

NIPOMO COMMUNITY SERVICES DISTRICT

AGENDA

REGULAR BOARD MEETING AUGUST 21, 1996 7:00 P.M.
BOARD ROOM 261 W. DANA STREET, SUITE 100 NIPOMO, CA

John S.
20
20
\$4.00
130
530

BOARD MEMBERS

STEVEN SMALL, **PRESIDENT**
KATHLEEN FAIRBANKS, **VICE PRESIDENT**
ALEX MENDOZA, **DIRECTOR**
AL SIMON, **DIRECTOR**
ROBERT BLAIR, **DIRECTOR**

STAFF

DOUGLAS JONES, **General Manager**
DONNA JOHNSON, **Secretary to the Board**
JON SEITZ, **General Counsel**

CALL TO ORDER AND FLAG SALUTE

ROLL CALL

APPROVAL OF MINUTES

1. REGULAR MEETING OF JULY 17, 1996

PUBLIC COMMENTS PERIOD

2. PUBLIC COMMENTS
Public comments on matters other than scheduled items.
Presentations limited to three (3) minutes

BOARD ADMINISTRATION

3. PRESENTATION BY MR. JACK STODDARD ON BLACK LAKE
Black Lake Development Service (Discussion/Information)
4. REQUEST FOR BIDS TO DEMOLISH DISTRICT'S OLD OFFICE BUILDING
Board approval of plans and specifications and request bids to demolish old office building and approve construction schedule of the new District building (Discussion/Action)
5. PROPERTY TAX EXCHANGE/ANNEXATION NO. 15 (NEWDOLL)
Consideration of Resolution accepting negotiated exchange of property tax revenue (Discussion/Action)
6. FINANCIAL SUB-COMMITTEE REPORT - PROPOSED WATER & SEWER RATE MODIFICATIONS
Directors Small and Fairbanks (Discussion/information)

FINANCIAL REPORT

7. APPROVAL OF WARRANTS

OTHER BUSINESS

8. MANAGER'S REPORT
 1. ENVIRONMENTAL REVIEW SCHEDULE STP
 2. SUMMIT STATION FIRE HYDRANT TESTS
 3. CAL CONSTITUTION REVISION INFORMATION
 4. DISTRICT PROPERTY OUTSIDE BOUNDARIES TO BE TAXED
 5. CSDA NEWS
 6. OCSD SALE OF STATE WATER
 7. CSDA ANNUAL CONFERENCE SEPT 22-25
9. DIRECTORS COMMENTS
10. PUBLIC COMMENTS

CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL

1. Existing litigation GC§ 54956.9
NCSD vs. Shell Oil, et. al. Case No. CV 077387
2. Anticipated litigation, One Case GC§54956.9 (c)

ADJOURN

*GC§ refers to Government Code Sections

Mr. Jones explained history of Mr. Todd Murphy's proposal. Mr. Murphy sent a more detailed accounting of the proposed work for the appraisal of the Walsh property. Counsel, Jon Seitz, explained the necessity for doing an appraisal for land

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

REGULAR BOARD MEETING JULY 17, 1996 7:00 P.M.
BOARD ROOM 261 W. DANA STREET, SUITE 100 NIPOMO, CA

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DONNA JOHNSON, **Secretary to the Board**
JON SEITZ, **General Counsel**

CALL TO ORDER AND FLAG SALUTE

President Small called the meeting to order at 7:05 p.m. and led the flag salute.

ROLL CALL

At Roll Call, all Board members were present.

APPROVAL OF MINUTES

1. REGULAR MEETING OF JULY 3, 1996

Upon motion of Director Mendoza and seconded by Director Simon, the Board unanimously approved the Minutes of the July 3, 1996 meeting with the correction on Item 12 (Public Comments).

PUBLIC COMMENTS PERIOD

2. PUBLIC COMMENTS

Public comments on matters other than scheduled items.
Presentations limited to three (3) minutes

President Small opened the meeting to Public Comments.
The following audience members commented:

Gene Kaye - Summit Station - asked about the pressure in the fire hydrants, especially at Futura Lane. Mr. Jones will look into it.

John Snyder asked about the amount suggested by the Boyle Report to upsize the water lines in that area.

Mr. Jim Garing explained that the original plans for Summit Station area included lines with 1000 gallon per minute flow but the residents asked that the lines be down sized to 500 gpm to reduce costs.

Jacqueline Frederick - reported back to the Board on the library issue. Also, she asked what the dimensions of the new Board room would be and if it could possibly be used for town meetings. A third point she commented about was a joint meeting tentatively scheduled for July 30 at 11:00 am. The location has not yet been determined.

