water Bills Caused by Leaks	2/28/2013	2/28/2013								
2/28/2013	District Awards Contract for Well Repairs to Sansone Company, Inc.	2/28/2013	2/28/2013								
3/14/2013	Board Allows Applications for New Water Service	Sent by MSL 3/13/13	3/18/2013	Tribune	3/13/2013	Sun	3/27/2013	New Times	3/27/2013		
3/14/2013	District Awards Grant Funds for Solid Waste Removal to Nipomo Chamber of Commerce	Sent by MSL 3/13/13	3/18/2013								

**Press Release Log
2013**

Date of PR	Title	Date Sent to Media	Date Placed On Website	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published
3/14/2013	Board Allows Relief to Customers with High Water Bills Caused by Leaks	Sent by MSL 3/13/13	3/18/2013								
3/28/2013	Board Recommends Forming Solid Waste Committee	3/28/2013	3/29/2013								
3/28/2013	Board Presents Resolution of Appreciation to Supplemental Water Alternatives Evaluation Committee	3/28/2013	3/29/2013								
4/4/2013	Nipomo Community Services District Hires Assistant Engineer	4/5/2013	4/5/2013								
4/25/2013	Board Accepts Completion of SCADA System Upgrade	4/25/2013	4/26/2013								
4/25/2013	Board Approves Funding Plan for Phase I of Supplemental Water Project	4/25/2013	4/26/2013	Tribune	4/29/2013	Adobe	5/3/2013				
4/25/2013	Board Approves Wholesale Water Supply Agreement with Santa Maria	4/25/2013	4/26/2013	SM Times	4/28/2013						

**Press Release Log
2013**

Date of PR	Title	Date Sent to Media	Date Placed On Website	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published
5/3/2013	Law Suit Challenges District Water Project Financing Plan	5/3/2013	5/7/2013	SM Times	5/4/2013	Tribune	5/5/2013	Sun	5/9/2013	Adobe	5/10/2013
5/9/2013	In Face of Lawsuit Board Delays Approval of Bond Sale and Schedules Special Meeting	5/9/2013	5/9/2013	KCOY On Air	5/10/2013	Sun & New Times	5/15/2013				
5/10/2013	Board Sets June 12, 2013 for Adoption of 2013-2014 Budget and Directs Staff to Increase Budgeted Legal Fees	5/10/2013	5/10/2013								
5/10/2013	Board Approves Supplemental Water Project Alternative Financing Plan	5/10/2013	5/10/2013	SM Times & Central Coast News	5/11/2013	Tribune	5/10/2013	KSBY	5/11/2013	Adobe	5/31/2013
				SM Times	6/2/2013						
5/24/2013	Nipomo CSD Board of Directors Authorizes Emergency Repair of Well	5/24/2013	5/24/2013	Sun	5/29/2013						
5/24/2013	Transparency Certificate of Excellence Awarded to Nipomo Community Services District	5/24/2013	5/24/2013	Adobe	6/7/2013						

**Press Release Log
2013**

Date of PR	Title	Date Sent to Media	Date Placed On Website	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published	Media Published	Date PR Published
6/12/2013	NCSB Board Hears Sobering News Regarding Groundwater Condition	6/12/2013	6/13/2013	Sun	6/19/2013						
6/12/2013	Nipomo CSD Board of Directors Authorizes \$10.5M in Bond Sales to Support Pipeline Construction Financing	6/12/2013	6/13/2013	New Times	6/13/2013	SM Times	6/14/2013				
6/20/2013	Nipomo CSD Board of Directors approves \$17M in contracts to build Supplemental Water Line	6/20/2013	6/20/2013								

FOR IMMEDIATE RELEASE

Date: June 12, 2013
Contact: Michael S. LeBrun, General Manager
Nipomo Community Services District
148 S. Wilson St., Nipomo, CA 93444
Phone: (805) 929-1133 – Email: mlebrun@ncsd.ca.gov



NCSD BOARD HEARS SOBERING NEWS REGARDING GROUNDWATER CONDITION

At their June 12, 2013 Regular Meeting, the Nipomo Community Services District Board of Directors received a report from their groundwater hydrology expert, Brad Newton, Ph.D. regarding the condition of area groundwater resources. Dr. Newton expressed concern for the health of the groundwater basin. The news was not entirely unexpected given the extremely low rainfall amounts received across the Mesa this past winter.

