

NIPOMO COMMUNITY SERVICES DISTRICT
AGENDA

J. Douglas
7/1
20
1423
15
10

APRIL 21, 1999 7:00 P.M.
BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

ROBERT BLAIR, **PRESIDENT**
GENE KAYE, **VICE PRESIDENT**
AL SIMON, **DIRECTOR**
RICHARD MOBRAATEN, **DIRECTOR**
ALEX MENDOZA, **DIRECTOR**

STAFF

DOUGLAS JONES, **GENERAL MANAGER**
DONNA JOHNSON, **SECRETARY TO THE BOARD**
JON SEITZ, **GENERAL COUNSEL**

NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson.

CALL TO ORDER AND FLAG SALUTE

ROLL CALL

APPROVAL OF MINUTES

1. REGULAR MEETING OF MARCH 31, 1999

PUBLIC COMMENTS PERIOD

2. PUBLIC COMMENTS

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.

BOARD ADMINISTRATION (The following may be discussed and action may be taken by the Board.)

3. COUNTY SERVICE AREA (CSA-1F) GALAXY PARK
CSA-1F sewers connecting to NCSD system (Status Report - Co Engr. Dept.)
4. SEWER PROHIBITION AREA EXEMPTION REQUEST
Request for exemption (variance) to install a septic tank system at 760 Drumm Lane
5. REQUEST FOR SERVICE - TRACT 2331 (WITTSTROM)
Request for water service for a 33 (1/2 -acre) lot development at Live Oak Ridge & Pomeroy Rd.
6. REQUEST FOR SERVICE - LONG'S DRUG STORE DEVELOPMENT
Request for an Intent-to-Serve for a commercial development on Tefft St.
7. NEW WATERLINE AND STORAGE FACILITY
Authorize Eminent Domain proceeding to acquire an easement
Awarding contract to Sansone Co. to construct waterlines and storage facility
8. INTENT-TO-SERVE/CONDITIONAL WILL-SERVE LETTERS
Establishing expiration dates for Intent-to-Serve/Conditional Will-Serve letters
9. **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 be removed. If discussion is desired, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by the Board members without removal from the Consent Agenda. The recommendations for each item are noted in parenthesis.*
 - a) ACCEPTANCE OF TRACT 1924 (WITTSTROM) IMPROVEMENTS (Approve)
Resolution accepting water improvements for a 36-lot development
 - b) ACCEPTANCE OF TRACT 2210 (NEWDOLL) IMPROVEMENTS (Approve)
Resolution accepting water and sewer improvements for a 15-lot development
 - c) ACCEPTANCE OF APN 92-341-014 (NEWDOLL) IMPROVEMENTS - HONEY GROVE LANE (Approve)
Resolution accepting water & sewer improvements/22 existing lots & the sewer system in Southland St
 - d) CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (Approve)
Resolution amending District contract with PERS for miscellaneous members
 - e) SAFETY MEETING (Receive and file)
Minutes of March 25, 1999 Safety Meeting

FINANCIAL REPORT

10. THIRD QUARTER FINANCIAL STATEMENT
11. INVESTMENT POLICY
12. APPROVAL OF WARRANTS

OTHER BUSINESS

13. MANAGER'S REPORT
 1. DRAFT 1999-2000 FISCAL YEAR BUDGET
 2. SACRAMENTO GOVERNMENT AFFAIRS DAY, MAY 12, 1999
 3. DESALINATION ARTICLE FROM CHEM. ENGINEER MAGAZINE
 4. CORRESPONDENCE FROM LANDOWNER'S GROUP
14. DIRECTORS COMMENTS

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL (a) and (b) GC#54956.8

- a. NCSD vs. Shell Oil, et. al. Case No. CV 077387
- b. SMWCD vs NCSD Case No. CV 770214
- c. Real Property Neg, Dist. Rep. Gen. Mgr. Prop. rep. Dana Estates, acquisition of tank site easement at Dana-Foothill & Tefft St.

ADJOURN

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

SPECIAL MEETING

MARCH 31, 1999 7:00 P.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

AGENDA ITEM

1

BOARD MEMBERS

ROBERT BLAIR, PRESIDENT
GENE KAYE, VICE PRESIDENT
AL SIMON, DIRECTOR
RICHARD MOBRAATEN, DIRECTOR
ALEX MENDOZA, DIRECTOR

STAFF

DOUGLAS JONES, GENERAL MANAGER
DONNA JOHNSON, SECRETARY TO THE BOARD
JON SEITZ, GENERAL COUNSEL

NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson.

CALL TO ORDER AND FLAG SALUTE

President Blair called the March 31 meeting to order at 7:00 p.m. and led the flag salute.

ROLL CALL

At Roll Call, all Board members were present.

APPROVAL OF MINUTES

1. REGULAR MEETING OF MARCH 17, 1999

Upon motion of Director Simon and seconded by Director Kaye, the Board unanimously approved the Minutes of the March 17, 1999 Regular meeting.

PUBLIC COMMENTS PERIOD

2. PUBLIC COMMENTS

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.

President Blair opened the meeting to Public Comments. There were none.

BOARD ADMINISTRATION (The following may be discussed and action may be taken by the Board.)

3. RESOLUTION OF NECESSITY - TEFFT ST/DANAFOOTHILL RD. TANK SITE

Necessary action to begin Eminent Domain proceeding to acquire an easement for a water storage site. Mr. Jones explained that the Board approved the planning and has gone out to bid for the water main and water tank storage project known as the Thompson-Tefft Water Main and Storage Project. Mr. Jones and Director Mendoza met with the Dana's but no agreement has been reached. A Resolution of Necessity is a prerequisite to initiating eminent domain proceedings to acquire the real property necessary to construct the project. Deputy Legal Counsel explained further.

Mr. David Dana, one of the owners of the property, asked the Board why the present lease could not continue as it is now and also wanted to be assured that the site would not be a future well-site for the District. Mr. Jim Garing, District Engineer, explained that the site would be used for a storage facility and not a well-site. There were no public comments.

Upon motion of Director Mendoza and seconded by Director Kaye, the Board unanimously approved Resolution 99-678 and without acting on the resolution pending further negotiations with the Dana's through April 21, 1999.

RESOLUTION 99-678

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
OF NECESSITY FOR CONDEMNATION OF REAL PROPERTY
FOR THE THOMPSON-TEFFT WATER STORAGE PROJECT**

MINUTES SUBJECT TO BOARD APPROVAL

MINUTES
MARCH 31, 1999
PAGE THREE

OTHER BUSINESS

8. **MANAGER'S REPORT**

Mr. Jones presented information on the following:

1. LIQUID ASSETS ARTICLE-WALL STREET JOURNAL
2. WATER RIGHT LETTER - DRAFT

9. **DIRECTORS COMMENTS**

Director Mobraaten expressed appreciation for the readability of the newsletter.

Director Mendoza would like to see the newsletter published more often. Board directed staff to come back with options.

Director Kaye gave a report on the Chamber of Commerce Meeting and the community Network Meeting. Also commented that the Town Meeting was more controlled.

CLOSED SESSION

Deputy Legal Counsel, Mike Seitz, explained the need to go into Closed Session. He identified that the property to be negotiated was at the intersection of Dana-Foothill and Tefft Roads in Nipomo. The purpose of the negotiation is for terms and conditions to purchase an easement for a proposed tank site. He identified the negotiator for the District as Doug Jones and the negotiator for the Dana Estates as Attorney Dick Weldon, esq.

CONFERENCE WITH LEGAL COUNSEL (a) and (b) GC§54956.8

- a. NCSD vs. Shell Oil, et. al. Case No. CV 077387
- b. SMWCD vs NCSD Case No. CV 770214
- c. Real Property Negotiation, Dist. Rep. Gen. Manager., Prop rep. Dana Estates, acquisition of tank site easement at Dana-Foothill & Tefft St.

The Board came back into Open Session and had no reportable action.

April 7, 1999 Regular Meeting is canceled.
Next Regular Meeting is to be held on April 21, 1999.

ADJOURN

President Blair adjourned the meeting at 9:45 p.m.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

AGENDA ITEM

APRIL 21, 1999



COUNTY SERVICE AREA (CSA 1F)
GALAXY PARK

ITEM

The Regional Water Quality Control Board has requested the County Engineering Department, which administers CSA 1F, to connect their on-site waste disposal system into the area-wide sewer collector system operated by the District. Mr. Tony Boyd and Doug Bird from the San Luis Obispo County Engineering Department and Paavo Ogren of Cannon & Associates (Consultant to SLO County Engineering) will be here to discuss the aspect of connecting to the District's system and the timetable that they have developed to accomplish this.

BACKGROUND

NCSD and the County have entered into an agreement to provide sewer services to Galaxy Park (CSA 1A). This agreement allows up to 300 sewer connections in the Galaxy Park to be serviced by the District. Since additional connections will be involved in CSA 1F, the existing agreement will have to be amended to provide for the new services.

RECOMMENDATIONS

It is recommended that District staff meet with the County Engineering Department to work out some of the issues of connecting the CSA 1F to the District system after which the District Board may appoint a sub-committee to review these matters and make recommendations to the full Board.

Attached is previous correspondence associated with this matter for the Board's review.

C:\W:\Bd99\CSA 1F CONNECT.DOC

AGENDA ITEM

MAR. 17 1999

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: MARCH 17, 1999

COUNTY SERVICE AREA 1F (CSA-1F)
NEW GALAXY PARK

ITEM

The District has requested a representative from the County Engineering Department to bring your Honorable Board up-to-date with the possibility of CSA-1F connecting to the District's sewage collector system. Attached is a letter from Douglas Bird of San Luis Obispo County Engineering stating they have prior commitments on March 17, and will not be able to attend the meeting. They have suggested a joint staff meeting either the week of March 22 or March 29.

BACKGROUND

NCSD and the County entered into an agreement when the sewer project was first developed to take the wastewater from Galaxy Park CSA-1A into the District's sewer collector system and treating the wastewater. The agreement allows for 300 connections in the Galaxy Park area (CSA-1A).

If CSA-1F connects to the sewer system, a new agreement would need to be negotiated between the County and NCSD to include the additional services.