John Snyder - asked if any action had been taken by the Board or staff toward groundwater management.

Beverly Chapman- NAAG - reminded Board about meeting at 7:00 p.m. at Dana Elem. School July 18.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: AUGUST 21, 1996

AGENDA ITEM
AUG 21 1996

4

REQUEST FOR BIDS for DEMOLITION OF OLD OFFICE BUILDING
AND
THE PROPOSED CONSTRUCTION SCHEDULE

Barry Williams, the architect for the new office building, has prepared specifications for the demolition of the old office building. The following is a proposed construction schedule for the demolition of the old office building and construction of the new one.

August 21, 1996	Go to bid to demolish building
Sept. 10, 1996	Open bids for demolition
Sept. 18, 1996	Board to award bid for demolition
Sept. 27, 1996	Notice to Proceed to contractor for demolition
Oct. 2, 1996	Go to bid for construction of new office building
Oct. 29, 1996	Open bids for construction
Nov. 6, 1996	Board to award bid for construction to lowest responsible bidder.

The following are estimated costs for work to be performed:

1.	Pre-construction (fees, engr, soils, etc)	\$ 35,750
2.	Demolition	\$ 37,900
3.	On-Site Improvements	\$ 415,200
4.	Off-Site Improvements	\$ 13,200
	Total Costs	<u>\$ 478,850</u>

The 96-97 District budget allowed \$487,200 to pay for the new office building. This expenditure will come from the reserves of the non-operating funds. The balances of the reserve funds as of 6/30/96 are as follows:

1.	Water Capacity	\$ 592,810.15
2.	Sewer Capacity	\$1,590,626.96
3.	Property Taxes	\$ 276,039.73
	Total	<u>\$2,459,476.84</u>

The District office rental is approaching \$2,000 per month/\$24,000 per year. Using this figure, the pay-back on the new office building would be approx. 20 years. This is without taking into account present value of the funds and any future rent increases.

It is recommended that Your Honorable Board approve the plans and specifications to demolish the old office building and request bids for demolition of the old office building and approve the proposed construction schedule.

NIPOMO COMMUNITY SERVICES DISTRICT
BARRY LORENZ WILLIAMS ASSOCIATES - ARCHITECTS

CONTRACT DOCUMENTS
AND
CONTRACT SPECIFICATIONS
FOR
DEMOLITION OF EXISTING BUILDING

AT

148 S. WILSON ST.
NIPOMO, CA 93444

AUGUST, 1996

NIPOMO COMMUNITY SERVICES DISTRICT
P.O. BOX 326
NIPOMO, CA 93444

TELEPHONE: (805)-929-1133

FAX: (805)-929-1932

COVER PAGE

NIPOMO COMMUNITY SERVICES DISTRICT
BARRY LORENZ WILLIAMS ASSOCIATES, ARCHITECTS

SECTION 00005 - TABLE OF CONTENTS

DIVISION 0 - REQUIREMENTS

- 00001 Cover Page
- 00002 Project Directory
- 00005 Table of Contents
- 00100 Instructions to Bidders
- 00110 Bid Bond
- 00200 Contract
- 00310 Bid Form
- 00400 Experience Qualifications
- 00500 Designation of Sub-Contractors
- 00610 Noncollusion Affidavit
- 00620 Faithful Performance Bond
- 00630 Payment Bond
- 00640 Contractor's Certificate Regarding Worker's Compensation
- 00700 General Conditions
- 00800 Supplementary Conditions

DIVISION 1 - GENERAL REQUIREMENTS

- 01152 Application for Payment
- 01153 Change Order Procedure
- 01500 Temporary Facilities
- 01700 Contract Close-out
- 01710 Cleaning

DIVISION 2 - SITE WORK

- 02100 Site Clearing and Demolition

END OF SECTION

TABLE OF CONTENTS

00005 - 1

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: AUGUST 21, 1996

PROPERTY TAX EXCHANGE
ANNEXATION NO. 15 (NEWDOLL)

At their meeting of August 6, 1996, the Board of Supervisors adopted a resolution, beginning a 30-day period, in which to negotiate a property tax exchange for the proposed Annexation No. 15 (Newdoll) to the Nipomo Community Services District.

District staff has negotiated with the County staff and has come to an agreement. The property tax exchange from the County to NCSD for the annexation would be 4.1858884%. The previous tax exchanges for some annexations were approximately 7%. Due to the Education Reserve Augmentation Fund (ERAF) {which removed approximately 3% going to the schools} the remaining amount is approx. 4% of tax transfers.