Dr. Newton voiced specific concern over indication that the groundwater underlying the western area of the Mesa was significantly depressed (lower) than last year at this time, noting that these conditions may allow sea water to move landward and possibly intrude on the freshwater aquifer.

The Board directed staff to work with the Court appointed Nipomo Mesa Management Area Technical Group to complete that group's independent review and analysis of recent groundwater levels and get that information out to the public as soon as possible.

The District is asking all users of groundwater across the mesa to use water wisely and to not waste water. Use only necessary amounts of water to irrigate landscapes and differ all new planting until the fall when winter rains (hopefully) will offset irrigation needs. See the District website or call the office for many more water saving tips.

Next Scheduled Regular Board Meeting: Wednesday, June 26, 2013, 9AM, District Board Room 148 South Wilson, Nipomo

For more information, please contact the Nipomo Community Services District at 929-1133 or visit www.ncsd.ca.gov.

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Established in 1965 to meet the health and sanitation needs of the local community, Nipomo Community Services is pleased to provide a wide variety of services throughout its district including the provision of water, sewer, and waste management services as well as lighting and drainage in limited areas. The mission of Nipomo Community Services District is to provide its customers with reliable, quality, and cost-effective services now and in the future.

FOR IMMEDIATE RELEASE

Date: June 12, 2013
Contact: Michael S. LeBrun, General Manager
Nipomo Community Services District
148 S. Wilson St., Nipomo, CA 93444
Phone: (805) 929-1133 – Email: mlebrun@ncsd.ca.gov



NIPOMO CSD BOARD OF DIRECTORS AUTHORIZES \$10.5M IN BOND SALES TO SUPPORT PIPELINE CONSTRUCTION FINANCING

At their June 12, 2013 Regular Meeting, the Nipomo Community Services District Board of Directors authorized the sale of up to \$10.5M in Certificates of Participation (Bonds) to fund a portion of the District's \$17.5M Supplemental Water Project Phase 1. The District expects to execute the sale of Certificates during the week of June 17 and award construction contracts for the supplemental water project later in the month.

Board President Jim Harrison commented; "The Bond market appears to have turned with cost of borrowing increasing in the past month – yet these are still good rates when you look back over ten years and this pipeline project is needed now and will serve our community for generations to come."

Next Scheduled Regular Board Meeting: Wednesday, June 26, 2013, 9AM, District Board Room 148 South Wilson, Nipomo

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FOR IMMEDIATE RELEASE

Date: June 20, 2013
Contact: Michael S. LeBrun, General Manager
Nipomo Community Services District
148 S. Wilson St., Nipomo, CA 93444
Phone: (805) 929-1133 – Email: mlebrun@ncsd.ca.gov



NIPOMO CSD BOARD OF DIRECTORS APPROVES \$17M IN CONTRACTS TO BUILD SUPPLEMENTAL WATER LINE

At a Special Meeting of the Nipomo Community Services District Board of Directors, the Board, on a 5-0 vote, approved \$14M in construction and \$2M in construction monitoring contracts, to build a pipeline that will connect the District's water system with that of the City of Santa Maria and deliver supplemental water to the District customers and the Nipomo Mesa.

The project will fulfill the District's 20-year quest to supplement its water supply and thereby provide significantly increased reliability and dependability of supply to district customers for generations to come.

All three of the contractors awarded contracts are California based companies and two of the Contractors, Spiess Construction Co. Inc., and Specialty Construction Inc. are based locally (in Santa Maria and San Luis Obispo respectively). Additionally, the District awarded a \$1.7M construction management contract to MNS Engineers who are headquartered in Santa Barbara with offices in San Luis Obispo.