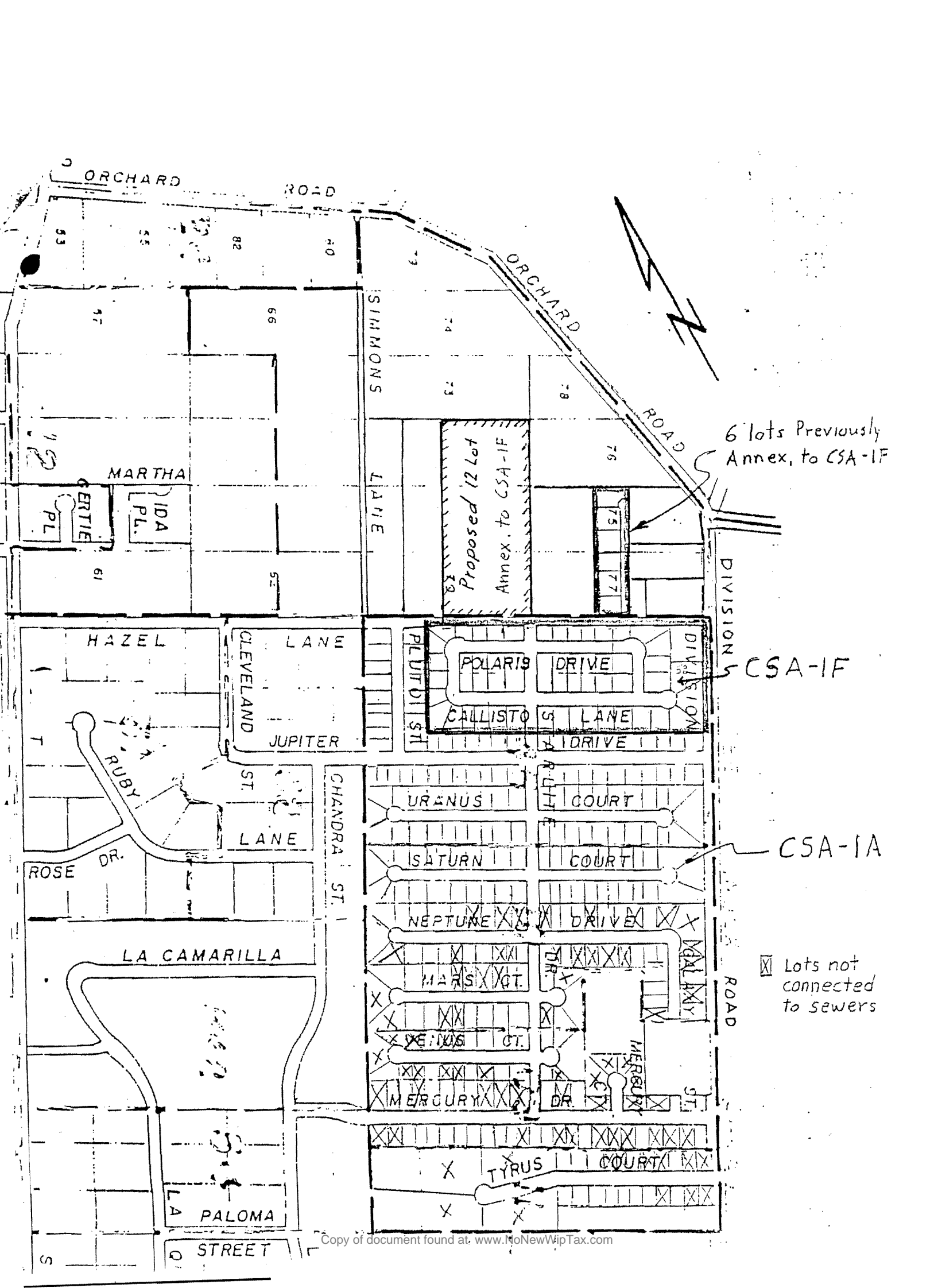
In renegotiating with the County, it would be staff's position that all existing lots within the Galaxy Park area be connected to the sewer collector system. This was one of the original requirements of the sewer grant. Presently, there are approx. 78 lots in Galaxy Park that are not connected to the sewer system. Ten of those 78 are volunteers (District's Sewer Capacity Fee has been paid.)

The following are NCSD Sewer Capacity Fees (\$2,370) that will need to be paid.

Galaxy Park CSA-1A	68 units x \$2,370 =	\$161,160
New Galaxy Park CSA-1F	58 units x \$2,370 =	<u>\$137,460</u>
	Sub Total	\$298,620
Six units annexed to CSA-1F		\$ 14,220
12 proposed units		<u>28,440</u>
	Total	\$341,280

RECOMMENDATION

The Board may wish to form a sub-committee to meet with District staff and representatives from the County to review the proposed connection to Nipomo Community Services District and to review the details necessary to modify the existing agreement between NCSD and the County..



6 lots Previously Annex. to CSA-IF

Proposed 12 Lot Annex. to CSA-IF

CSA-IF

CSA-1A

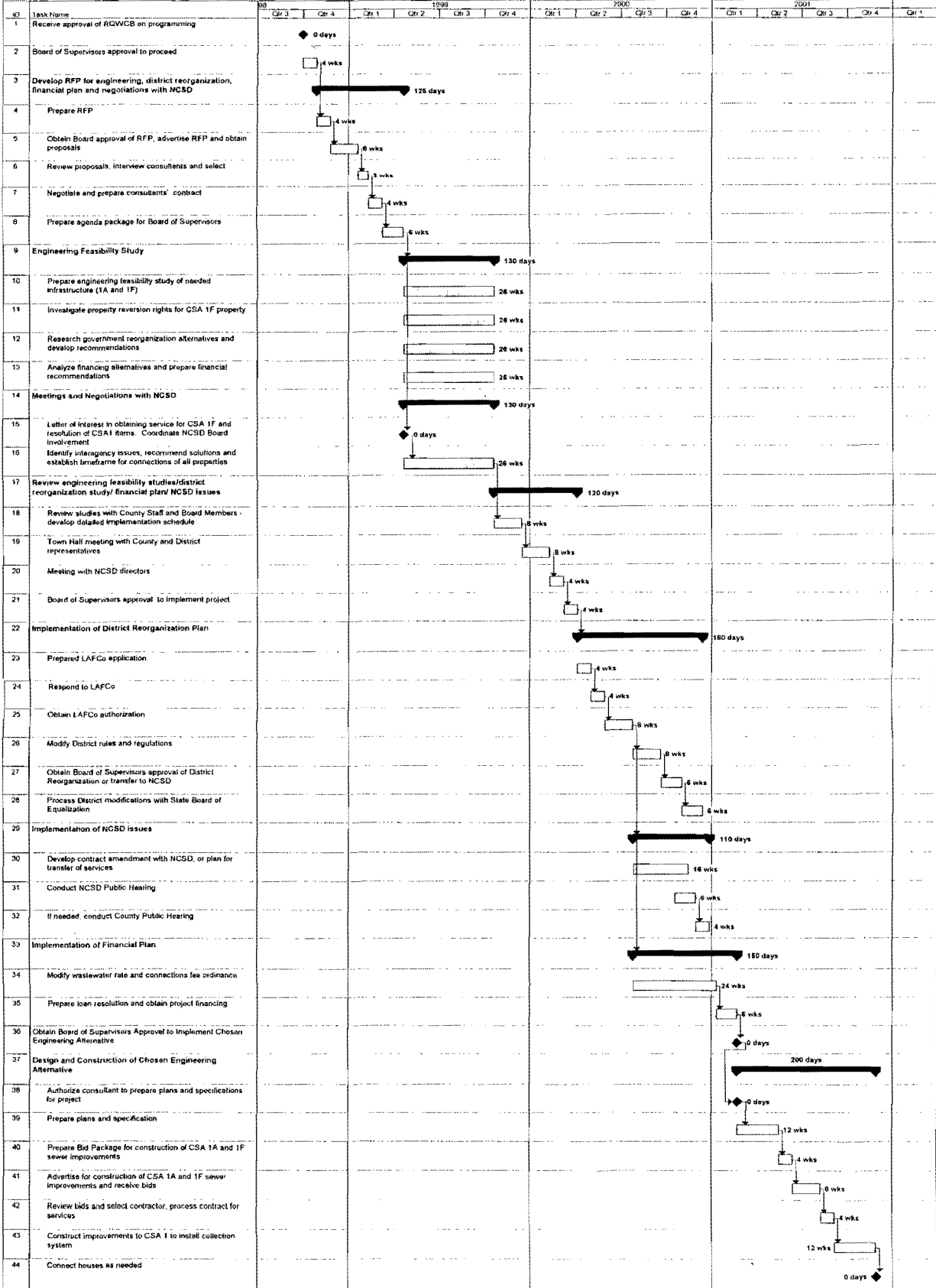
X Lots not connected to sewers

SLO CO CSA-1F PROPOSAL FOR SEWER SERVICE BY NCSD

SOME ISSUES

- NCSD Sewer Plant Capacity
 - Servicing CSA - 1F may encumber future District's capacity needs.
- Physical Connections
 - CSA-1F to CSA-1 (How connected?)
 - CSA-1 to NCSD (Lift Station and line capacity?)
 - Elimination of NCSD Nipomo Palms Lift Station?
 - Connect CSA -1 force main at Orchard and Division reduces pumping head for CSA -1 lift station.
- Installation of Water Saving Devices
 - Retrofitting equivalents that have or will annex to CSA-1F. (Similar to District policy)
 - Retrofitting all of CSA-1
- Payment of District Sewer Capacity and Other Fees
 - Presently \$2,370, July 1, 2001 will be \$2,500
 - County billed monthly for User Fees (The County collects fees on tax roll)
 - Lift Station Fee - \$500/unit (if any flow goes to a NCSD lift station)
- Maintenance of CSA-1 System
 - Address Hydrogen Sulfide problem (H₂S)
 - SLO County to have their own stand-by generator (presently requests NCSD's during power outages)
- CONNECTION OF ON-SITE DISPOSAL SYSTEMS IN CSA-1
 - Connect all systems presently not connected to the sewer system.

**County Service Area No. 1
Draft Schedule for Final Connection to NCSD**



TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

SEWER PROHIBITION AREA EXEMPTION REQUEST
Variance from connecting to sewer system

The District has received a letter from Gary and Carol Mitchell, who live at 760 Drumm Lane, requesting a variance from connecting to the District sewer system so they may install a septic tank system on Lot No. 134 (APN 092-331-033) to construct a new dwelling unit.

BACKGROUND

The Mitchell's own two one-half acre parcels side by side on Drumm Lane. They reside on Lot No. 134 (APN 092-331-034). They are requesting a variance from connecting to the sewer system so that they may construct a new home on their vacant lot #135. Attached for the Board's review are the following exhibits:

1. Parcel Map showing the one-half acre parcel for proposed building site.
2. Letter dated April 12, 1999 to the Board from the Mitchell's requesting a variance.
3. Exhibit prepared by the Mitchell's showing alternative sewer service to the parcel.
4. Letter dated April 2, 1999 to the District from Mr. Michael LeBrun, RWQCB.
5. Map of area proposed to be sewerred, in which funding was requested from the Regional Water Quality Board in 1995.
6. Letter dated March 17, 1999 to Mr. Michael LeBrun from Carol Mitchell
7. Agenda item from the California Regional Water Quality Control Board-Central Coast Division, dated June 12, 1987, Item #18 on this subject. (Request was denied by RWQCB)
8. Mitchell's percolation test data.

The procedure for the Mitchell's to receive a variance to install a septic tank would be a three-step process, as follows:

1. Receiving a variance from the NCSD Board so they may install an on-site septic tank system.
2. Request to Regional Water Quality Control Board for a variance from Resolution 78-02. Although the Mitchell's letter says they have received approval for a variance from the State Regional Water Quality Control Board, this is not the case. They would have to apply for a variance, pay the appropriate fees and then schedule a hearing before the Regional Board for approval of a variance/an exemption from the Prohibition Area.
3. After they received variances from the District and the Regional Water Quality Control Board, they would take that to the County. The County would then issue a variance and proceed with the necessary building activities.

In 1995, the District requested funding to install a sewer line in Southland Street to provide service to this area. As with any funding program, there is a priority list established in which this project would be funded. Because it was this type of project, it was not high on the funding list.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999
PAGE TWO

The District requested the Regional Water Quality Control Board to cancel its request for funding for the sewer project in Southland when most of the sewer lines were developer-installed in Southland. The developer of Honey Grove Lane extended the sewer in Southland Street to Honey Grove Lane to provide service to a 22-lot development in Honey Grove Lane. The sewer lines were installed and a reimbursement agreement has been requested.

Staff has suggested to the Mitchell's, since the sewer line is in Southland at Honey Grove, that they extend the sewer line approx. 900 feet in Southland to Drumm Lane and in Drumm Lane to their ½-acre parcel so it may receive sewer service. They were informed that they may enter into a reimbursement agreement to receive reimbursements from others that may connect to the sewer line extension.