Attached is Resolution 96-Tax, a resolution accepting negotiated exchange of property tax revenue and annual tax increment from County of San Luis Obispo to Nipomo Community Services District. If the negotiations and resolution are satisfactory to the Board, a motion would be in order to adopt Res. 96-Tax.

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RESOLUTION NO. 96-590

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE
AND ANNUAL TAX INCREMENT FROM COUNTY OF SAN LUIS OBISPO
TO NIPOMO COMMUNITY SERVICES DISTRICT
FOR ANNEXATION NO. 15 (NEWDOLL)**

WHEREAS, in the case of a jurisdictional change other than a city incorporation or district formation which will alter the service area or responsibility of a local agency, Revenue and Taxation Code Section 99(b) requires that the amount of property tax revenue to be exchanged, if any, and the amount of annual tax increment to be exchanged among the affected local agencies shall be determined by negotiation; and

WHEREAS, when a special district is involved, the negotiations are conducted by the Board of Supervisors of the County and the Board of Directors of the District pursuant to Revenue and Taxation Code Section 99.1(3); and

WHEREAS, Revenue and Taxation Code Section 99(b) requires that each local agency, upon completion of negotiations, adopt resolutions whereby said local agencies agree to accept the negotiated exchange of property tax revenues, if any, and annual tax increment and requires that each local agency transmit a copy of each such resolution to the Executive Officer of the Local Agency Formation Commission; and

WHEREAS, no later than the date on which the certificate of completion of the jurisdictional change is recorded with the County Recorder, the said Executive Officer shall notify the County Auditor of the exchange of property tax revenues by transmitting a copy of said resolutions to him and the County Auditor shall thereafter make the appropriated adjustments as required by law; and

WHEREAS, the negotiations have taken place concerning the transfer of property tax revenues and annual tax increment between the County of San Luis Obispo and the Nipomo Community Services District pursuant to Section 99(b) for the jurisdictional change designated as LAFCo File 5-R-96: Annexation No. 15 (Newdoll) to the Nipomo Community Services District; and

WHEREAS, the negotiating parties, to wit: Paul Hood, Principal Administrative Analyst, County of San Luis Obispo and Doug Jones, NCSA General Manager have negotiated the exchange of property tax revenue and annual tax increment between such entities as hereinafter set forth; and

WHEREAS, it is in the public interest that such negotiated exchange of property tax revenues and annual tax increment be consummated.

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

1. That the recitals set forth above are true, correct and valid.
2. That the Nipomo Community Services District agrees to accept the following negotiated exchange of property tax revenues and annual tax increment:

RESOLUTION 96-590
PAGE TWO

- a. Property tax revenues in the amount of \$0 shall be transferred from the County of San Luis Obispo to the Nipomo Community Services District in the fiscal year 1996-97.
 - b. Annual tax increment in an amount to be determined by the County Auditor, based upon the following percentage agreed to by the negotiating parties, 4.1858884 percent, shall be transferred from the County of San Luis Obispo to the Nipomo Community Services District in the fiscal year 1997-98 and each fiscal year thereafter.
3. Upon receipt of a certified copy of this resolution and a copy of the recorded certificate of completion, the County Auditor shall make the appropriate adjustments to property tax revenues and annual tax increment as set forth above.
4. That the Secretary to the Board of Directors is authorized and directed to transmit a certified copy of this resolution to the Executive Officer of the San Luis Obispo Local Agency Formation Commission, who shall then distribute copies thereof in the manner prescribed by law.

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

AYES: Directors _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

the foregoing resolution is hereby adopted this ____ day of _____ 1996.

STEVEN SMALL, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
General Counsel

**LOCAL AGENCY FORMATION COMMISSION
NOTICE TO COMMENCE NEGOTIATION
FOR TRANSFER OF PROPERTY TAX REVENUE**

Proposed Jurisdictional Change: NOTICE OF COMMENCE NEGOTIATIONS FOR THE EXCHANGE OF PROPERTY TAX REVENUE AND ANNUAL TAX INCREMENT FOR ANNEXATION NO. 15 TO THE NIPOMO COMMUNITY SERVICES DISTRICT (NEWDOLL)

LAFCO FILE: 5-R-96

Negotiating Agencies:

**County of San Luis Obispo
Nipomo Community Services District**

Agenda Date for
Start of Negotiations

August 6, 1996

Subject Property:

<u>Tax Code Area</u>	<u>Parcel No. (s)</u>	<u>Valuation</u>
052-096		

Estimated property tax revenues generated within subject property: \$5,837.34 in fiscal year 1995-96.

