

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

DATE: MAY 23, 2014

AGENDA ITEM

D

MAY 28, 2014

CONSENT AGENDA

The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item removed. If discussion is desired, the item may be removed from the Consent Agenda by a Board member and will be considered separately at the conclusion of the Administrative Items. Individual items on the Consent Agenda are approved by the same vote that approves the Consent Agenda, unless an item is pulled for separate consideration. The recommendations for each item are noted in bracket. Members of the public may comment on the Consent Agenda items.

**Questions or clarification may be made by the Board members
without removal from the Consent Agenda.**

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE MAY 14, 2014 REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVAL]
- D-3) APPROVE BUDGET AMENDMENT FOR CONSTRUCTION MANAGEMENT SERVICES WITH CANNON RELATED TO BLACKLAKE WELL #4 REPLACEMENT PROJECT [RECOMMEND APPROVE]
- D-4) ADOPT RESOLUTION APPROVING A 1.87% DECREASE IN DISTRICT SOLID WASTE FRANCHISE FEE [RECOMMEND ADOPT RESOLUTION]
- D-5) ADOPT RESOLUTION RECOGNIZING JON S. SEITZ POSTHUMOUSLY FOR EXEMPLARY SERVICE TO THE DISTRICT [RECOMMEND ADOPT RESOLUTION]
- D-6) ADOPT RESOLUTION APPROVING UPDATED EMPLOYEE HANDBOOK [RECOMMEND ADOPT RESOLUTION]

TO: BOARD OF DIRECTORS
 FROM: MICHAEL S. LEBRUN *MSL*
 GENERAL MANAGER
 DATE: MAY 23, 2014

**AGENDA ITEM
 D-1
 MAY 28, 2014**

TOTAL COMPUTER CHECKS
 \$230,809.21

HAND WRITTEN CHECKS

05-14-14	10250	SPECIALTY CONSTRUCTION
05-19-14	10251	JESSICA GARCIA
05-21-14	10252	ENVIRONMENTAL LABORATORY ACCREDITATION PROGRAM BRANCH
05-28-14	10253	TAMMY MENANE
05-28-14	10254	JESSICA MATSON
05-28-14	10255	BOB BLAIR
05-28-14	10256	JAMES HARRISON
VOIDS - NONE		

CLAIM	\$148,000.00
REIMBURSEMENT	\$57.00
ELAP CERTIFICATION	\$1,455.00
WASHER REBATE	\$75.00
REIMBURSEMENT	\$350.00
TRAVEL/PER DIEM	\$985.16
TRAVEL/PER DIEM	\$934.50

COMPUTER GENERATED CHECKS

23090	05/23/14	EMP01	EMPLOYMENT DEVELOP DEPT	1317.87	.00	1317.87	B40519	STATE INCOME TAX
				13.75	.00	13.75	1B40519	STATE INCOME TAX
			Check Total.....:	1331.62	.00	1331.62		
23091	05/23/14	MID01	RABOBANK-PAYROLL TAX DEPO	4206.56	.00	4206.56	B40519	FEDERAL INCOME TAX
				86.80	.00	86.80	1B40519	FICA
				1047.08	.00	1047.08	2B40519	MEDICARE (FICA)
				110.88	.00	110.88	3B40519	FEDERAL INCOME TAX
				36.84	.00	36.84	4B40519	MEDICARE (FICA)
			Check Total.....:	5488.16	.00	5488.16		
23092	05/23/14	MID02	RABOBANK-DIRECT DEPOSIT	25461.45	.00	25461.45	B40519	NET PAY
23093	05/23/14	PER01	PERS RETIREMENT	8624.91	.00	8624.91	B40519	PERS PAYROLL REMITTANCE
				.00	.00	.00	1B40519	PERS PAYROLL REMITTANCE
			Check Total.....:	8624.91	.00	8624.91		
23094	05/23/14	STA01	CALPERS 457 DEFERRED COMP	2580.00	.00	2580.00	B40519	457 DEFERRED COMP
023095	05/28/14	AEC01	AECOM USA INC	43906.05	.00	43906.05	37440382	SOUTHLAND WWTF UPGRADE
023096	05/28/14	AME02	AMERICAN INDUSTRIAL SUPPL	34.48	.00	34.48	266174-IN	150# 304SS/SS PIPE NIPPLE
				24.97	.00	24.97	266204-IN	304SS COUPLING/PIPE NIPPL
			Check Total.....:	59.45	.00	59.45		
023097	05/28/14	AME03	AMERI PRIDE	157.48	.00	157.48	1124883	UNIFORMS
				166.68	.00	166.68	501119772	UNIFORMS
			Check Total.....:	324.16	.00	324.16		
023098	05/28/14	ATT01	AT&T	186.33	.00	186.33	5374601	TELEPHONE
023099	05/28/14	BES01	BEST BEST & KRIEGER	2288.00	.00	2288.00	726094	PERSONNEL MANUAL UPDATE
				6036.68	.00	6036.68	726095	SUPPLEMENTAL WATER
			Check Total.....:	8324.68	.00	8324.68		
023100	05/28/14	BIG01	BIG BRAND TIRE & SERVICE	574.64	.00	574.64	226226	F150-TIRES/OIL CHG
				26.85	.00	26.85	226260	F150-OIL CHG
				26.85	.00	26.85	226261	F350-OIL CHG
				592.33	.00	592.33	226297	F250-TIRES/OIL CHG
				31.99	.00	31.99	226298	F150-OIL CHG
				26.85	.00	26.85	226332	F150 OIL CHANGE
			Check Total.....:	1279.51	.00	1279.51		
023101	05/28/14	BRE02	BRENNTAG PACIFIC INC.	559.60	.00	559.60	BPI411613	SODIUM HYPOCHLORITE
				342.60	.00	342.60	BPI414612	SODIUM HYPOCHLORITE
				505.35	.00	505.35	BPI416751	SODIUM HYPOCHLORITE
				360.68	.00	360.68	BPI416752	SODIUM HYPOCHLORITE
			Check Total.....:	1768.23	.00	1768.23		
023102	05/28/14	CAL03	CALIFORNIA ELECTRIC SUPPL	259.93	.00	259.93	566651	ELECTRICAL PARTS
023103	05/28/14	CAN02	CANNON CORPORATION	17909.35	.00	17909.35	56540	STANDPIPE CONSTR SUPPORT
023104	05/28/14	CLE06	CNSSLO INC	2209.00	.00	2209.00	18204	COMPUTER SUPPORT
023105	05/28/14	COR01	CORBIN WILLITS SYSTEMS	750.83	.00	750.83	B405151	MONTHLY SUPPORT
				520.00	.00	520.00	000B40430	SPECIAL PROGRAMMING
			Check Total.....:	1270.83	.00	1270.83		