The Mitchell's investigated the possibility of installing private sewer laterals from Drumm Lane to Honey Grove (over 600 feet through private easements). Staff felt this was not practical because of the need to acquire private easements and then possible reimbursement to the developer who installed the sewer line in Honey Grove. Also, with such a long lateral, if any stoppage occurred, the District would be the first one notified to resolve the problem, even though the maintenance of the lateral is the homeowner's responsibility.

DISCUSSION

Recently your Honorable Board has been concerned about possible failing septic system in cluster developments creating ½-acre parcel such as those developed in Tract 2304 near the intersection of Osage Rd. and Mesa Rd. and proposed Tract 2331, another ½-acre cluster development at the intersection of Live Oak Ridge and Pomeroy Rd.

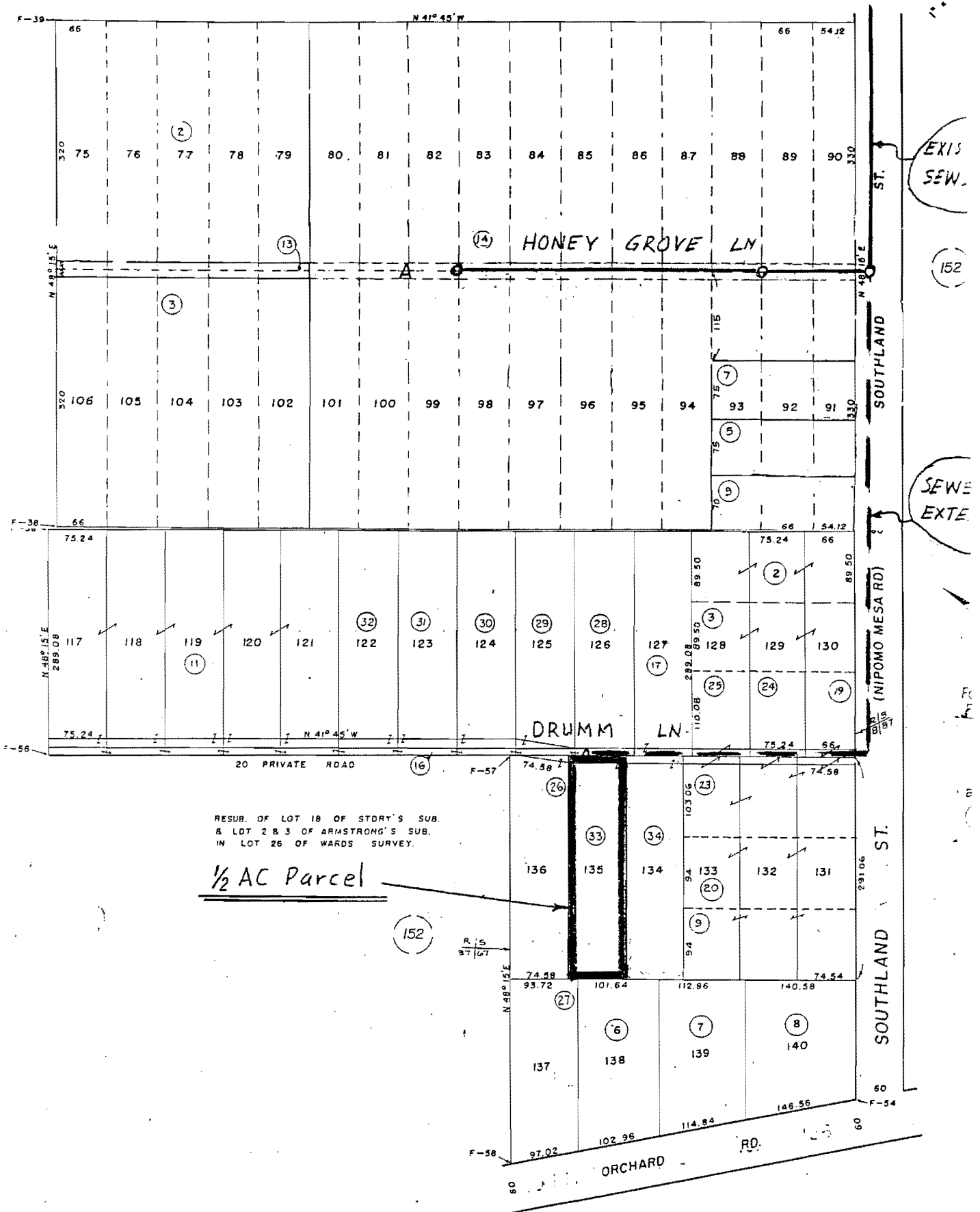
The Board should take into consideration that there is a large number of undeveloped ½-acre lots in the Southland area whose owners may request variances from connecting to the sewer (depending on Board action).

Recently, a property owner on Widow Lane requested sewer service to a single lot in which he was required to extend the sewer line to his ½-acre parcel to receive service.

As indicated in Exhibit #7, the Regional Water Quality Control Board acted on this same issue on July 12, 1987 where their board denied the variance (exemption request).

RECOMMENDATION

1. Staff feels that the best solution to this request is the extension of the sewer line from Honey Grove to and in Drumm Lane.
2. It would be staff's recommendation that the request for a variance to install a septic tank system be denied.



RESUB. OF LOT 18 OF STORV'S SUB.
 & LOT 2 & 3 OF ARMSTRONG'S SUB.
 IN LOT 26 OF WARDS SURVEY.

1/2 AC Parcel

NOTE—ASSESSOR'S BLOCK & LOT
 NUMBERS SHOWN IN CIRCLES
 THIS MAP IS FOR ASSESSMENT SERVICES ONLY

SOUTHLAND
 RANCHO NI.
 SAN LUIS OBISPO
 CALIFORNIA

1/24/02
 6:00:46

April 12, 1999

Mr.'s Robert Blair, Gene Kaye, Albert Simon, Richard Mobraaten & Alex Mendoza,
NCSD Board of Directors
148 S. Wilson
Nipomo, CA 93444

Dear Sir,

This letter is to request a letter of intent to provide water service from the NCSD to 760 Drumm Ln., Nipomo, CA, (Parcel number 92-33-134 from the book of records, San Luis Obispo County). We also request a variance for the installation of a septic system at the same location based on the following information.

This information is being provided because of conversations with the SLO County planning department and the NCSD. We contacted the county planning department to get the requirements for building on our property. We talked to Kim Murray at the SLO office, and she said there was a moratorium in effect for parts of Nipomo for septic systems and that it ends on the corner of Orchard and Southland. She told us the county would grant the permit if the state water quality control board approved the use of septic system.

We have requested and received approval for a variance from the state water quality control board to allow the installation of a septic system on this property until such time as the NCSD provides sewer to our property. Los Padres Engineering performed perc tests on the property with excellent results. We submitted those to the state with our request. The EPA agreement allows exemptions per Resolution 78-2 with concurrence of the Nipomo Community Service District's Board of directors.

Mr. Michael LeBrun, of the state agency, said the sewer system had been approved and funded by the state for the Southland Tract. We have the original papers from the district showing we are included in that tract. He did not know why the extension had not already been installed. (see letter attached)

We were told in 1987 by a board member from the district that the sewer would be installed by 1995 (I believe his name was Mr. Manriquez). We submitted alternative routing sketches to Doug Jones at the NCSD in March based on conversations we had with Bob Newdollar (a developer on the Honey Grove project). We approached Mr. Newdollar about an easement through his property on Honey Grove. He said he would need his partner's approval and suggested I submit drawings to Mr. Jones with routing information to see if they were even feasible..

We are having difficulty getting contractors to give us any quotes without specific plans, and each contractor has told me to contact Mr. Jones. There have been "ballpark" figures of greater than \$20,000.00 for the easement route, and \$35,000 from Mr. Jones, and approximately \$60,000.00 from the lady at TLC including manholes, engineering, surveying, trenching, road repairs and permits. She said they had lost a lot of money on the Honey Grove project. We quickly realized this was totally beyond our financial means. None of these quotes include our laterals or our connection fees.

My husband is currently working temporary assignments through his union wherever he can. He lost his job at the Tosco refinery after more than 30 years with his company. With the new oil crisis, it could be a long time before they rehire any personnel. I am on a temporary assignment with PG&E. We need to use the equity in our house to build a less expensive home. Gary's family has been in Nipomo since 1946, and his elderly mother lives near. It is very important for him to stay here. The only way we can afford to stay is to use our property to build a home.

The only thing we still need is the NCSD board's approval for the variance. We need this to submit our building plans. We have offered to pre-pay the \$2370.00 hook up fees for the property to show our intent to use the sewer connections when they are completed.

Your immediate attention to this matter would be greatly appreciated. You may reach us at 929-4080 or Carol at work (545-6001), or correspondence may be sent to 770 Drumm Ln., Nipomo, CA 93444. If there is any information we may provide, do not hesitate to call..

Thank You,


Gary & Carol Mitchell



California Regional Water Quality Control Board

Central Coast Region



Winston H. Hickox
Secretary for
Environmental
Protection

Internet Address: <http://www.swrcb.ca.gov>
81 Higuera Street, Suite 200, San Luis Obispo, California 93401-5427
Phone (805) 549-3147 • FAX (805) 543-0397

Gray Davis
Governor

April 2, 1999

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

Dear Mr. Jones:

RE: SOUTHLAND WASTEWATER WORKS; REQUEST FOR CONNECTION VARIANCE

Our office recently received a request for a variance (attached) from sewer connection within the septic system Prohibition Area designated by Board Resolution 78-02. We have reviewed the request and the requirements of Resolution 78-02. We forward the request for variance and the following comments to the Nipomo Community Services District for consideration:

Resolution 78-02 allows that case by case exemptions may be granted either solely by the Regional Board or in cases where an authorized public agency exists, once that agency provides satisfactory assurance that an exemption is protective of water quality the Board may grant a conditional exemption. In this case and for the entire Prohibition area, the Nipomo Community Services District is considered the "authorized public agency." Additionally, Special Condition No. 13. of the EPA Assistance Agreement that governs the \$4.4 million dollar construction grant used to build your treatment plant states, "Formal exemptions from connection to the new collection system can only be granted by the District's Board of Directors with the concurrence of the RWQCB."

The Assistance Agreement also requires the District to have every existing dwelling within the Prohibition Area connect to the new collection system within ten years after initiation of operation. This variance request is for a property on Drumm Lane, which is located within the Prohibition Area and less than one mile from your treatment Plant. We understand that your sewer collection lines have not been extended to Drumm Lane. Sewer collection through out this area of half-acre land divisions is long over due. As an option to sewer the area the District may choose to substantiate and grant an area wide exemption. The method and responsibility for resolution of this issue are the Districts and shall be completed without delay.

APR 1 1999

California Environmental Protection Agency

APR 1 1999


We have supported the District in the past with acquiring a grant to build the treatment plant and acquiring low interest loans to expand the plant. It is the District's responsibility to operate its treatment works providing service on a fair and equitable basis and in accordance with guidelines and regulations of our Board. It is the District's responsibility to either provide service within the defined Prohibition Area or provide assurances individual systems are appropriately designed, and maintained to protect water quality. In cases where connection has not been achieved, the District is by default providing these assurances and has responsibility environmental impacts caused by septic systems.

Please forward the following information to update our records:

- Current sewer collection system schematic.
- Phase I expansion as built drawings (Ledger size if available).
- Phase II expansion plans (Ledger size if available).