Property Tax attributed to following local agencies:

<u>Agency</u>	<u>Allocation Factor %</u>	<u>Amount</u>
General Fund	23.538226	1,374.01
Air Pollution Control	0.074167	4.33
Special Roads # 4	0.664044	38.76
County Library	2.013586	117.54
Port San Luis Harbor	1.429846	83.46
San Luis Flood Control	0.284957	16.63
Nacimiento Water Control	0.308598	18.01
Nipomo Lighting	0.283900	16.57
Lucia Mar Unified	44.364580	2,589.71
SLO Community College	7.791610	454.82
County School Service	4.617650	269.55
ERAF	14.628836	853.93
TOTALS	100.000000	\$5,837.34

Percentage of annual tax increment to be exchanged: **Approximately 4.1858884 after ERAF**

Negotiation period: **August 6, 1996 - September 6, 1996**

Property tax exchange effective in fiscal year: **1997-98**

ROBERT E. HENDRIX, Executive Officer
Local Agency Formation Commission

By: Paul L. Hood
PAUL L. HOOD, Deputy Executive Officer

Date: August 6, 1996

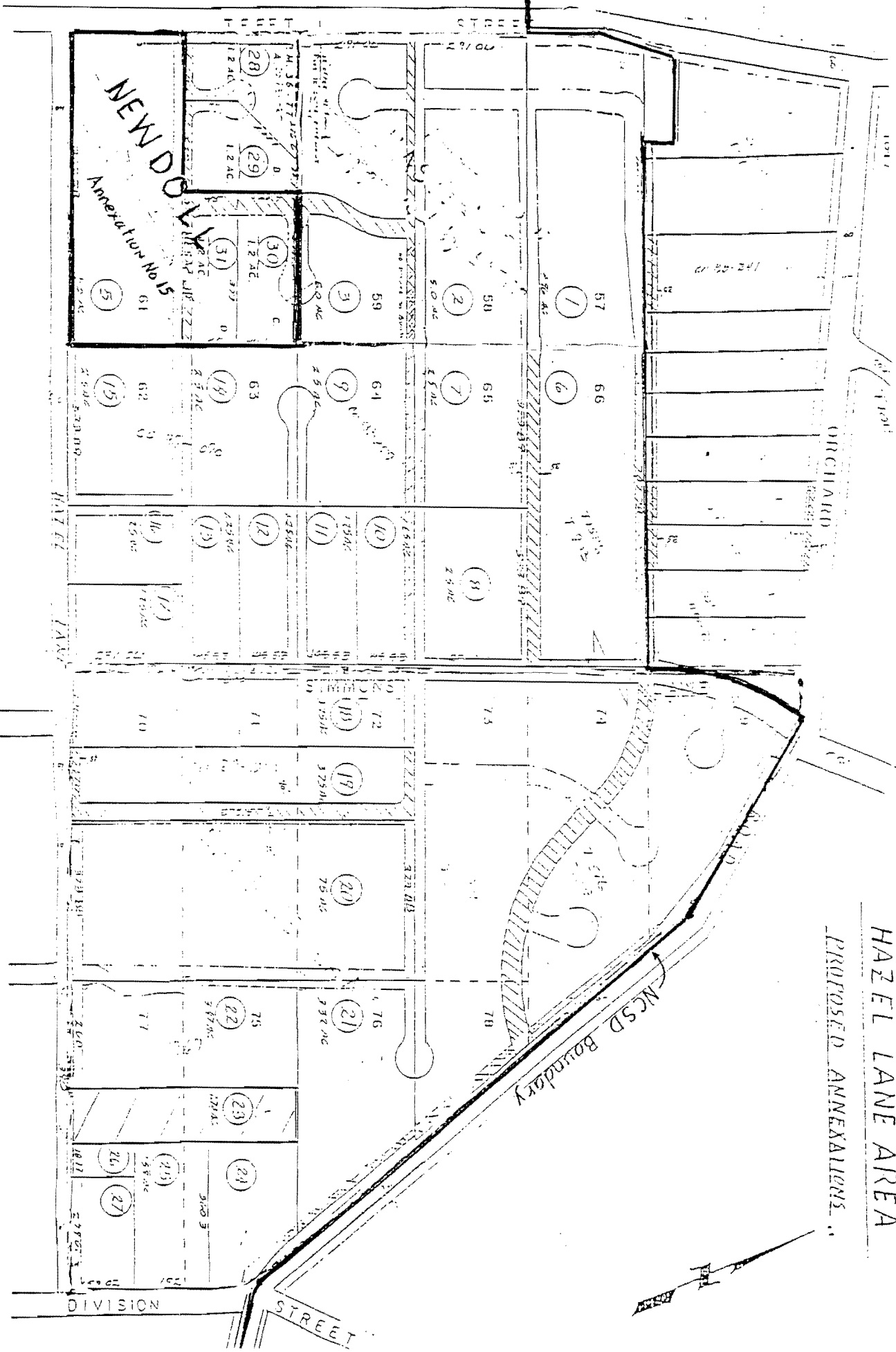
(Note: At close of negotiations, each agency shall immediately transmit to the LAFCO Executive Officer a certified copy of the resolution setting forth the amount of property tax revenue to be transferred. For dependent districts, the Clerk of the Board of Supervisors shall transmit a certified copy of the Board's resolution adopted on behalf of both parties. This will allow LAFCO to commence processing of the jurisdictional change.)