TO: BOARD OF DIRECTORS
 FROM: MICHAEL S. LEBRUN
 GENERAL MANAGER
 DATE: MAY 23, 2014

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PAGE TWO

023106	05/28/14	DEP01	DEPARTMENT-HEALTH SERVICE	50.00	.00	50.00	CALLEJA	GRADE T1-CALLEJA
				65.00	.00	65.00	MALDONADO	GRADE T2-MALDONADO
			Check Total.....:	115.00	.00	115.00		
023107	05/28/14	ELE03	ELECTRICRAFT, INC.	148.50	.00	148.50	7523	ELECTRICAL REPAIR
023108	05/28/14	ESR01	ENVIRONMENTAL SYSTEMS RES	2075.00	.00	2075.00	92812920	ARCGIS MAINTENANCE
023109	05/28/14	FAR01	FARM SUPPLY COMPANY	39.79	.00	39.79	16522	BULKHEAD-FITTING POLY
023110	05/28/14	FIS02	FISHER SCIENTIFIC	353.73	.00	353.73	6581801	WEIGHING/DRYING DISH
023111	05/28/14	GAD01	GADDIS, DAN A.	1035.76	.00	1035.76	MAY 2014	TRAVEL REIMBURSEMENT/PER
023112	05/28/14	IWA01	iWATER	2000.00	.00	2000.00	6573	ANNUAL MAINTENANCE
023113	05/28/14	LEB02	LeBRUN, MICHAEL	65.00	.00	65.00	MAY 2014	CELL PHONE REIMBURSEMENT
023114	05/28/14	LEE02	LEE CENTRAL COAST NEWSPAP	149.75	.00	149.75	B40521	ANNUAL SUBSCRIPTION
023115	05/28/14	MOR02	MORE OFFICE SOLUTIONS	156.14	.00	156.14	650707	COLOR & B/W COPIES
023116	05/28/14	NEX03	NEXTRAQ	408.80	.00	408.80	JUN 2014	GPS SERVICE
023117	05/28/14	NIP05	NIPOMO CHAMBER OF COMMERC	2425.50	.00	2425.50	5-14-14	CLEAN UP GRANT
023118	05/28/14	NUT01	NU TECH PEST MGMT	265.00	.00	265.00	0104920	RODENT CONTROL
				75.00	.00	75.00	0104921	RODENT CONTROL
			Check Total.....:	340.00	.00	340.00		
023119	05/28/14	OFF01	OFFICE DEPOT	131.58	.00	131.58	19812001	OFFICE SUPPLIES
				69.10	.00	69.10	94392001	OFFICE SUPPLIES
				8.59	.00	8.59	620058001	OFFICE SUPPLIES
			Check Total.....:	209.27	.00	209.27		
023120	05/28/14	POO01	POOR RICHARD'S PRESS	479.79	.00	479.79	259448A	MAIL BILLS
				49.71	.00	49.71	259709A	MAIL-LATE NOTICES
				134.88	.00	134.88	259709B	POSTAGE FOR LATE NOTICES
				1301.76	.00	1301.76	259948A	POSTAGE FOR BILLS
			Check Total.....:	1966.14	.00	1966.14		
023121	05/28/14	POS02	FRANCOTYP-POSTALIA, INC.	554.06	.00	554.06	101987498	POSTAGE MACHINE
023122	05/28/14	PRI02	PRICE, POSTEL & PARMA, LL	15250.67	.00	15250.67	115986	RIGHT OF WAY-SWP
023123	05/28/14	QUI03	QUINN COMPANY	1534.10	.00	1534.10	30000590	GENERATOR REPAIR
023124	05/28/14	RIC01	RICHARDS, WATSON, GERSHON	1350.00	.00	1350.00	195979	GROUNDWATER LITIGATION
023125	05/28/14	SAN21	SAN LUIS OBISPO SIGNS, IN	2795.00	.00	2795.00	1021	SOUTHLAND WWTF SIGNS
023126	05/28/14	SHI01	SHIPSEY & SEITZ, INC	17652.80	.00	17652.80	APR 2014	LEGAL SERVICES THRU 4/30/
023127	05/28/14	SLO02	DIV OF ENVIRON HEALTH	1071.60	.00	1071.60	IN0091550	CROSS CONNECTION SERVICES
023128	05/28/14	STA03	STATEWIDE SAFETY & SIGNS	490.21	.00	490.21	6939/3	FLAGS/MARKING PAINT
023129	05/28/14	STA05	STATE WATER RESOURCES CB	170.00	.00	170.00	CALLEJA	GRADE 1 OIT-CALLEJA
				170.00	.00	170.00	MALDONADO	GRADE 1 OIT-MALDONADO
			Check Total.....:	340.00	.00	340.00		
023130	05/28/14	STA07	SRF ACCOUNTING OFFICE	42180.25	.00	42180.25	988191414	SRF DEBT SERVICE PAYMENT
023131	05/28/14	STA08	STAPLES	108.24	.00	108.24	31160	OFFICE SUPPLIES
023132	05/28/14	TAF01	TAFT ELECTRIC	420.00	.00	420.00	31188-04	TEFFT ST L/S REPAIR
023133	05/28/14	TER01	TERMINIX	42.00	.00	42.00	334656520	PEST CONTROL-WILSON
023134	05/28/14	THE02	THE TRIBUNE SLO CO NEWSPAP	396.00	.00	396.00	7048515	WASTEWATER SUPER EMPL ADS
023135	05/28/14	USA01	USA BLUEBOOK	14.50	.00	14.50	338227	FILTER PAPER
				439.86	.00	439.86	338764	FILTER/WIPES/PH BUFFERS
			Check Total.....:	454.36	.00	454.36		
023136	05/28/14	WSC01	WSC	280.88	.00	280.88	967	CUWCC SUPPORT
023137	05/28/14	YOU01	YOUR PEOPLE PROFESSIONALS	160.00	.00	160.00	740	BACKGROUND CHECK
				10100.00	.00	10100.00	JUNE 2014	JUNE DEPOSIT-EMPLOYMENT A
				3157.00	.00	3157.00	MAY 2014A	MAY DEPOSIT-EMPLOYMENT AG
			Check Total.....:	13417.00	.00	13417.00		