If you have questions, please call **Michael LeBrun at (805) 542-4645.**

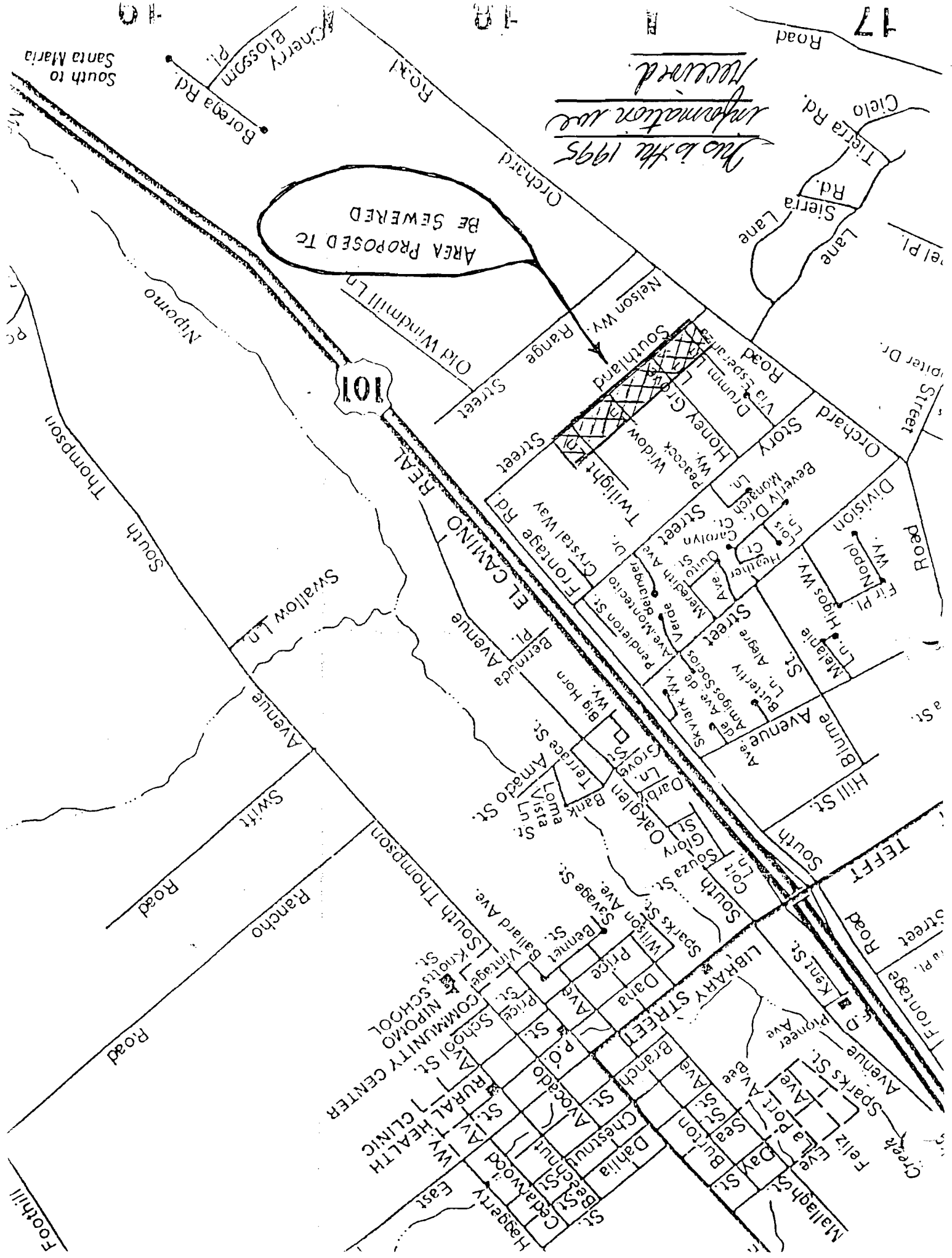
Sincerely,

For 
Roger W. Briggs
Executive Officer

Attachment
msl: NCSDeom1.ltr

cc w/o attachment:
Carol Mitchell
770 Drumm Ln.
Nipomo, CA 93444

Task: 121-01
File: NCSDeom1.ltr



March 17, 1999

Mr. Michael Le Brun
Regional Water Quality Control Board
81 S. Higuera, Suite 200
San Luis Obispo, CA 93401

CENTRAL COAST REGIONAL
WATER QUALITY CONTROL BOARD
99 MAR 23 PM 1:23
SAN LUIS OBISPO, CA 93401

Dear Mr. Le Brun

I am writing this letter to request a variance for a septic system in Nipomo. We presently own a ½ acre parcel on Drumm Lane (parcel number 92-331-33, Lot 135 in block A of the Southland Tract). All of the homes on Drumm are built with septic systems. The lot is the only undeveloped parcel on the street and community district sewer service is not available.

I contacted Mr. Doug Jones with the Nipomo Community Services. His rough estimate to pay for sewer service to my property was \$60,000. He told me to bring sketches to the district for a more accurate estimate, but the \$40.00 per foot charge was a "ball park" amount. I also discussed the option of trying to get someone to give an easement through their property to Drumm Ln. I don't even know if this can be done. He was very nice and said he will check to see what other options there are for routing. We were in the original plans for the Southland expansion, but the service has only been extended to Honey Grove Lane. I am enclosing the copy we received for the expansion from several years ago.

I contacted Kim Murray at the county planning dept. She also said I should request a variance. As we discussed, I would pay the \$2370. connection fee to the Nipomo district to show my intent to connect to the system when it becomes available. The cost of a septic system is pretty substantial, so I would prefer sewer if it was available. Most of the homes on Southland west of Honey Grove are owned by older people or those on limited incomes. There are very few who could afford to pay the connection fees unless it was spread out over time. I am afraid the system won't be extended in time for me to be able to keep everything going financially.

My husband was laid off his job after 30 years with his company and is working sporadically wherever possible. (He is returning from Seattle where he was able to work for 4 weeks). I am a temporary worker at the power plant, and due to be laid off in the next few months. As you are aware, fewer people are being called back for outages. We are trying to sell our current residence while we are still able to make the mortgage payments. Our plan was to build a smaller home on the property we already own so that we could stay in the area. My husband has been a Nipomo resident for 53 years. His elderly mother lives nearby.

We had percolation tests done on the property and I am enclosing a copy. They show very good results for the land. I really appreciate your time and assistance. If there is any information or anything else I need to do (or can do), please call me at 545-6001 (work) or 929-4080 (home). I am currently working Tues.- Fri.

Thank You,



Carol Mitchell
770 Drumm Ln.,
Nipomo, CA 93444

State of California
California Regional Water Quality Control Board
Central Coast Region

June 12, 1987

ITEM: 18

SUBJECT: Consideration of Appeal by Gary Mitchell for Exemption from Basin Plan Prohibition of Individual Sewage Disposal Systems in the Community of Nipomo, San Luis Obispo County.

KEY INFORMATION: The Basin Plan prohibits discharge of wastewater from new septic systems in the Community of Nipomo.

Exemption from the prohibition requires a determination that "new individual sewage disposal systems will not individually or collectively result in a pollution or nuisance."

Appeal Proposal: Construct a wastewater system to serve a single family residence on a 1/2 acre parcel located on the Nipomo Mesa within the prohibition area.

Existing Facilities: None—parcel is vacant.

Ground Water Level: Approximately 200 feet below grade.

Soil Type: Sandy

The Board must decide if an exemption should be granted.

DISCUSSION: Gary Mitchell has appealed to the Regional Board for an Exemption from the Basin Plan's Prohibition on Discharges from New Individual Sewage Disposal Systems in the Community of Nipomo, San Luis Obispo County. Mr. Mitchell wishes to construct a single family residence on a 1/2 acre parcel identified as APN 92-331-33, San Luis Obispo County, and located within the prohibition area. The building site relative to the prohibition area boundaries is shown on Attachment "A". There are no existing on-site wastewater systems at this location.

BACKGROUND

On March 17, 1978, the Regional Board adopted Resolution No. 78-02, "Revision and Amendment of Water Quality Control Plan by the Addition of a Prohibition of Waste Discharge from Individual Sewage Disposal Systems Within the Nipomo Area, San Luis Obispo County." A copy of the Resolution is included as Attachment "B." The proposed amendment to the Water Quality Control Plan, Central Coast Basin, (Basin Plan) was approved by the State Water Resources Control Board as proposed in Resolution No. 78-02.

As described in Resolution No. 78-02, the Basin Plan prohibits discharge from additional individual sewage disposal systems in parts of Nipomo because of documented water quality and public health problems. Specific problems are summarized in the first two pages of the resolution. The Basin Plan prohibits discharges from existing individual sewage disposal systems after July 1, 1982. The Nipomo Community sewerage project has just been completed and the problem areas are now connecting to the system.

The Basin Plan contains an exemption clause which states:

"The Board or Executive Officer may grant an exemption to prohibitions for: 1) engineered new on-site disposal systems for sites unsuitable for standard systems; and 2) new or existing on-site systems within the specific prohibition areas cited above. Such exemptions may be granted only after presentation by the discharger of sufficient justification, including geologic and hydrologic evidence."

Mr. Mitchell has applied for an exemption by submitting a response to the "Standard Form for Requests for Exemption from the Individual Sewage Disposal Systems Prohibition.", certifying:

1. No on-site wastewater systems exist on the parcel;
2. Percolation at the site of the proposed disposal system site has been measured at 1 min/inch;
3. Depth to ground water is approximately 210 feet;
4. Ground slope at the site is level;
5. Parcel size is 1/2 acre;
6. 100% expansion area is provided;
7. Working area for repair equipment is ample; and,
8. The proposed system will meet County standards.

In previous appeals regarding discharges from individual sewage disposal systems in Nipomo, the Board exempted:

1. The Nipomo Swap Meet, a 15-acre site;
2. Four systems on four 1+ acre lots located on the Mesa near the westernmost prohibition boundary;
3. Several miscellaneous systems on 1+ acre lots located on the Mesa;
4. One system on a 2-acre lot located on the Mesa;
5. Five residences on ten 0.5-acre lots on the Nipomo Mesa;
6. One residence on two 0.5-acre lots on the Nipomo Mesa; and,
7. One system on a 1.3-acre lot on Camino Cabillo.

The Board has also considered and rejected:

1. Five systems on five 1/2-acre lots located on the Nipomo Mesa; and,
2. One system on a 0.65-acre lot located near the clay soils area of Nipomo Valley.

As borne out by the Record of Exemptions Granted and Rejected, the Board has not allowed exemptions unless there has been at least one-acre-per-dwelling unit. Mr. Mitchell believed his 1/2 acre parcel was large enough for building purposes, and is trying to sell his lot. Mr. Mitchell also submitted an exemption request to staff on May 7, 1987. Exemption requests are granted by staff without Board action when the request clearly complies with the Board's policies and satisfies the intent of the Basin Plan. Because this request does not comply with existing policy, staff told Mr. Mitchell it could not approve his request, but that he could appeal that denial to the Board. Since the Board will not meet in San Luis Obispo for three months, staff is bringing the matter to the Board for a decision now rather than delaying Mr. Mitchell.

Mr. Mitchell believes the Board should reconsider its present policy because the Nipomo Community-wide sewer system is now complete. Mr. Mitchell has also suggested the Board consider rescinding the Nipomo area prohibition. Since the sewer is available to serve "problem areas", Mr. Mitchell believes there is no need for the prohibition on the Sandy Mesa area. The sewer does not go down Southland Street and is therefore currently not available. The nearest sewer line is approximately 3500 feet away. The project location relative to the sewer is shown on Attachment "E". The Nipomo Community Services District manager has indicated it will probably be several years before the sewer system will serve this area, unless an extension is made by private developers.