c- County Negotiator, County Auditor-Controller, and Negotiating Agency

B-4
B-2

HAZEL LANE AREA

PROPOSED ANNEXATIONS



TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: AUGUST 21, 1996

**FINANCIAL SUB COMMITTEE REPORT ON PROPOSED
WATER AND SEWER RATE MODIFICATIONS**

The Board of Directors Financial sub-committee, consisting of Directors Small and Fairbanks, met with staff on August 13, 1996. The proposed water and sewer rate modifications were reviewed. The committee felt that additional input should be received at their August 21st meeting, prior to introducing an ordinance to modify the proposed rates on September 4, 1996. Attached are the existing proposed water and sewer rate changes for the Board's review. These changes comply with the Government Code Section 66013, which states "...fees or changes shall not exceed the estimated reasonable cost for providing the service for which the service or change is proposed, ..." Government Code Section 66016 reiterates the above and adds the sentence "If, however, the fees or service charges creates revenue in excess of actual cost, those revenues shall be used to reduce the fees or service charge creating the excess."

Your Honorable Board could introduce the proposed ordinance for water and sewer fee rates on September 4, 1996 for the first reading and have the second reading and adoption at the September 18, 1996. The Water and Sewer Capacity fees could take effect 30 days after passage of the ordinance. The sewer rate increase could take effect November 1, 1996. The water rate increase would take effect January 1, 1997.

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WATER AND SEWER RATE CHANGES

The following is a summary of the water and sewer rates and fee changes phased in over a five-year period.

WATER

- Monthly minimum fixed water charges based on the meter size.

<u>Meter Size or Fire Service</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
5/8 & 3/4"	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
1 Inch	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
1-1/2 Inch	\$16.00	\$17.00	\$18.00	\$19.00	\$20.00
2 Inch	\$23.00	\$26.00	\$28.00	\$31.00	\$33.00
3 Inch	\$37.00	\$43.00	\$50.00	\$56.00	\$63.00
4 Inch	\$60.00	\$70.00	\$80.00	\$90.00	\$100.00
6 Inch	\$80.00	\$110.00	\$140.00	\$170.00	\$200.00

Note: There will be no increase in the 5/8 to 1 inch meter and for the 1½", 2", and 3" meters a \$1.00, \$2.00 and \$7.00 increase per month respectfully the first year.

- Monthly water use. (Changed from 2 tiers to 3 tiers to promote conservation)

TIERS BY METER SIZE - MONTHLY QUANTITIES IN HCF				
<u>METER SIZE</u>	<u>FLOW EQUIVALENT</u>	<u>TIER 1</u>	<u>TIER 2</u>	<u>TIER 3</u>
UP TO 1 INCH	1.0	0-10	10-40	40+
1-1/2 INCH	3.3	0-33	33-132	132+
2 INCH	5.3	0-53	53-212	212+
3 INCH	10.3	0-100	100-400	400+
4 INCH	16.3	0-160	160-660	660+
6 INCH	33.3	0-330	330-1330	1330+

<u>WATER RATES</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
TIER 1	\$0.97	\$1.00	\$1.07	\$1.16	\$1.28
TIER 2	\$1.30	\$1.34	\$1.42	\$1.54	\$1.71
TIER 3	\$1.75	\$1.81	\$1.92	\$2.08	\$2.31

Note: Since the larger meters have a larger monthly charge, they have an equivalent increase in their tier usage.

Water Capacity Charges for meter sizes.