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: MAY 23, 2014



APPROVE MINUTES OF PREVIOUS BOARD MEETINGS

ITEM

Approve action minutes from previous Board meetings. [RECOMMENDED APPROVE MINUTES]

BACKGROUND

The draft minutes are a written record of the previous Board Meeting action.

RECOMMENDATION

Approve minutes as part of Consent Agenda.

ATTACHMENT

- A. May 14, 2014 draft Board Meeting Minutes

MAY 28, 2014

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

MAY 14, 2014 AT 9:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

CRAIG ARMSTRONG, **PRESIDENT**
JAMES HARRISON, **VICE PRESIDENT**
LARRY VIERHEILIG, **DIRECTOR**
DAN GADDIS, **DIRECTOR**
BOB BLAIR, **DIRECTOR**

PRINCIPAL STAFF

MICHAEL S. LEBRUN, **GENERAL MANAGER**
LISA BOGNUDA, **FINANCE DIRECTOR**
MICHAEL W. SEITZ, **GENERAL COUNSEL**
PETER SEVCIK, **DIRECTOR OF ENG. & OPS.**
NITA WINDSOR, **BOARD CLERK**

Mission Statement: To provide its customers with reliable, quality, and cost-effective services now and in the future.

00:00 A. CALL TO ORDER AND FLAG SALUTE

President Armstrong called the Regular Meeting of May 14, 2014 to order at 9:00 a.m. and led the flag salute.

00:02 B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, all Directors were present.

There was no public comment.

00:02 C. PRESENTATIONS AND REPORTS

C-1) CERTIFICATE OF APPRECIATION PRESENTED TO NIPOMO CSD BY 4TH DISTRICT COUNTY SUPERVISOR CAREN RAY
Receive Presentation and Certificate

San Luis Obispo County 4th District Supervisor Caren Ray presented a Certificate of Appreciation to Achievement House for their efforts with the Nipomo Chamber of Commerce on the Keep Nipomo Clean program. President Armstrong thanked Achievement House and commended their work.

Supervisor Ray presented a Certificate of Appreciation to the Nipomo Chamber of Commerce for their work on the Keep Nipomo Clean program. Chamber President Richard Malvarose and Executive Director Amber Wilson were in attendance to receive the Certificate from Supervisor Ray.