Staff believes rescinding the prohibition at this time is inappropriate. The prohibition was adopted because of septic system failures in the general Nipomo area. The Board should not consider reevaluating the prohibition until the problem areas are connected to the sewer. The sewer has only been available since April 2, 1987, and is still a long way from connecting all of the marginal on-site individual systems, because of the District's voluntary connection provision.

Concerning a change in Board policy to allow construction on 1/2 acre parcels within the prohibition area, staff believes the Board should stay with its present policy of one acre minimum lot sizes. The Basin Plan recommends parcel size be one acre minimum. Its prohibitions require all new parcels with on-site disposal to be one acre minimum, with 1/2 acre acceptable only where on-site conditions are particularly favorable. There are already some small lots in the vicinity of Mr. Mitchell's lot. These small lots combined with 1/2 acre density (if exemptions are allowed) would greatly increase overall density in the area. Cumulative effects of small lots with septic systems do not provide "particularly favorable" conditions. Since the Nipomo area prohibition was adopted because of septic system failures throughout the area, a relaxation of Basin Plan standards is inappropriate.

ENVIRONMENTAL
SUMMARY:

Significant adverse impacts from additional individual sewage disposal systems were considered at the time the Nipomo area prohibition was originally adopted by the Board. Criteria were established then for individual exemptions that would not cause a significant adverse impact on the environment. Staff's recommendation on the pending exemption request is consistent with those criteria.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

TRACT 2331 (WITTSTROM)

The District has received correspondence from Tartaglia Engineering requesting water service for Tract 2331, a 33-one-half acre lot development at the intersection of Live Oak Ridge and Pomeroy Rd. The County Planning Department has authorized this cluster-type of development, which is shown on the attached tract map. An Intent-to-Serve Letter may be issued to Tract 2331 with the following conditions to be completed before service by the District.

1. Enter into a Plan Check and Inspection Agreement and pay the appropriate fees.
2. Submit improvement plans to the District for approval showing appropriate looping and be prepared in accordance with District standards and specifications.
3. Pay all appropriate District water and other fees that may be associated with this development.
4. Place a 3/4" conduit between the meter and the phone jack on the house for future automatic meter reading capabilities.
5. Submit the following:
 - a) Reproducible "As-Builts"
 - b) Offer of Dedication
 - c) Engineer's Certification
 - d) Summary of costs of water improvements
6. District to review installation of street lighting and the creation of a maintenance district for this project.
7. Deliver to the District a recordable document notifying future owners that the individual lots are served by a private septic tank that are not the maintenance responsibility of the Nipomo Community Services District.
8. The County Planning Department shall take the lead in establishing an open space easement where lots are not created and that it be recorded with the document referred to in Condition No. 7 above.

After the Board has reviewed this item, they may proceed to issue an Intent-to-Serve Letter for Tract 2331.

TE TARTAGLIA ENGINEERING
CIVIL ENGINEERS

7360 El Camino Real, Suite E • P. O. Box 1930
Atascadero, California 93423

Fax (805) 466-5471
Phone (805) 466-5660

Doug Jones, Manager
Nipomo Community Services District
261 Dana Street
Nipomo, CA 93444

April 2, 1999

File: 99-07

Subject: Tract No. 2331
Karl Wittstrom

Dear Mr. Jones:

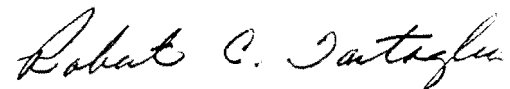
Enclosed is one copy of the "revised" tentative tract map for Tract No. 2331. In accordance with your request dated March 29, 1999, we have added the lot dimensions and area of each lot in acres. The tract consists of a total of 33 lots. Thirty-two (32) of the lots are new with the existing residence on the site consisting of the additional lot.

At this time we are requesting a "will serve" letter to provide water service to the subject tract.

If you have any questions or need additional information to process this request, please contact our office.

Sincerely yours,

TARTAGLIA ENGINEERING



Robert C. Tartaglia
Civil Engineer

RCT/pl
Enclosures

APR 21 1999

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

LONG'S DRUG STORE DEVELOPMENT

The District has received correspondence from Engineer's Development Association, requesting service for a new Long's Drug store to be developed at the location of the existing Mesa Market and liquor store. Attached are the development plans for the Long's development showing three parcels.

Parcel 1	Building A
Parcel 2	Building B & C
Parcel 3	Pad 1

After the Board has reviewed this matter, an Intent-to-Serve Letter for the Long's Drug Store commercial development may be approved subject to the following conditions:

1. Enter into a Plan Check and Inspection Agreement
2. Submit improvement plans to the District for review and approval, prior to commencement of construction.
3. Extend water and/or sewer lines that may be required for this development.
4. Install backflow prevention devices on the customer's side of the water meters, as needed.
5. Install and maintain appropriate grease traps for the facilities that need them.
6. Submit a detailed on-site improvement plan so the District may determine water and sewer capacity fees and monthly user fees for this project.
7. Pay all appropriate District fees.
8. Install a ¾ PVC conduit for each water meter for future automatic meter reading capabilities.
9. Submit the following:
 - a) Offer of Dedication of easements and improvements, if necessary.
 - b) Engineer's Certification for all the off-site water and sewer improvements.
 - c) Reproducible "As-Built" plans.
10. Design landscaping for minimum water use.

After your Honorable Board has reviewed this matter, approval of an Intent-to-Serve Letter with the above conditions would be in order.

SO. FRONTAGE ROAD
N 41°43'42" W 456.60'
397.95' N

B
TO 65°43'51" E

APN 092-134-072
CR ZONING

APN 092-130-007
CR ZONING

APN 092-130-088
CR ZONING

APN 092-130-028
CR ZONING

N 57°17'39" E
189.49'

TEFFT STREET
N 56°55'31" E 502.42'

APN 092-134-071
CR ZONING

N 56°55'31" E 502.42'

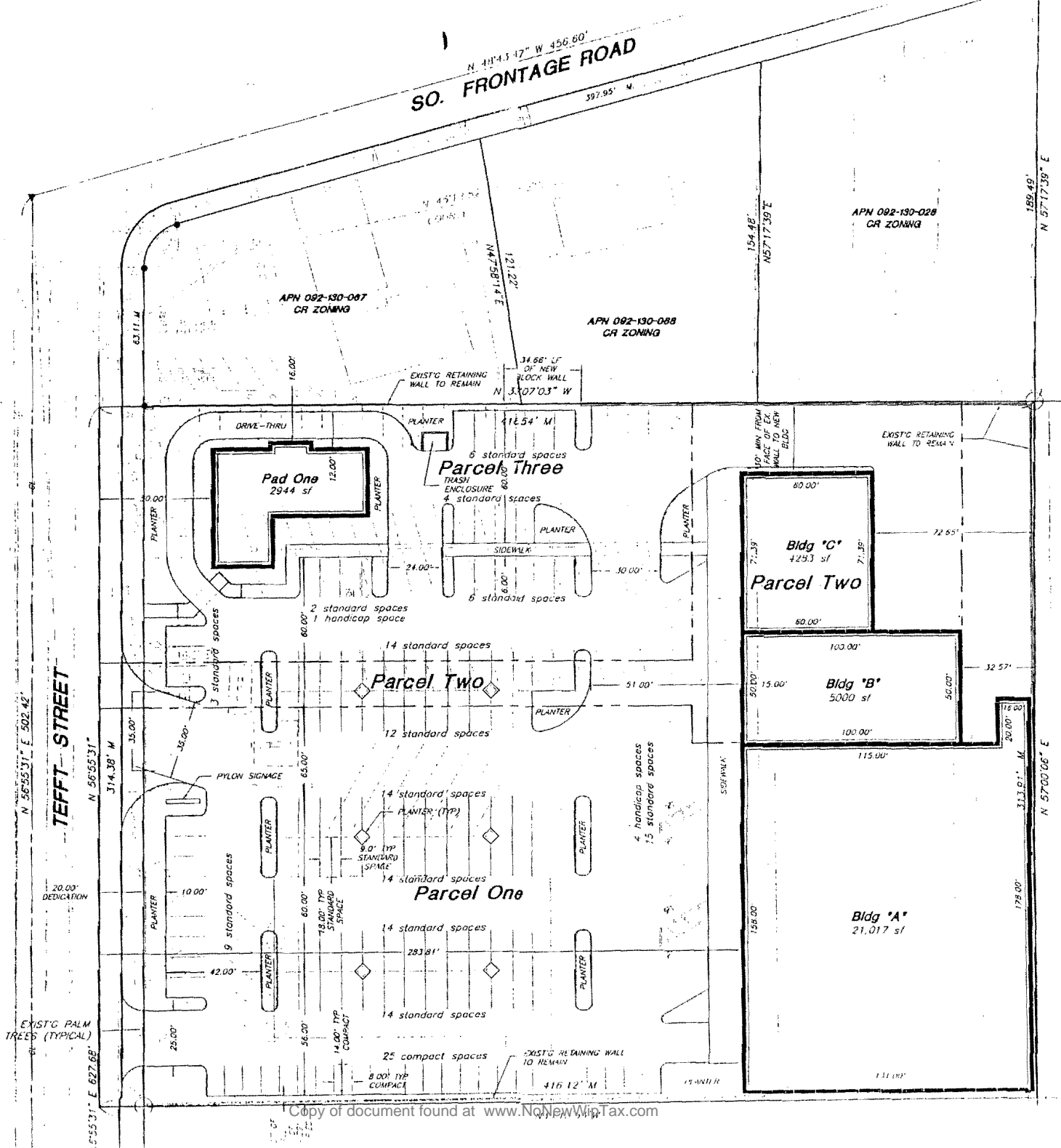
N 56°55'31" E 502.42'

20.00' DEDICATION

EXIST'G PALM TREES (TYPICAL)

N 56°55'31" E 627.68'

APN 092-134-078



EDA

ENGINEERING DEVELOPMENT ASSOCIATES

744 Oak Street
Paso Robles, CA, 93446

Transmittal Cover Sheet

DATE: March 31, 1999

TO: Doug Jones
N.C.S.D.

PHONE: 929-1133
FAX:

FROM: Stacie Gleim

PHONE: 805-237-1033
FAX: 805-237-3797

RE: Long's Drug Store, Nipomo, CA

CC:

Dear Doug,

Attached please find development plan submittal for a new Long's Drug Store and visitor serving retail for 551 West Tefft Street (APN 092-130-024). The site is the existing location of Mesa Market and Liquor. Please review and approve for water and sewer service and corresponding Will Serve Letters. If you need any additional information, contact myself at 237-1033. Thank you for your time and assistance.

Stacie Gleim

APR 1 1999

IPC
DEVELOPMENT DISTRICT

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

NEW WATER LINE AND STORAGE FACILITY

ITEM

Construction of new water lines in Sea Street, Thompson Ave. and Tefft Street and the construction of a one million-gallon storage facility at the intersection of Dana-Foothill Rd. and Tefft Street.

BACKGROUND

Bids to construct the water line and storage facilities were opened on March 21, 1999. Thirteen bids were received. Sansone Co. Inc. was the lowest bidder at \$807,101.50.