<u>METER SIZE</u>	<u>96/97</u>	<u>97/98</u>	<u>98/99</u>	<u>99/00</u>	<u>00/01</u>
UP TO 1 INCH	\$2,789	\$2,928	\$3,075	\$3,229	\$3,390
1-1/2 INCH	\$9,203	\$9,662	\$10,147	\$10,655	\$11,187
2 INCH	\$14,782	\$15,521	\$16,297	\$17,112	\$17,967
3 INCH	\$29,842	\$31,334	\$32,900	\$34,545	\$36,273
4 INCH	\$46,576	\$48,904	\$51,350	\$53,917	\$56,613
6 INCH	\$92,874	\$97,517	\$102,393	\$107,513	\$112,889

4. Water Connection Fees. (These fees have been increased to cover costs.)

<u>METER SIZE</u>	<u>INSTALLATION</u>	<u>METER FEE</u>	<u>ACCOUNT FEE</u>
1 INCH or less	\$760	\$170	\$10
1-1/2 INCH	\$835	\$450	\$10
2 INCH	\$995	\$510	\$10
3 INCH AND LARGER	AT COST	AT COST	\$10

5. Sewer Capacity Charge. (Nipomo Division)

	<u>96/97</u>	<u>97/98</u>	<u>98/99</u>	<u>99/00</u>	<u>00/01</u>
PER DUE	\$2,086	\$2,190	\$2,300	\$2,415	\$2,535

Note: The Black Lake Division does not have a sewer connection capacity charge because the Developer constructed the wastewater treatment facility and no future expansions are plan. There is a reduction in the Nipomo Division capacity charge of about \$1400 but after the second year increases, the water and sewer capacity charges would be within \$180 of the District's present charges.

6. Monthly Sewer Charges per Dwelling Unit Equivalent.

<u>NIPOMO DIVISION</u>					
	<u>96/97</u>	<u>97/98</u>	<u>98/99</u>	<u>99/00</u>	<u>00/01</u>
PER DUE	\$16.75	\$17.55	\$18.50	\$19.61	\$20.92
<u>BLACK LAKE DIVISION</u>					
	<u>96/97</u>	<u>97/98</u>	<u>98/99</u>	<u>99/00</u>	<u>00/01</u>
PER DUE	\$19.20	\$23.04	\$27.65	\$29.25	\$29.25

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: AUGUST 21, 1996

AGENDA ITEM

8

AUG 21 1996

MANAGER'S REPORT

1. ENVIRONMENTAL REVIEW SCHEDULE (*Wastewater Plant Expansion*)

The following is the schedule for processing the Environmental Review for the Expansion of the Southland Wastewater Treatment Plant:

- | | |
|----------------|--|
| July 30, 1996 | Environmental document sent to State Clearinghouse and the County Environmental Coordinators Office
{A 51- day notification is required when receiving State Revolving Fund loans.} |
| Aug. 16, 1996 | Publication of Notice to hold a Public Hearing to review the Environmental Review documents. |
| Sept. 18, 1996 | Public Hearing on the Environmental Review documents. |

2. SUMMIT STATION FIRE HYDRANT TESTS

The CDF/County Fire performed a fire hydrant test on the Summit Station fire hydrants. Their report is attached.

3. CALIFORNIA CONSTITUTION REVISION INFORMATION

Information attached.

4. DISTRICT PROPERTY OUTSIDE ITS BOUNDARIES TO BE TAXED

The District has received notice from the County Assessor's office indicating the District Wastewater Treatment facility and the District yard area will be put on the tax roll for taxation purposes. These areas are being taxed because they are outside the District boundaries. The property value assessed for the wastewater land area is \$40,000 and for the field shop area \$27,500. If the Honorable Board wishes to start proceedings to annex this area into the District, they may so direct staff.

5. CALIFORNIA SPECIAL DISTRICT NEWS

Information attached.

6. OCSD SALE OF STATE WATER

The attached correspondence has been received from Oceano Community Services District inquiring about interested people to purchase part of their State Water contract.

7. CALIFORNIA SPECIAL DISTRICT ASSOCIATION ANNUAL CONFERENCE

The CSDA Annual Conference Sept. 22-25, 1996. If any of the Board members are interested in attending, please contact staff. Arrangements will be made for your attendance.

HYDRANT FLOW TESTS - SUMMIT STATION RD / FUTURA LN.

HYDRANT #	P.S.I.	DYNAMIC GPM	RESIDUAL GPM
21	40	1179	--
20	20	834	--
19*	18	791	--
18**	22	874	590(0)
17***	22	874	590(0)
16****	26	951	--
15	38	1149	--
14	30	1021	--
13	40	1179	--
10	58	1420	--
09	62	1468	--
08	62	1468	--
07	60	1444	--

- * Hydrant located just east of the intersection of Futura and Summit Sta. Rd.
- ** Hydrant located at the end of Futura in the cul-de-sac.
- *** Hydrant located at the intersection of Futura and Summit St. Rd.
- **** Hydrant located just west of the intersection of Futura and Summit Sta. Rd.