General Manager Michael LeBrun commented: "In many ways, this contract award represents a recycling of customer money back into our local and state economy. This project, along with the \$13M wastewater treatment plant upgrade the District is currently under construction on provide our local economy with an extra 'shot in the arm' as we recover from the state and nation wide recession."

Staff expects to issue Notice to Proceed to all contractors at the close of Bond sales on June 21. The project is scheduled to take 18-months to construct leading to the first delivery of water to the area in late 2014.

Next Scheduled Regular Board Meeting: Wednesday, June 26, 2013, 9AM, District Board Room 148 South Wilson, Nipomo

For more information, please contact the Nipomo Community Services District at 929-1133 or visit www.ncsd.ca.gov.

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NCSD earns award for transparency

Adobe Staff

Nipomo Community Services District has been awarded a District Transparency Certificate of Excellence by the Special District Leadership Foundation.

The award was presented in recognition of the district's outstanding efforts to promote transparency and good governance, an NCSD spokesman said.

"This award is a testament to the Nipomo Community Services District's commitment to open government," said Michael LeBrun, general manager. "District staff and our elected board of directors are to be commended for their contributions that empower the public with information and facilitate engagement and oversight."

To receive the certificate, a special district must show it has met eight governance transparency requirements, including ethics training for all board members, properly conducting open public meetings and filing financial transactions and compensation reports with the state controller in a timely manner.

NCSD also fulfilled 15 website requirements, including making such information as board agendas, minutes from previous meetings, the current district budget and the most recent financial audit readily available to the public.

A district also must demonstrate public outreach to engage constituents in its governance through newsletters and community transparency reviews.

The Special District Leadership Foundation is an independent, nonprofit organization that promotes good governance and best practices among California's special districts through certification, accreditation and other recognition programs.

NCSD operates one water system and two sewer systems, one serving the Town Division and one serving the Blacklake Division.

In addition to water and wastewater service, the district also controls the solid waste removal franchise and provides street lighting in the Blacklake division and drainage to a limited area.

NCSD's next regularly scheduled board meeting is set for 9 a.m. Wednesday, June 12, in the district office at 148 S. Wilson St.

For more information, contact the district at 929-1133 or visit www.ncsd.ca.gov.

Posted Friday June 7, 2013

Santa Maria Sun / News

The following articles were printed from Santa Maria Sun [santamariasun.com] - Volume 12, Issue 16
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Nipomo pipeline survives injunction attempt

BY PATRICK M. KLEMZ

A \$17.5 million project to connect the Nipomo Mesa to an outside water supply withstood a recent legal challenge by a citizens' group.

On June 5, Judge Martin Tangeman denied a preliminary injunction request and allowed the project to go forward during litigation. Given the scope of the pipeline plans and the court docket, that decision essentially equals a go-ahead.

Mesa Community Alliance filed the suit because the district originally planned to use \$4 million in reserve funds to complete the first stage of the project.

Reservations about the significant cost of hooking the Mesa up to Santa Maria water prompted a majority of Nipomo homeowners to vote against a similar \$26 million project last May.

Rather than risk missing critical deadlines, the district decided to take out more bonds for the project instead of using reserve funds. Wildlife officials only granted the district access to build over the Santa Maria riverbed until October 31. A \$2.2 million state grant also hung in the balance.

Tangeman explained in the order denying the injunction that, with the crux of Alliance's case rendered moot, the public interest balance weighed heavily in favor of allowing the district to proceed with issuing the bonds.

"If an injunction is granted preventing the District's use of funds from [the reserve], then the District may be required to proceed with the alternate finance plan, which will substantially increase the costs of the Project," Tangeman wrote.

According to district director Michael LeBrun, the pipeline would begin delivering water to Nipomo by fall 2014 if all goes as planned in issuing the \$10.5 million in bonds.

"If this past 'rainy' season is repeated next year, that water's arrival will be very welcomed," LeBrun said.

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NCSD moves to issue bonds

Opponents pressing suit to halt pipeline project

JUNE 14, 2013 12:15 AM • MIKE HODGSON/MHODGSON@SANTAMARIATIMES.COM

Nipomo Community Services District plans to issue bonds next week to help fund construction of a supplemental water pipeline although an opposition group said it is forging ahead with a lawsuit to stop the project.