This matter was tabled until the Board meeting of April 21, 1999 to allow staff to continue negotiations with the Dana Estate to acquire an easement for the new storage facilities. At the Board meeting of March 31, 1999, your Honorable Board passed a Resolution of Necessity, which authorized staff to begin Eminent Domain proceedings to acquire a Right of Entry or an easement for the water storage facility. It is hopeful an agreement can be reached with the representatives of the Dana Estate. The status of the negotiations will be presented to your Honorable Board at this meeting.

RECOMMENDATIONS

Staff recommends that the contract for the installation of the water line and storage facility be awarded to Sansone Co, Inc. in the amount of \$807,101.50. The attached resolution is presented to the Board to award the contract to Sansone Co. Inc.

If a Right-of-Entry agreement has not been acquired, it is recommended that the Board authorize legal counsel to proceed with Eminent Domain proceedings.

C:\W:\Bd99\WATER LINE & STORAGE.DOC

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 99-WATERLINES**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AWARDING THE CONTRACT TO SANSONE CO. INC.
FOR CONSTRUCTION OF NEW WATER LINES AND
ONE MILLION GALLON STORAGE FACILITY**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("DISTRICT") is desirous to construct new water lines and a water storage facility; and

WHEREAS, the DISTRICT has requested bids to construct water lines and a storage facility and said bids were open on March 29, 1999 at 2:00 p.m.; and

WHEREAS, thirteen (13) bids were received and the apparent responsive and reliable low bid for the water lines and a water storage facility was from Sansone co., Inc. in the amount of \$807,101.50; and

WHEREAS, this work falls into statutory exemption as set forth in CEQA Guidelines §15302 (c).

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

- 1) Finds the construction of water lines and a water storage facility falls into statutory exemption as set forth in CEQA Guidelines §15302 (c).
- 2) Finds the Staff Report to be in order and attached hereto.
- 3) The contract for construction water lines and a one-million gallon water storage facility be awarded to Sansone Co., Inc. in the amount of \$807,101.50
- 4) The President is instructed to execute the contract in behalf of the District.

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

AYES: Directors _____

NOES:

ABSTAIN:

ABSENT:

the foregoing resolution is hereby adopted this 31st day of March 1999.

Robert L. Blair, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
General Counsel



TO: BOARD OF DIRECTORS
 FROM: DOUG JONES
 DATE: MARCH 31, 1999

BID OPENING

CONSTRUCTION OF TEFFT STREET WATERLINE AND STORAGE FACILITY

Bids were opened for the new waterlines and storage facility on March 29, 1999 at 2:00 p.m. at the District office. The following thirteen (13) bids were received.

1	Sansone Co., Inc.	\$807,101.50
2	Spiess Constr. Co.	816,200.00
3	Souza Constr. Co.	847,585.00
4	DeChance	888,715.00
5	Whittaker Constr., Inc.	933,938.00
6	R. Burke Corp	944,766.00
7	W A Rasic Const. Co.	962,780.00
8	Wysong	964,915.44
9	HPS	977,477.25
10	Madonna Const. Co.	981,214.00
11	R. Baker, Inc.	989,289.00
12	Special Services	989,748.00
13	Maino Const. Co.	1,080,000.00

The bids have been reviewed by Garing, Taylor and Associates. The recommendation is that the contract for the installing the water lines and storage facility be awarded to Sansone Co., Inc. in the amount of \$807,101.50.

The attached resolution awarding the contract to Sansone Co. is presented for the Board's consideration.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

AGENDA ITEM
APR 21 1999



INTENT-TO-SERVE/CONDITIONAL WILL-SERVE LETTERS

ITEM

To establish an expiration date and renewal fees for Intent-to-Serve letters/Conditional Will-Serve letters.

BACKGROUND

The District has issued a number of Intent-to-Serve and Conditional Will-Serve letters in the past which have had no expiration date or a one-year expiration date. Staff has drafted a resolution formalizing the expiration dates and fees for Intent-to-Serve and Conditional Will-Serve letters. The expiration date for these letters is proposed to be two years due to the time to process the necessary documents through the County and getting the necessary commitments the developer may have. Also, this resolution establishes when a Intent-to-Serve and Conditional Will-Serve letter needs to be renewed a fee of \$50.00 is recommended to offset staff time in processing the renewal letters.

RECOMMENDATION

It is recommended that your Honorable Board pass the attached resolution establishing an expiration date of two years from the issuance of the Intent-to-Serve and Conditional Will-Serve letter and that a \$50.00 fee be charged for renewing these letters.

C:\W:\Bd99\letter expiration.DOC

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION 99- WILL SERVE**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ESTABLISHING EXPIRATION DATES FOR
INTENT-TO-SERVE/CONDITIONAL WILL-SERVE LETTERS**

WHEREAS the Nipomo Community Services District ("District") has issued at the request of developers of real property Intent-to-Serve or Conditional Will-Serve Letters; and

WHEREAS, some of the District Intent-to-Serve or conditional Will-Serve Letters contain a one-year expiration date; and

WHEREAS, many of the Intent-to-Serve or conditional Will-Serve Letters did not contain an expiration date; and

WHEREAS, based on the staff report and testimony received during the hearing of this matter, the Board of Directors finds that it is in the District's interest for planning allocation of District resources that:

- (a) All District Intent-to-Serve or Conditional Will-Serve Letters, unless otherwise limited shall have an expiration date of two years, and
- (b) All prior Intent-to-Serve or Conditional Will-Serve Letters issued without an expiration date expire (ed) two years form the date of their issuance.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of the Nipomo Community Services District, San Luis Obispo County, California, as follows:

1. District Intent-to-Serve and/or Conditional Will-Serve Letters, unless otherwise limited, are subject to a two-year expiration date.
2. District Intent-to-Serve or Conditional Will-Serve Letters issued without an expiration date expires (ed) two years from the date of their issuance.
3. Applicants may apply to renew an Intent-to-Serve or a Conditional Will-Serve Letter upon the payment of a \$50.00 fee (non-refundable) and the approval of the Board of Directors.
4. District's General Manager is directed to notify applicants of Intent-to-Serve or Conditional Will-Serve Letters, that did not include an expiration date, that the Intent-to-Serve or Conditional Will-Serve Letters, that did not include an expiration date, that the Intent-to-Serve or Conditional Will-Serve Letters expires (ed) two years from the date of issuance.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION 99- WILL SERVE

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ESTABLISHING EXPIRATION DATES FOR
INTENT-TO-SERVE/CONDITIONAL WILL-SERVE LETTERS
PAGE TWO

Upon 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 21ST day of April 1999.

Robert Blair, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
District Legal Counsel

C:\W\RES\99-Will-Serve

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

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 be removed. If discussion is desired, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by the Board members without removal from the Consent Agenda. The recommendations for each item are noted in parenthesis.

The following five (5) items are presented to the Board for approval.

- a) ACCEPTANCE OF TRACT 1924 (WITTSTROM) IMPROVEMENTS (Approve)
Resolution accepting water improvements for a 36-lot development
- b) ACCEPTANCE OF TRACT 2210 (NEWDOLL) IMPROVEMENTS (Approve)
Resolution accepting water and sewer improvements for a 15-lot development
- c) ACCEPTANCE OF APN 92-341-014 (NEWDOLL) IMPROVEMENTS -
HONEY GROVE LANE (Approve)
Resolution accepting water & sewer improvements for 22 existing lots & the sewer system in Southland St.
- d) CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) (Approve)
Resolution amending District contract with PERS for miscellaneous members
- e) SAFETY MEETING (Receive and file)
Minutes of March 25, 1999 Safety Meeting

AGENDA ITEM

APR 21 1999

9

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

ACCEPTING WATER and SEWER IMPROVEMENTS FOR
TRACT 1924 (WITTSTROM)

Upon completion of a developer's project, the District accepts improvements of the project when all requirements are met. The developer for Tract 1924, a 36-lot development on Osage Road, has installed water improvements and has met the District's conditions of installing the improvements, has paid associated fees and provided the necessary paperwork, including the Offer of Dedication and the Engineer's Certification. Attached is a resolution accepting the water improvements for Tract 1924.

It is staff's recommendation that your Honorable Board approve Resolution 99-Tract 1924.

C:\W:\BD\tr1924 ACCEPT.DOC

RESOLUTION NO. 99- TRACT 1924

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SEWER IMPROVEMENTS
FOR TRACT 1924 (WITTSTROM)**

WHEREAS, on August 19, 1998, the District Board of Directors did conditionally approve water improvements for Tract 1924, a 36-lot development on Osage Road, and

WHEREAS, the District approved and signed the construction plans for the water improvements to be constructed, and

WHEREAS, the water improvements have been constructed and said improvements are complete and certified by the engineer, and

WHEREAS, on March 8, 1999, the Owner offered the water improvements to the Nipomo Community Services District, and

WHEREAS, this District has accepted such offer without obligation except as required by law, and

WHEREAS, all water fees for service, required in conformance with District Ordinances, have been paid in full for the Tract 1924 on Osage Road, and

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

That the water improvements constructed to serve the 36 lots created by Tract 1924 are accepted by this District.

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

AYES: Directors _____
NOES:
ABSENT:
ABSTAIN:

the foregoing resolution is hereby adopted this 21st day of April 1999.

Robert Blair, President
Nipomo Community Services District

ATTEST:

APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
General Counsel

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

AGENDA ITEM
APR 21 1999

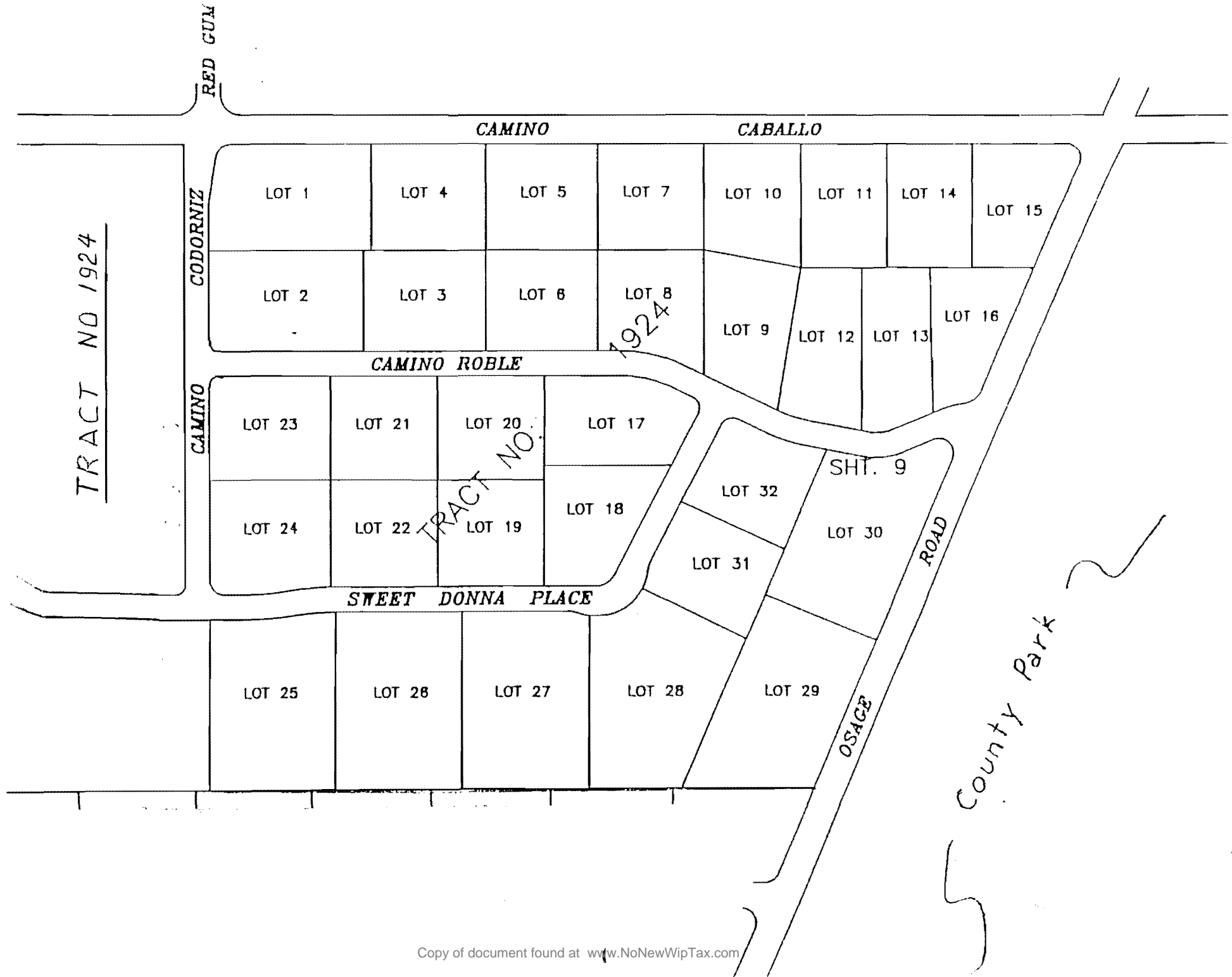
9
b

ACCEPTING WATER AND SEWER IMPROVEMENTS FOR
TRACT 2210 (NEWDOLL)