Test date: 7-19-96

Tested by: FAE Andy Andersen
PCF Bernie Gallizio
PCF Andy Blom

(1) COP send flow
rate with 2 hydrants open.

**THIS IS NOT AN OFFICIAL DOCUMENT - FLOW RATES PROVIDED TO
NCSD AS INFORMATION ONLY.**

County of San Luis Obispo

COUNTY GOVERNMENT CENTER, RM. 370 ■ SAN LUIS OBISPO, CALIFORNIA 93408 ■ (805) 781-5011



OFFICE OF THE
COUNTY ADMINISTRATOR

FOR IMMEDIATE RELEASE
DATE: AUGUST 9, 1996
CONTACT: PAUL L. HOOD,
PRINCIPAL ADMINISTRATIVE ANALYST
COUNTY ADMINISTRATIVE OFFICE

Telephone: (805) 781-5011

PRESS RELEASE

"BOARD OF SUPERVISORS TO SPONSOR CALIFORNIA CONSTITUTIONAL REVISION COMMISSION FORUMS"

San Luis Obispo County Board of Supervisors Chairman Laurence L. Laurent, has announced that the Board of Supervisors, in cooperation with the San Luis Obispo County Chapter of the League of Women Voters, will be sponsoring two forums to explore the recommendations and findings of the California Constitutional Revision Committee. The first forum will be held at the City/County Library Main Hall in San Luis Obispo on Thursday, August 29, 1996, beginning at 6:00 p.m. The second forum will be held at the South County Regional Center in Arroyo Grande on Thursday, September 5, 1996 also beginning at 6:00 p.m. The County's seven cities and the California Special Districts' Association - San Luis Obispo County Chapter, will be co-sponsors of the events.

By way of background, in 1994, the Governor and the State Legislature formed a 23-member California Constitutional Revision Commission with the express purpose of examining the current configuration of State, Federal, and local governments and the constraints and impediments that interfere with the orderly and reasonable allocation of state and local responsibilities. Another goal was to increase accountability and to examine the feasibility of integrating community resources in order to reduce duplication and increase the productivity of local service delivery.

In late August 1995, the Commission issued its preliminary recommendations on constitutional revision. The recommendations for reorganization of state and local government responsibilities are far reaching and may eventually reach the statewide ballot. Since public awareness of the revision process and issues is essential, the two public forums will give our county citizenry an opportunity to learn more about the recommendations and to speak out about the ways to help make state and local governments more accountable, more responsive, and more efficient.

The League of Women Voters will provide a moderator and a panel of expert speakers for both forums to explain and examine the State Constitutional Revision Committee findings and recommendations to the State Legislature. Members of the public are encouraged to attend and participate in one or both of these interactive forums.

RECEIVED

AUG 13 1996

In the Capitol

By RALPH HEIM, LEGISLATIVE ADVOCATE



Ralph Heim

ERAF/AB 8 Conference Committee

While the State Budget did not contain language to reverse the ERAF, it is anticipated that a conference committee on the subject will meet during the final weeks of the session. It is important to continue to discuss the issue and educate members of the Legislature of the need to begin the process of reversing the 1992-93 and 1993-94 property tax shifts. At the very least, the conference committee could issue a conference report calling for the reversal to begin on July 1, 1997, the start of the next fiscal year. We will continue to give this subject our highest attention.

We also anticipate that a conference committee will meet in August to discuss the current property tax distribution formula that was contained in AB 8 of 1979. A growing number of legislators believe that the formula is flawed, unfair and in need of revision. Given the lateness of the legislative year, it is not probable that an AB 8 formula rewrite will emerge that could gain the necessary votes for passage this year. Given the immense implications to special districts, we plan to be an active participant during this conference committee.

Benefit Assessment "Reforms"

While it was expected that the California Association of Realtors would oppose the Jarvis III ("Right to Vote on Taxes") initiative, their Board voted, to remain neutral. The realtors have indicated that if the Legislature were to pass "reforms" to the benefit assessment laws this year, they would reconsider their position and possibly re-engage, opposing the initiative.

To this end, the realtors have circulated draft provisions which contain numerous amendments to the various benefit assessment acts, some of which are acceptable, while others are not. The CSDA Legislative Committee is reviewing the amendments, and will formulate a position over the next few weeks.

The bill that will be used for this conference committee is Senate Bill 1232 by Senator Lockyer, which you may recall was his bill to consolidate two special districts in Alameda County. It would be great to have the realtors change their neutral position on Jarvis III, but we are not going to agree to benefit assessment "reforms" that are as troublesome as those contained in the initiative simply for that purpose.