Supervisor Ray presented a Certificate of Recognition to NCSD for their efforts and support of the Keep Nipomo Clean program. (Exhibit "A"). Michael LeBrun, General Manager and President Armstrong received the Certificate from Supervisor Ray.

00:07 C-2) CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING
Receive Certificate

President Armstrong presented a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association to Nipomo Community Services District for the Fiscal year Ended June 30, 2013. President Armstrong also presented an Award of Financial Reporting Achievement from the Government Finance Officers Association to Lisa Bognuda, Finance Director.

Subject to Board Approval

Copy of document found at www.NoNewWipTax.com

C-3) REPORT ON APRIL 23, 2014 REGULAR MEETING CLOSED SESSION
Announcement of actions, if any, taken in Closed Session

Michael Seitz, District Legal Counsel, announced that the Board discussed Item 1(a) (Conference with District Legal Counsel re: pending litigation pursuant to GC §54956.9 SMVWCD VS NCSD) in closed session, but took no reportable action.

Mr. Seitz reported that the Board discussed Item 2(b) (NCSD v. Troesh, et al.) in closed session, and that the Board voted 4-0-0 with one abstention approving settlement of the matter for \$100,000.00.

Mr. Seitz reported that the Board discussed Item 1(c) (Benlng v. NCSD) but took no reportable action.

Mr. Seitz reported that the Board discussed Item 2 (Conference with Legal Counsel pursuant to Govt. Code §54956.9(d)(2)&(e)(1), in closed session, but took no reportable action.

00:10

C-4) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES, AND SEMINARS.
Receive Announcements and Reports from Directors

Director Blair

- ◇ *Will attend the CSDA Legislative Days in Sacramento on May 20 and 21 along with Director Gaddis and Director Harrison*

Director Vierheilig

- ◇ *Attended the Public Workshop at Blacklake Golf Resort on May 5*

Director Gaddis

- ◇ *Attended the SCAC Meeting on April 28*
- ◇ *Attended the Public Workshops at Blacklake Golf Resort and at the NCSD office on May 5*
- ◇ *Attended the SCAC Traffic and Circulation Committee Meeting on May 8*

Director Harrison

- ◇ *Spent Earth Day working the Fire Safe Council booth at the San Luis Obispo Botanical Garden on April 22*
- ◇ *Attended the Public Workshops at Blacklake Golf Resort and at the NCSD office on May 5*
- ◇ *Attended a Candidates Forum for the San Luis Obispo County 4th District Supervisorial race on May 7*
- ◇ *Attended the Nipomo Chamber of Commerce mixer on May 8*

Director Armstrong

- ◇ *Attended the Public Workshops at Blacklake Golf Resort and the NCSD office on May 5*
- ◇ *Attended the WRAC Meeting on May 7*

Subject to Board Approval

C. PRESENTATIONS AND REPORTS (CONTINUED)

- C-5) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS

There was no public comment.

*Upon the motion of Director Blair and seconded by Director Vierheilg, the Board unanimously voted to receive and file the presentations and reports as submitted.
Vote 5-0.*

00:14

YES VOTES	NO VOTES	ABSENT
Directors Blair, Vierheilg, Gaddis, Harrison and Armstrong	None	None

D. CONSENT AGENDA

- D-1) WARRANTS
- D-2) APPROVE APRIL 23, 2014 REGULAR BOARD MEETING MINUTES
- D-3) APPROVAL OF THE ENGINEER'S LEVY REPORT AND DECLARATION OF INTENTION TO LEVY ANNUAL ASSESSMENTS FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2014-2015
- D-4) BLACKLAKE WELL #4 PUMP REPLACEMENT PROJECT ACCEPTANCE
- D-5) ADOPT RESOLUTION ACCEPTING DEED RESTRICTION FOR 989 CAMINO CABALLO, APN 091-283-014
- D-6) CONSOLIDATE 2014 DISTRICT ELECTION

President Armstrong asked if any Director desired to pull items from the Consent Agenda or had any questions. Director Harrison requested that Item D-5 be pulled for discussion.

Michael LeBrun, General Manager noted one minor correction to one of the Resolutions on Item D-3.

Director Harrison requested clarification on warrants.

Upon the motion of Director Vierheilg and seconded by Director Gaddis, the Board unanimously voted to approve Consent Items D-1 through D-4 and Item D-6, as amended.

Vote 5-0

YES VOTES	NO VOTES	ABSENT
Directors Vierheilg, Gaddis, Blair, Harrison and Armstrong	None	None

**RESOLUTION 2014-1338
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
DECLARING ITS INTENTION TO LEVY ANNUAL
ASSESSMENTS FOR THE STREET LANDSCAPE AND
MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR
2014-2015**

D. CONSENT AGENDA (CONTINUED)

RESOLUTION 2014-1339
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT GRANTING
APPROVAL OF THE ANNUAL ENGINEER'S LEVY REPORT
FOR THE STREET LANDSCAPE AND MAINTENANCE DISTRICT
NO. 1 FOR FISCAL YEAR 2014-2015

RESOLUTION NO. 2014-1340
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
REQUESTING THE BOARD OF SUPERVISORS OF
THE COUNTY OF SAN LUIS OBISPO TO
CONSOLIDATE A GENERAL DISTRICT ELECTION
TO BE HELD ON NOVEMBER 4, 2014, WITH THE
STATEWIDE GENERAL ELECTION TO BE HELD ON
THE SAME DATE PURSUANT TO SECTION 10403
OF THE ELECTION CODE.