Upon completion of a developer's project, the District accepts improvements of the project when all requirements are met. The developer (Newdoll) for Tract 2210, a 15-lot development on South Frontage Rd. at Southland Rd., has installed water and sewer improvements and has met the District's conditions of installing the improvements, paid associated fees and provided the necessary paperwork, including the Offer of Dedication and the Engineer's Certification. Attached is a resolution accepting the water and sewer improvements for Tract 2210.

It is staff's recommendation that your Honorable Board approve Resolution 99-Tract 2210.

C:\W:Bd99\Accept Tr 2210.DOC



RESOLUTION NO. 99-TRACT 2210

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING THE WATER AND SEWER IMPROVEMENTS
FOR TRACT 2210 (NEWDOLL)**

WHEREAS, on September 6, 1995, the District Board of Directors did conditionally approve water and sewer improvements for Tract 2210 (Newdoll), a 15-lot development on South Frontage Rd. at Southland Rd.; and

WHEREAS, the District approved and signed the construction plans on November 6, 1998, for the water and sewer improvements to be constructed; and

WHEREAS, the water and sewer improvements have been constructed and said improvements are complete and certified by their engineer; and

WHEREAS, on January 11, 1999, the Owner offered the water and sewer improvements to the Nipomo Community Services District; and

WHEREAS, this District has accepted such offer without obligation except as required by law, and

WHEREAS, all water & and sewer fees for service, required in conformance with District Ordinances, have been paid in full for Tract 2210.

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

That the water and sewer improvements constructed to serve the fifteen (15) lots created by Tract 2210 are accepted by this District.

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 31st day of March 1999.

Robert L. Blair, President
Nipomo Community Services District

ATTEST:

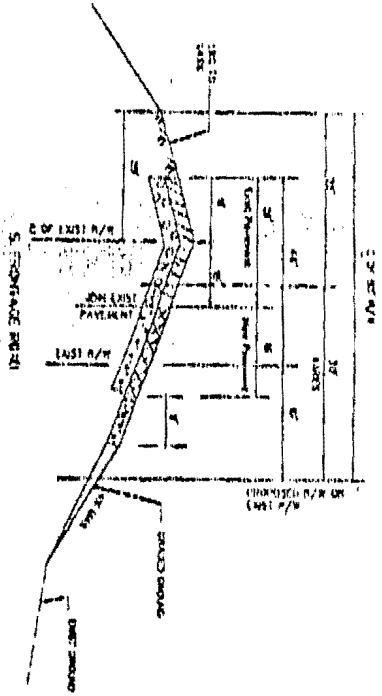
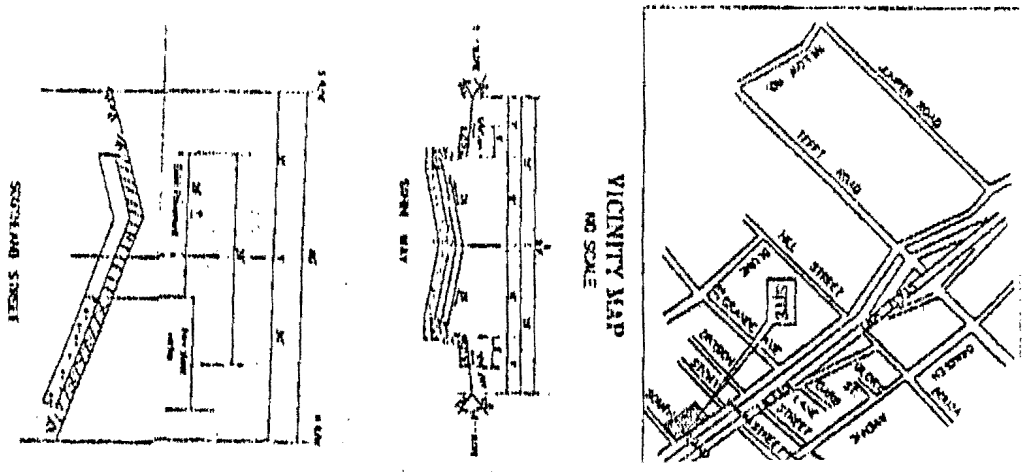
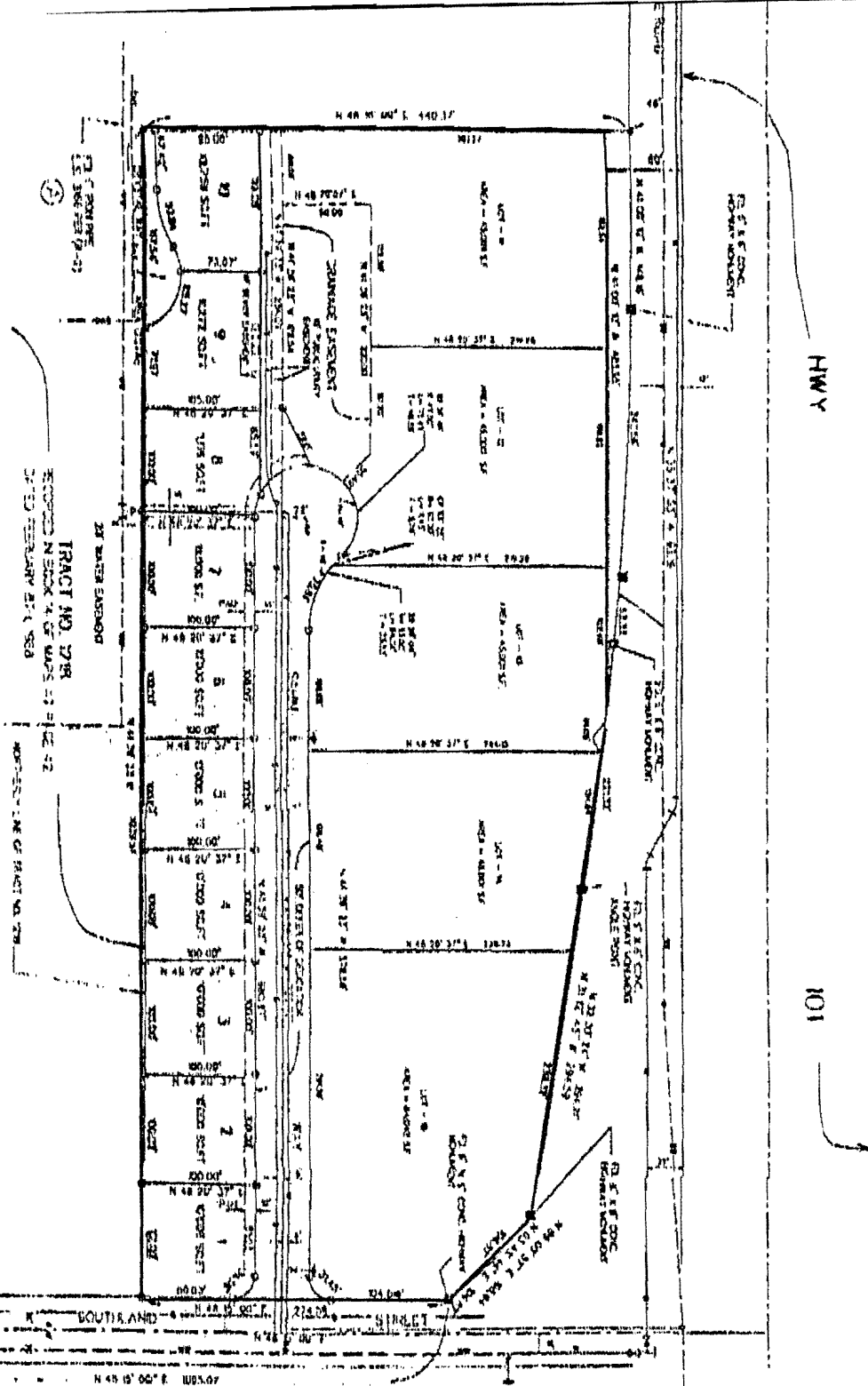
APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
General Counsel

1
 2
 3
 4
 5
 6
 7
 8
 9
 10
 11
 12
 13
 14
 15
 16
 17
 18
 19
 20
 21
 22
 23
 24
 25
 26
 27
 28
 29
 30
 31
 32
 33
 34
 35
 36
 37
 38
 39
 40
 41
 42
 43
 44
 45
 46
 47
 48
 49
 50
 51
 52
 53
 54
 55
 56
 57
 58
 59
 60
 61
 62
 63
 64
 65
 66
 67
 68
 69
 70
 71
 72
 73
 74
 75
 76
 77
 78
 79
 80
 81
 82
 83
 84
 85
 86
 87
 88
 89
 90
 91
 92
 93
 94
 95
 96
 97
 98
 99
 100

FOR EACH SHEET (SEE 1)



PREPARED BY:
 NEWMAN ENGINEERING ASSOCIATES
 3756 VENTURA BLVD., # 101
 SERRANO OAKS, CA 94231
 TEL: (925) 789-2788

APPLICANT & SUBMITTER: RALPH A. AUSTIN
 REAL ESTATE BROKER
 LAND DEVELOPMENT
 700 E. OCEAN AVENUE
 LONG BEACH, CA 90802
 (714) 771-1800

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

AGENDA ITEM ()
APR 21 1999

ACCEPTING WATER AND SEWER IMPROVEMENTS FOR
APN 92-341-014

Upon completion of a developer's project, the District accepts improvements of the project when requirements are met. The developer (Newdoll) for APN 92-341-014, a 22-lot development on So. Frontage Rd. at Southland Rd., has installed water and sewer improvements and has met the District's conditions of installing the improvements, paid associated fees and provided the necessary paperwork, including the Offer of Dedication and the Engineer's Certification. Attached is a resolution accepting the water and sewer improvements for APN 92-341-014.

It is staff's recommendation that your Honorable Board approve Resolution 99- APN 92-341-014.