NCSD directors on Wednesday voted 3-1 to issue up to \$10.5 million in certificates of participation to pay for a portion of the \$17.5 million project.

Director Bob Blair opposed the pipeline in favor of exploring other options when he was elected last fall and dissented in Wednesday's vote. Director Larry Vierheilg was absent.

If the bond sales proceed as planned next week, the district expects to award construction contracts for the first phase near the end of the month, NCSD General Manager Michael LeBrun said.

In addition to the bond revenue, the rest of the cost would be covered by a \$2.2 million California Department of Water Resources grant and a total of about \$6.3 million from other NCSD funds.

In a report to the board, LeBrun said the district expects to receive a true interest rate of 4.75 percent, but that will depend on the final Standard and Poor's bond rating and market conditions.

"The bond market appears to have turned, with cost of borrowing increasing in the past month," board President Jim Harrison said. "Yet these are still good rates when you look back over 10 years, and this pipeline project is needed now and will serve our community for generations to come."

Selling certificates of participation is part of an alternative financing plan directors approved after Mesa Community Alliance threatened to sue the district over the original plan.

That plan called for using money from a water system replacement reserve fund, which MCA believes is illegal under state law.

In addition to filing the lawsuit, the group sought a preliminary injunction to delay the pipeline project until the suit can be settled, but that was rejected by a San Luis Obispo County Superior Court judge.

MCA representatives said this week the group plans to continue its lawsuit against the district based on what it sees as an attempt to misuse public funds.

In a statement issued the day before NCSD authorized the bond sale, MCA said the district funding a pipeline to bring water from Santa Maria ignores a vote that delayed the project last year.

MCA also disagreed with the judge's finding that issuing a preliminary injunction delaying the project would cause more harm than if it was not issued.

Initially, NCSD planned to pay its share of the project cost using an assessment district, which failed to gain approval by a majority of property owners.

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Adam Lambert, Pink Floyd tribute band join Mid-State Fair lineup

Half of last year's recommendations by civil grand jury were implemented

Published: June 15, 2013

This year's watchdog panel finds that half of the recommendations made last year were implemented

By Cynthia Lambert — clambert@thetribunenews.com

About half of the recommendations suggested by last year's San Luis Obispo County civil grand jury were carried out by the various government agencies that jurors had studied.

This year's grand jury reviewed seven of the 11 reports released by the 2011-12 grand jury, which required responses to 153 recommendations.

Grand jurors found that cost was often the reason given when their recommendations were rejected, according to a report, "Grand Jury Legacy: Responding to Recommendations," released Wednesday.

Of the 153 recommendations, 73 were implemented, 47 were rejected, 15 are set to be put in place and 18 others are under review.

Grand jurors found the most resistance in response to a report about medical marijuana, which criticized the regulation of dispensing medical cannabis in the county as subjective and inconsistent.

Jurors wrote that the county has effectively stopped "brick and mortar" medical marijuana dispensaries from operating locally but had done little to regulate the mobile services that sprang up to deliver the medication to patients — creating a "gray market" and putting the well-being of patients who rely on the product at risk.

The seven cities in the county all prohibit storefront medical marijuana dispensaries. The report wasn't intended to advocate the use of medical marijuana but suggested that local governments can take steps to make it safer for those legally authorized to use it. It also acknowledged the "legal confusion" surrounding medical marijuana laws.

Of its 33 recommendations on the issue, only two were implemented: Arroyo Grande added mobile delivery services to its rules prohibiting storefront operations, and the county now requires delivery services to have a business license and seller's permit.

The county also responded that it's handcuffed until the state sorts out contradictions between state and federal law regarding cannabis.

Other findings

Last year's grand jury also reviewed how well community services districts shared public information, such as budgets, board agendas and minutes, on their websites.