00:18

The Board then discussed Item D-5. Michael LeBrun, General Manager, Peter Sevcik, Director of Engineering and Operations, and Michael Seitz, District Legal Counsel answered questions from the Board.

There was no public comment.

Upon the motion of Director Armstrong and seconded by Director Blair, the Board unanimously approved Item D-5 of the Consent Agenda.
Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Blair, Gaddis, Vierheilig and Harrison	None	None

RESOLUTION 2014-1341
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING DEED RESTRICTION FROM KIM ASLANIDIS
FOR 989 CAMINO CABALLO, APN 091-283-014.

E. ADMINISTRATIVE ITEMS

00:28

E-1) AUTHORIZE TASK ORDER FOR SUPERVISORY CONTROL AND DATA ACQUISITION SYSTEM RADIO SYSTEM IMPROVEMENT PROJECT

Peter Sevcik, Director of Engineering and Operations, reviewed the report as presented in the Board packet. Mr. Sevcik answered questions from the Board.

There was no public comment.

Upon the motion of Director Blair and seconded by Director Vierheilig, the Board unanimously voted to approve the Resolution authorizing staff to execute task order in the amount of \$149,000.00 with Tesco Controls, Inc., and authorizing change order contingency in the amount of \$15,000.00.
Vote 5-0.

E. ADMINISTRATIVE ITEMS (CONTINUED)
E-1 (CONTINUED)

YES VOTES	NO VOTES	ABSENT
Directors Blair, Vierheilig, Gaddis, Harrison and Armstrong	None	None

RESOLUTION 2014-1342
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
AUTHORIZING A TASK ORDER FOR THE SUPERVISORY
CONTROL AND DATA ACQUISITION RADIO SYSTEM
IMPROVEMENT PROJECT WITH TESCO CONTROLS, INC.

00:42

E-2) REVIEW SOLID WASTE RATE INCREASE PROPOSED BY SOUTH COUNTY
SANITARY SERVICES

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun answered questions from the Board. No representative from South County Sanitary Services was present.

The following members of the public spoke:

Bill Morrow, NCSD Customer, requested clarification on the balance of the Solid Waste Fund. Michael LeBrun, General Manager, responded to Mr. Morrow's request.

Rick Bacon, NCSD Customer, expressed concerns over increased rates.

Upon the motion of Director Harrison and seconded by Director Blair, the Board unanimously voted to absorb the cost of the requested 2.05% increase in Solid Waste rates by lowering the District franchise fee.

Vote 5-0

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Blair, Gaddis, Vierheilig and Armstrong	None	None

00:55

As Item E-3 was scheduled to begin at approximately 10:00 a.m., the Board decided to discuss Items E-4 and E-5. However, since there were no representatives at the meeting regarding either Items E-4 or E-5, Michael Seitz, District Legal Counsel advised the Board that representatives wishing to speak before the Board regarding E-4 and E-5 may arrive as per the time frame shown on the Agenda.

President Armstrong announced that Items E-4 and E-5 would be discussed after Item E-3. The Board took a break from 9:59 a.m. to 10:16 a.m.

01:16

E-3) CONSIDER WATER FUND RATE SETTING PROCESS AND SCHEDULE

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet, and then introduced Clayton Tuckfield, P.E., of Tuckfield & Associates, who gave a Power Point presentation regarding Supplemental Water Rate Alternatives (Exhibit "B").

Mr. LeBrun, Mr. Tuckfield, Michael Seitz, District Legal Counsel and Lisa Bognuda, Finance Director, answered questions from the Board.

Subject to Board Approval

01:30

E. ADMINISTRATIVE ITEMS (CONTINUED)
ITEM E-3 (CONTINUED)

The following members of the public spoke:

Bill Kengel, NCSD Customer, commented on the cost of an acre-foot of water on the Mesa, and expressed approval of the variable approach to rates.

Ed Eby, NCSD Customer, commented against making a potential Proposition 218 Rate proceeding too confusing for rate-payers.

Rick Bacon, NCSD Customer, expressed concerns with Court mandated water allocations.

President Armstrong requested that Mr. Tuckfield's presentation be posted to the District website, so that each Board member can review the presentation more thoroughly.

Upon the motion of President Armstrong, and seconded by Director Vierheilig, the Board voted to receive the report and presentation and review for discussion at a future Board meeting.

Vote 4-1

02:21

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Vierheilig, Blair and Gaddis	Harrison	None

E-4) CONSIDER REQUEST TO PURCHASE DISTRICT WATER FOR CONSTRUCTION USE OUTSIDE THE DISTRICT BOUNDARY

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun answered questions from the Board.