SCA 39/ACA 49 — California Constitution Revision Commission

The two measures that contain the recommendations of the California Constitution Revision Commission, SCA 39 and ACA 49, have been stripped of all of their provisions, except general intent language. The purpose of this action was to simply allow both measures to proceed through the legislative process and be placed in a conference committee.

While it is anticipated that a conference committee will, in fact, meet in August to consider all of the Commission's recommendations, at this writing, it remains unclear relative to the degree there is legislative support to place all or some of the recommendations on the November ballot. Time is also a factor, as the Secretary of State will need any legislatively-placed measures for the November ballot by mid-August, which will give the conference committee little time to fully explore all of the recommendations adopted by the Commission.

When the conference committee meets, CSDA will strongly oppose the provisions relating to the home rule community charter as inherently unfair to independent special districts.

Assembly Bill 2109 (Pringle) — Orange County Consolidations
Assembly Bill 2109 by Speaker Pringle, which would require the consolidation of numerous water and sanitation special districts in Orange

County, continues to move through the legislative process.

On July 3, the Senate Committee on Local Government passed the bill in spite of compelling testimony from numerous impacted special districts. The Orange County LAFCO chairman told the Committee that consolidation applications have been submitted from a number of the special districts subject to the provisions of AB 2109, and the process should be allowed to proceed at the local level. Additionally, the LAFCO Chairman testified that it will be difficult, if not impossible to complete all of the consolidations by the required date of December 1998. Unfortunately, this testimony had no impact on the final vote.

Assembly Bill 2109 is pending in the Senate Committee on Appropriations, and will be heard when the Legislature returns in August. CSDA remains opposed to this measure.

"Local Control & Fiscal Responsibility Act" on November Ballot

The California Tax Reform Association has qualified the above-captioned initiative for the November ballot. The initiative would reinstate the State's top income tax brackets and allocate the revenue to schools and local agencies. The initiative is estimated to generate \$900 million in the first year, with similar estimates for the out years.

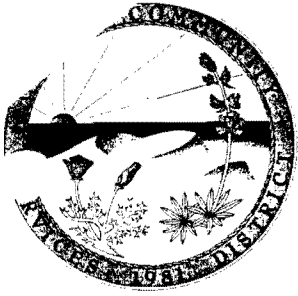
The sponsors estimate that each local agency that lost property tax revenues to the ERAF would receive approximately 33% to 40% of the revenue they lost, depending on the school formula contained in Proposition 98. Cities and counties would have their Proposition 172 revenues subtracted from the revenues they would be allocated under the formula contained in the initiative. The Board of Directors is in the process of developing a position on the initiative. }

On July 8, the Legislature approved a \$63 billion State Budget for the 1996-1997 fiscal year, and some 20-plus trailer bills which implement portions of the spending plan. The New State Budget contains major revenue increases for education, a reduction in California's corporation tax rate, and \$150 million for local law enforcement programs. Unfortunately, the final compromise did not address the ERAF property tax issue.

With the State's economy improving at a steady pace, we were hopeful that the Budget would include language freezing the current ERAF, and returning the growth thereto to local agencies. The Wilson Administration continues to oppose freezing the ERAF, and the matter was rejected during the final meetings of the "Big Five."

The Legislature will return to Sacramento to complete the 1995-96 session on August 5. A number of significant issues of interest to special districts will be addressed during the final weeks of this legislative session,

including conference committees on ERAF/AB 8, benefit assessment, a "reform," and the recommendations of the California Constitution Revision Commission.



Oceano Community Services District

1655 Front Street, P. O. Box 599, Oceano, CA 93445 (805) 481-6730 FAX (805) 481-6836

August 2, 1996

Doug Jones
Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444

Subject: Sale of State Water

Dear Mr. Jones:

The Board of the Oceano Community Services District, located in South San Luis Obispo County, has directed Staff to offer a portion of its State Water allocation for sale. This offer would allow your agency to acquire additional water resources. The District is interested in the permanent transfer or sale of 400 acre foot per year in entitlements.

If your agency is interested in attaining either short or long term water supplies, please contact the undersigned at (805) 481-6730. We will provide proposal specifics, including costs and delivery date estimates. In addition, please refer this notice to any parties who you know might have an interest in supplemental water.

Yours truly,

OCEANO COMMUNITY SERVICES DISTRICT

Gina A. Davis
General Manager

8/7/96 / 1/26

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AUG 05 1997

**NIPOMO COMMUNITY
SERVICES DISTRICT**