The grand jury commended Los Osos and Nipomo for their websites, but the panel found three services districts without websites: Avila Beach, Linne Road and Creston Hills Ranch. Avila Beach activated its website shortly after the report was released; Linne Road has also developed one.

The grand jury's reports can be viewed at http://slocourts.net/grand_jury. The 19-member jury is an official body of San Luis Obispo Superior Court and not members of a watchdog. Its reports are

Santa Maria Sun / News

The following articles were printed from Santa Maria Sun [santamariasun.com] - Volume 12, Issue 17

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Bonds and basin levels

BY CAMILLIA LANHAM

A dry spring led to lower-than-usual water basin levels within the Nipomo Community Services District, pushing officials to move quickly on the \$17.5 million water pipeline project, which starts with the sale of \$10.5 million worth of bonds.

Not that low water basin levels on the Mesa are anything new for the district, said NCSD General Manager Michael LeBrun. It's something that was somewhat expected.

"Our demands on the basin have gone up considerably over the last three decades because we've urbanized the Mesa," LeBrun said. "What we've noticed is the basin drops faster than it used to and recovers slower."

The basin measurements under NCSD's wells are 25 percent lower than they were in 2012. LeBrun said the district is asking Mesa residents to use water wisely, especially when irrigating landscapes.

At the June 12 board meeting, groundwater expert Brad Newton told the board he was concerned for the health of the groundwater. He told the board that conditions could allow ocean water to move inland and potentially contaminate the aquifer. LeBrun said the concern over seawater contamination has been an issue at the top of the list for the last few years, which is why the district needs to get the pipeline finished as fast as possible.

At the meeting, the board also authorized the sale of \$10.5 million worth of bonds, which would finance \$9 million of the Santa Maria-to-Nipomo pipeline project. LeBrun said he is confident the district will be able to sell all the bonds within a week of opening the sale that started on June 17.

"We're well positioned to sell these bonds," LeBrun said. "We have an 'A' rating."

The district received that investment rating from Standard and Poor just before the June 12 board meeting. Once the bonds are sold, the district can begin construction of the pipeline.

The \$17.5 million project's financing plan was approved in April. Soon after, the district faced a lawsuit from the Mesa Community Alliance, which sought to halt the proposal because of a decision to pull \$4 million out of a reserve fund earmarked for repair work. In May, an alternative-funding plan was approved to sell an extra \$4 million in bonds.

The project will also be paid for with a \$2.2 million grant from the state and \$6.3 million from district reserves.

The water pipeline would bring 600 to 950 acre-feet of municipal water—part aquifer water, part state water—from Santa Maria to Nipomo. It would be the first installment of a much larger and more expensive project that would eventually bring 2,500 acre-feet of water to Nipomo.

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Al Moriarty, Grover Beach financier, will remain in jail on \$5 million bail

Construction contracts for Nipomo pipeline are focus of Thursday meeting

Published: June 19, 2013 Updated 21 hours ago

By Cynthia Lambert — clambert@thetribunenews.com

The Nipomo Community Services District will hold a special meeting Thursday to consider awarding three contracts for construction of the first phase of a project to build a pipeline to bring water to the community from Santa Maria.

"There is no question, this is the most important water resources project in the district's near 50-year history," General Manager Michael LeBrun said in an email.

However, the project has also been contentious, and was recently challenged by a group of local residents over one part of its funding plan.

The group, Mesa Community Alliance, also fought against the district's effort last year to increase property taxes through an assessment district to pay for construction of a complete pipeline project. The district's effort failed, but local leaders soon came back with a new, phased approach for the project.

The first phase is now estimated to cost about \$16.8 million, about \$700,000 less than previously projected.

Nipomo district officials have long held that Mesa property owners must reduce their dependency on the underground aquifer, which is the area's only source of water. The project will allow the district to reduce its pumping from existing wells, according to a staff report.

Officials have said the project could be delayed if construction contracts aren't awarded by June 26, potentially jeopardizing a \$2.2 million state grant.

The district board's special meeting starts at 8 a.m. at 148 S. Wilson St. To view the staff reports, go to <http://nipomocsd.com>.

Back to Top
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