The following members of the public spoke:

Ed Eby, NCSD Customer, expressed concern over selling District water for usage outside the District boundary when a potential Stage III water shortage is possible.

Upon the motion of Director Harrison and seconded by Director Vierheilig, the Board voted to deny the request to purchase District water.

Vote 4-1

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Vierheilig, Gaddis and Armstrong	Blair	None

E-5) CONSIDER REQUEST TO PURCHASE DISTRICT WATER FOR ANIMAL HUSBANDRY USE OUTSIDE THE DISTRICT BOUNDARY

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun answered questions from the Board.

E. ADMINISTRATIVE ITEMS (CONTINUED)
ITEM E-5 (CONTINUED)

The following members of the public spoke:

Ed Eby, NCS D Customer, expressed similar concerns as to Item E-4.

Upon the motion of Director Harrison and seconded by Director Gaddis, the Board voted to deny the request for the purchase of District water.

Vote 4-1

02:33

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Gaddis, Vierheilig and Armstrong	Blair	None

E-6) CONSIDER AND VOTE PROPOSED CSDA BYLAWS UPDATE

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet, and answered questions from the Board.

There was no public comment.

Upon the motion of President Armstrong and seconded by Director Vierheilig, the Board unanimously voted to approve the proposed CSDA By-Laws and vote the District ballot.

Vote 5-0

02:36

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Vierheilig, Blair, Gaddis and Harrison	None	None

E-7) CONSIDER OFFER OF WATER AND SEWER IMPROVEMENTS FOR 697 WEST TEFFT STREET

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet, and also handed additional Project Status reports to the Board (Exhibit "C").

Per the Project Status reports, Mr. LeBrun outlined the outstanding items still needed by the District from Mr. Bill Kengel and Mr. David Mashayekan in order to move forward. Mr. Kengel and Mr. LeBrun answered questions from the Board. Mr. Kengel advised the Board that all outstanding conditions would be met by the next Regular Board Meeting on May 28. Mr. LeBrun advised Mr. Kengel that the District would need those conditions by May 19 in order to review thoroughly.

02:59

I. CLOSED SESSION ANNOUNCEMENTS

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9

a) SMVWCD VS. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).

I. CLOSED SESSION ANNOUNCEMENTS (CONTINUED)

b) NCSD v Troesh, et al. SLOCSC# CV130175

c) Bening v NCSD SLOCSC #14CV-0069

2. CONFERENCE WITH LEGAL COUNSEL: LIABILITY CLAIM PURSUANT TO SECTION 54956.95:

Claimant: Specialty Construction
Agency: NCSD

3. ANNUAL PERFORMANCE REVIEW OF DISTRICT LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION 54957

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

03:00

K. ADJOURN TO CLOSED SESSION

President Armstrong adjourned to closed session at 12:00 p.m.

04:30

L. OPEN SESSION
ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:30 p.m.

Michael LeBrun, General Manager, announced that the Board discussed Items 1(a), 1(b) and 1(c) listed above under closed session announcements, but took no reportable action.

Mr. LeBrun reported that the Board discussed Item 2 in closed session, and that the Board voted 5-0-0 to pay \$148,000.00 to resolve Specialty Construction, Inc.'s claim.

YES VOTES	NO VOTES	ABSENT
Directors Blair, Gaddis, Vierheilig, Harrison and Armstrong	None	None

The Board discussed Item 3, but took no reportable action.

F. GENERAL MANAGER'S REPORT

Michael LeBrun, General Manager, reviewed the report as presented in the Board Packet. Mr. LeBrun answered questions from the Board. The Board thanked Mr. LeBrun for his report.

Subject to Board Approval

Nipomo Community Services District
REGULAR MEETING
MINUTES

G. COMMITTEE REPORTS
MAY 7, 2014 FINANCE AND AUDIT COMMITTEE MEETING MINUTES

Michael LeBrun, General Manager, reviewed the minutes as presented in the Board packet, and answered questions from the Board. There was no public comment.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

There were no requests to Staff.

04:50

ADJOURN

President Armstrong adjourned the meeting at 1:50 p.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	3 hours 20 minutes
Closed Session	1 hour 30 minutes
TOTAL HOURS	4 hours 50 minutes

TO: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

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

DATE: May 22, 2014

**AGENDA ITEM
D-3
MAY 28, 2014**

**APPROVE BUDGET AMENDMENT FOR CONSTRUCTION
MANAGEMENT SERVICES WITH CANNON RELATED TO BLACKLAKE
WELL 4 PUMP REPLACEMENT PROJECT**

ITEM

Approve budget amendment for construction management services with Cannon for Blacklake Well 4 Pump Replacement Project in the amount of \$10,000 [RECOMMEND BY MOTION AND ROLL CALL VOTE APPROVE BUDGET AMENDMENT WITH CANNON IN THE AMOUNT OF \$10,000].

BACKGROUND

The Blacklake Well 4 Pump Replacement Project involved replacement of the existing well pump, motor, column pipe, discharge piping assembly, pump control valve, pressure relief and surge anticipating valve, check valve, flow meter, and electrical system so that the well could pump water directly into the main District water system pressure zone.

The Board authorized a Task Order in the amount of \$43,860 with Cannon to provide construction management services for the project. While construction of the project was successfully completed within the authorized construction budget, Cannon expended more effort than originally planned related to installation of the electrical portion of the project. The attached proposal outlines the additional services provided.

FISCAL IMPACT

A budget amendment in the amount of \$10,000 for construction management services is required. The approved FY 13-14 budget includes funding for well rehabilitation in the amount of \$200,000.

STRATEGIC PLAN

Goal 2 – FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT – Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.

RECOMMENDATION

Staff recommends that the Board, by motion and roll call vote, approve a budget amendment in the amount of \$10,000 for construction management services with Cannon for the Blacklake Well 4 Pump Replacement Project.

ATTACHMENTS

- A. Cannon proposal dated April 25, 2014

MAY 28, 2014

ITEM D-3

ATTACHMENT A



April 25, 2014

Peter Sevcik
Director of Engineering and Operations
Nipomo Community Services District
148 South Wilson Street
Nipomo, CA 93444

**PROJECT: BLACKLAKE WELL 4 PUMP REPLACEMENT PROJECT
ELECTRICAL CONSTRUCTION SUPPORT**

Dear Peter,

Installation of the electrical portion of the Well 4 project per the plans and specifications has required significant involvement from Cannon's electrical engineers between the parties involved, including the contractor (Sansone), Sansone's electrical subcontractor (Wescorp), Sansone's electrical consultant (FRM), Sansone's replacement electrical contractor (Santa Maria Electric), the motor control panel manufacturer (Eaton), and the District's electrical contractor (Electricraft). Efforts include answering questions, explain the design, provide recommendations, defend against contractor change orders, and investigate and troubleshoot issues in the field. These efforts were not anticipated as part of the original contract.

Specific additional services provided include:

- Coordination with Sansone, Wescorp, FRM, Santa Maria Electrical, Eaton, and Electricraft
- Multiple site visits to investigate well operational and control issues
- Explanation of electrical and controls system to new contractors
- Review motor control panel and project wiring for accuracy
- Review electrical contractor work and identify issues and potential solutions
- Troubleshoot and refine operations and controls between SCADA, motor control panel, well valves, and well motor

Should you have any questions regarding the scope of services listed above, please contact me. The fees are based upon current California Prevailing Wages.

Sincerely,

A handwritten signature in black ink that reads "Rob Morrow". The signature is written in a cursive, flowing style.

Rob Morrow, PE
Senior Associate Engineer
C 68916



ADDITIONAL SERVICES AGREEMENT

Project Client: Nipomo Community Services District Date: March 25, 2014
Project Name: Well 4 Pump Replacement Project Project Number: 110201.01
Construction Support

Description of Additional Services and/or Materials:

- Coordination with Sansone, Wescorp, FRM, Santa Maria Electrical, Eaton, and Electricraft
- Site visits to investigate well operational and control issues
- Explanation of electrical and controls system to new contractors
- Review motor control panel and project wiring for accuracy
- Review electrical contractor work and identify issues and potential solutions
- Troubleshoot and refine operations and controls between SCADA, motor control panel, well valves, and well motor

Additional Fee: \$ 10,000.00

Reimbursable expenses are included in this additional service agreement.

Authorization:

In witness whereof, the parties hereto have caused this agreement consisting of the Request for Additional Services, and the original signed proposal letter and Appendix A dated November 2011 and any other necessary and applicable documents to be executed of the date and year first above written.

Any additions and/or corrections to this agreement will be addressed in a separate agreement.

Nipomo Community Services District Cannon
Client

Peter Sevcik _____
Larry Kraemer, PE
Director, Public Infrastructure

Date _____ Date _____

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

DATE: MAY 23, 2014

AGENDA ITEM

D-4

MAY 28, 2014

ADOPT RESOLUTION APPROVING A 1.87% DECREASE IN SOLID WASTE FRANCHISE FEE

ITEM

Adopt a resolution approving a 1.87% decrease in the District's solid waste franchise fee [RECOMMEND ADOPT RESOLUTION]

BACKGROUND

South County Sanitary Services (SCSS) provides solid waste collection services to homes throughout southern San Luis Obispo County. SCSS provides these services to District customers under a franchise agreement with the District.

SCSS is requesting a 2.05% Rate increase across its service area. The requested increase is to cover increases in the cost of services and landfill expansion.

On May 14, 2014, your Board considered the request and directed staff defer the requested increase by lowering the District franchise fee by 1.87%, thereby maintaining the current charge for garbage service throughout the District service area.

FINANCIAL IMPACT

Solid waste related expenditures have increased in recent years. However, expenditures remain well under revenue and solid waste reserves are strong.

STRATEGIC PLAN

Goal 8.3 SOLID WASTE. Seek to maximize solid waste services for community and build understanding of services like hazardous waste, recycling, etc. and District's role.

RECOMMENDATION

It is recommended that the Board of Directors, by motion and roll call vote, approve the Resolution lowering the District solid waste franchise fee from 10% to 8.13%.

ATTACHMENTS

- A. Resolution 2014-XXXX Solid Waste Franchise

MAY 28, 2014

ITEM D-4

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2007-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
REDUCING THE FRANCHISE FEE PAYMENT FROM SOUTH
COUNTY SANITARY FROM 10% to 8.13%**

WHEREAS, South County Sanitary operates its solid waste operations inside of NCSD as a Franchisee of NCSD and said operation is governed by a Franchise Agreement between NCSD and South County Sanitary; and

WHEREAS, NCSD wishes to reduce the Franchise Fee Payment set forth in said agreement from 10% to 8.13% so as to avoid a 2.05% increase in South County Sanitary Fees to its customers within NCSD; and

WHEREAS, South County Sanitary agrees that the revenue that would be generated by reducing NCSD's Franchise Fee from 10% to 8.13% is equivalent to the revenue that would be generated by a Customer Fee Increase of 2.05%; and

WHEREAS, the District Board considered this item at a regularly scheduled public Board Meeting.

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

1. The ten percent (10%) Franchise Fee set forth in the Agreement is suspended until further action of the Board of Directors.
2. Subject to further action of the Board, the Franchise Fee shall be 8.13% effective June 1, 2014; and
3. In consideration of the suspension and reduction of the Franchise Fee, South County Sanitary will not increase its rates and charges to District residents pursuant to its current request for a rate increase.

Upon motion by Director _____, seconded by Director _____ on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICTS:

The foregoing resolution is hereby adopted this 28th day of May 2014.

CRAIG ARMSTRONG
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
Secretary to the Board

MICHAEL W. SEITZ
District Legal Counsel

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN *msl*
GENERAL MANAGER

DATE: MAY 23, 2014

AGENDA ITEM

D-5

MAY 28, 2014

**ADOPT RESOLUTION RECOGNIZING JON S. SEITZ POSTHUMOUSLY
FOR EXEMPLARY SERVICE TO THE DISTRICT**

ITEM

Adopt a resolution, posthumously, in recognition and honor of Jon S. Seitz and his dedicated service to the District [RECOMMEND ADOPT RESOLUTION]

BACKGROUND

Jon S. Seitz served as District General Counsel from November 1993 until his untimely death in May 2014.

Jon Seitz led the District to its current position of outstanding legal and policy standing. Jon served the District with great dedication for more than twenty years and will be honored by naming the District Board Room in his memory.

A presentation of the proposed Resolution and dedication ceremony are scheduled to take place at your June 25, 2014 Regular Board Meeting.

RECOMMENDATION

It is recommended that the Board of Directors, by motion and roll call vote, approve the Resolution recognizing Jon S. Seitz and naming the District Board Room in his honor.

ATTACHMENTS

- A. Resolution 2014-XXXX Jon S. Seitz

f:\board matters\board meetings\board letter\2014\140528 jon seitz.docx

MAY 28, 2014

ITEM D-5

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2014-XXXX**

**A RESOLUTION EXPRESSING APPRECIATION AND GRATITUDE POSTHUMOUSLY TO JON S. SEITZ
FOR HIS CONTRIBUTIONS TO NIPOMO COMMUNITY SERVICES DISTRICT
AND DEDICATING THE DISTRICT BOARD ROOM IN HIS HONOR**

WHEREAS, the Board of Directors of Nipomo Community Services District sadly notes the passing of Jon S. Seitz, of Shipsey & Seitz on May 4, 2013; and

WHEREAS, Jon S. Seitz was retained by the Board of Directors of Nipomo Community Services District on November 3, 1993 to serve as District Legal Counsel and diligently served in that capacity for more than twenty years until his life ended all too soon and he was taken away from us and called to greater duty; and

WHEREAS, Jon S. Seitz set a high standard of legal excellence at Nipomo Community Services District resulting in many special districts in San Luis Obispo and Santa Barbara County using our District as a model to be followed; and

WHEREAS, Jon S. Seitz, showed an exemplary dedication to his work and understood well the importance of his work to the current and future customers of the District and community of Nipomo; and

WHEREAS, Jon S. Seitz worked tirelessly to guide the Board through significant legal obstacles always providing estute and balanced counsel; and

WHEREAS, Jon S. Seitz was a cherished friend to many, and a devoted son, brother, uncle, husband, father, and grandfather to his family.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERD by the Board of Directors of the Nipomo Community Services District as follows:

1. We recognize, appreciate, and commend Jon S. Seitz, *in memoriam*, for his service to Nipomo Community Services District; and
2. We hereby dedicate in Jon's memory the District Board room to be hereafter referred to as the "Jon S. Seitz Board Room"; and
3. We proclaim that in the memory of Jon S. Seitz, all those who conduct the public's business in the *Jon S. Seitz Board Room* will do so with the highest regard for public service, professionalism and transparency – as did Jon Steven Seitz.

The Board unanimously adopted the foregoing resolution on May 28, 2014.

Craig Armstrong, President

James Harrison, Vice President

Larry Vierheilig

Dan A. Gaddis

Bob Blair