C:\W:Bd99\Accept APN 92-341-014.DOC

RESOLUTION NO. 99- Honey Grove

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING THE WATER AND SEWER IMPROVEMENTS
FOR APN 092-341-013 & 014 (Honey Grove Lane-Newdoll)**

WHEREAS, on May 24, 1990, the District Board of Directors did conditionally approve water and sewer improvements for APN 092-341-013 & 014, a 22 lot development on Honey Grove Lane, and

WHEREAS, the District approved and signed the construction plans on July 9, 1998, for the water and sewer improvements to be constructed, and

WHEREAS, the water and sewer improvements have been constructed and said improvements are completed and certified by their engineer, and

WHEREAS, on January 11, 1999, the Owner offered the water and sewer improvements to the Nipomo Community Services District, and

WHEREAS, this District has accepted such offer without obligation except as required by law, and

WHEREAS, all water and sewer fees for service, required in conformance with District Ordinances, have been paid in full for the 22 lot development, APN 092-341-013 & 014, on Honey Grove Lane, and

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

That the water and sewer improvements constructed to serve the 22 lots created by APN 092-341-013 & 014, on Honey Grove Lane are accepted by this District.

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 21st day of April 1999.

Robert Blair, President
Nipomo Community Services District

ATTEST:

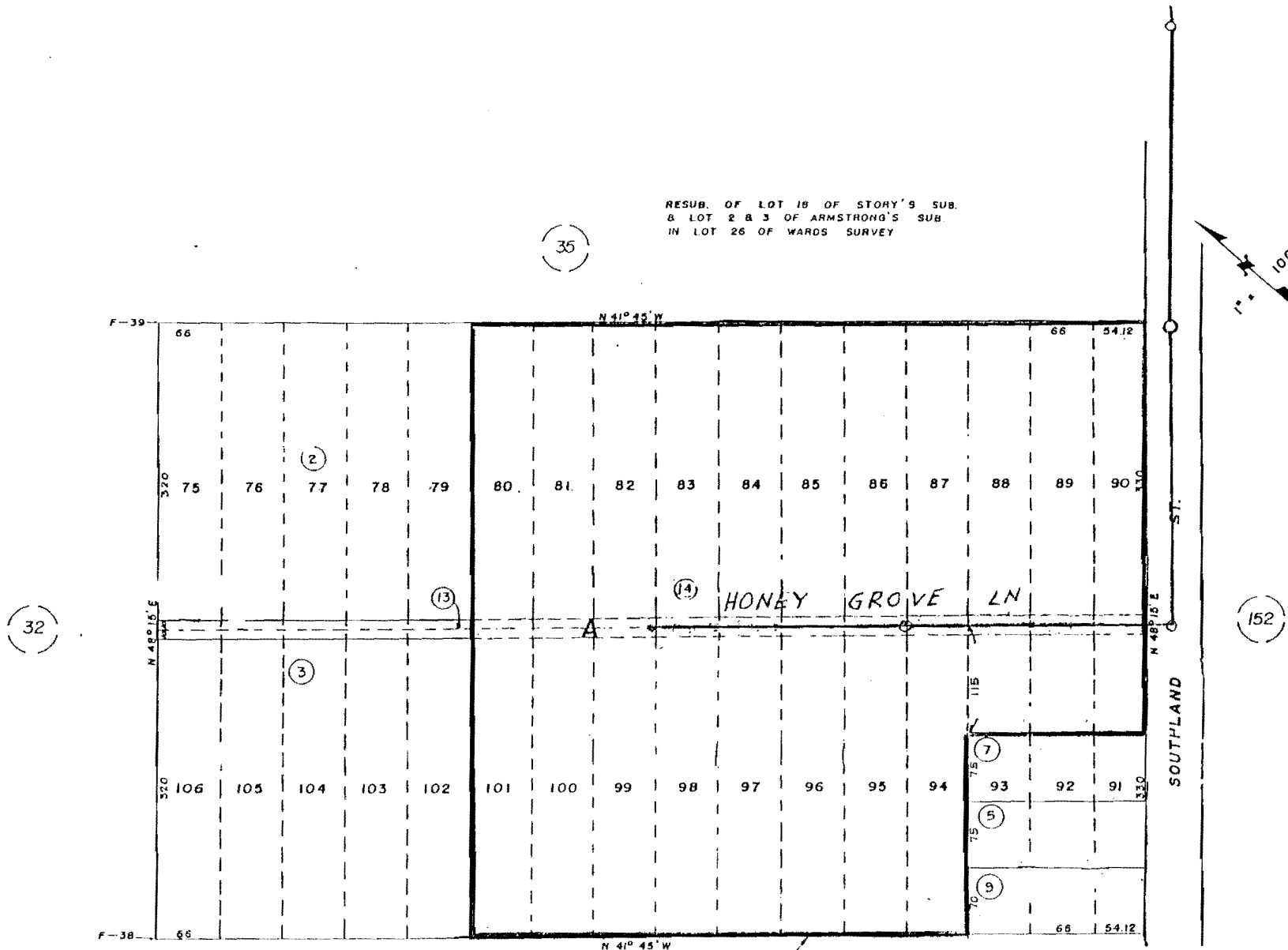
APPROVED AS TO FORM:

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
General Counsel

RESUB. OF LOT 18 OF STORY'S SUB.
 & LOT 2 & 3 OF ARMSTRONG'S SUB.
 IN LOT 26 OF WARDS SURVEY

92-34



AGENDA ITEM
APR 21 1999

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM
(PERS)

ITEM

At the Regular meeting of March 3, 1999, your Honorable Board directed staff to proceed with amending the District's contract with PERS to provide a 2% at 55 full formula for miscellaneous members. A Resolution of Intention to approve an amendment to the contract was previously adopted (3/19/99) by your Honorable Board. The final Resolution to Amend PERS Contract is presented for approval.

DISCUSSION

NCSD is a member of the California Public Employee's Retirement System (PERS). The District's current contract with PERS is called 2% at 60 full formula. This refers to the formula used to determine the benefits received upon retirement (the formula utilizes the following-number of years of service, final compensation and age at retirement). By adjusting the contract to 2% at 55, it would allow an employee to retire at an earlier age. Earlier retirement may provided the District with benefits such as reduced cost for tenured employees, possibly less workers compensation claims, assist in the recruitment of employees and greater loyalty. It has been a general trend in our culture towards younger retirement and this includes the public sector. It should be noted that this change would not have any affect on employees over the age of 63.

PERS performed an actuarial valuation analysis for the 2% at 55 and determined that the change in the employer contribution rate would be 1.782% per year. This would bring the employer's contribution to 6.793%. There would not be, however, any out-of-pocket cost to the District for this change for twelve years due to the excess assets the District has on deposit with PERS. The excess assets were created primarily from legislative changes made by the state on how PERS actuarial valuations are conducted. Currently, the District's contribution rate is 0% and that would be expected to continue for twelve years.

RECOMMENDATION

It is staff's recommendation that the Board adopt the attached resolution approving the amendment to the contract to the PERS contract for the 2% at 55 modification..

C:\W:\Bd2\PERS RES.DOC

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
Board of Directors
Nipomo Community Services District

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective October 1, 1975, and witnessed August 13, 1975, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 9 are hereby stricken from said contract as executed effective October 1, 1975, and hereby replaced by the following paragraphs numbered 1 through 11 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after October 1, 1975 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Employees other than local safety members (herein referred to as local miscellaneous members).
4. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

NO ADDITIONAL EXCLUSIONS

5. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
6. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20965 (Credit for Unused Sick Leave).
7. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.
8. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members of said Retirement System.
9. Public Agency shall also contribute to said Retirement System as follows:
 - a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

10. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
11. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, 19_____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS
NIPOMO COMMUNITY SERVICES
DISTRICT

BY _____
KENNETH W. MARZION, CHIEF
ACTUARIAL & EMPLOYER SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Actuarial and Employer Services Division
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(916) 326-3420

**CERTIFICATION
OF
FINAL ACTION OF GOVERNING BODY**

I hereby certify that the Board of Directors of the
(governing body)
Nipomo Community Services District
(public agency)

adopted on _____, by an affirmative vote of a majority of the members of said
(date)

Governing Body, Resolution No. _____ approving the
(Ordinance or Resolution)

attached contractual agreement between the Governing Body of said Agency and the Board of
Administration of the California Public Employees' Retirement System, a certified copy of said
Resolution in the form furnished by said Board of Administration
(Ordinance or Resolution)

being attached hereto.

Clerk/Secretary

Secretary to the Board of Directors
Title

Date _____

AGENDA ITEM
APR 21 1999

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

STAFF SAFETY MEETING MINUTES

On March 25, 1999, a safety meeting was held to view a Y2K video and discuss Y2K issues. The minutes from the meeting are attached for the Board's review and acceptance.

A motion would be in order, followed by a voice vote to accept and file the Safety Minutes.

Bd99/safetyminutes32599.doc

**NIPOMO COMMUNITY SERVICES DISTRICT
261 WEST DANA, SUITE 101
PO BOX 326
NIPOMO, CA 93444-0326
(805) 929-1133 FAX (805) 929-1932**

NIPOMO CSD SAFETY MINUTES

Date: March 25, 1999

Present: Lee Douglas, Butch Simmons, Ernest Thompson, Rick Motely, Doug Jones, Lisa Bognuda, Donna Johnson and Kathy Beltran

A Y2K video from SDRMA was shown. The employees discussed Y2K issues and Doug handed out a Y2K checklist. The checklist lists potential Y2K issues with District equipment. The equipment should be verified that it is Y2K compliant. A contingency plan was discussed and will be prepared. If anyone has any suggestions or comments on Y2K, they should tell Doug

Present for the second video was Lee Douglas, Butch Simmons, Ernest Thompson and Rick Motely. The video was on driving safety-When you Least Expect It.

Adjournment.

Safety/32599.doc

APR 21 1999

TO: BOARD OF DIRECTORS
FROM: LISA BOGNUDA
DATE: APRIL 21, 1999

THIRD QUARTER FINANCIAL STATEMENTS

Attached are the Consolidated Balance Sheet as of March 31, 1999 and the Consolidated Income Statement for the nine months ended March 31, 1999. Also, attached is the summary of revenues and expenses and cash balances for each fund as of March 31, 1999 and March 31, 1998. The prior year is presented for comparison purposes. If you would like a balance sheet and income statement for each fund, please let me know.

The fiscal year is 75% complete with three months remaining. The Consolidated Income Statement summarizes the District's operations for the first nine months of the fiscal year. The total operating revenues are 84% of the budgeted amount and total operating expenditures are 69% of the budgeted amount.

SUMMARY OF REVENUES AND EXPENSES BY FUND
NINE MONTHS ENDED MARCH 31, 1999

FUND	FUND #	YTD REVENUES	YTD EXPENSES	FUNDED REPLACEMENT	3/31/99	COMPARISON
					YTD NET INC/ (NET LOSS)	03/31/98 YTD NET INC/ (NET LOSS)
Administration	110	80,740	(80,740)		0	0
Town Water	120	816,243	(637,676)	(77,328)	101,239	99,724
Town Sewer	130	354,409	(193,472)	(70,317)	90,620	102,138
Blacklake Water	140	168,917	(82,235)	(7,497)	79,185	72,247
Blacklake Sewer	150	69,877	(66,369)	(4,878)	(1,370)	(9,832)
Blacklake Streetlighting	160	12,655	(13,554)		(899)	943
Drainage Maintenance	170	10,664	0		10,664	8,330
Sewer Maint Dist (Folkert Oaks)	180	15,413	(895)		14,518	13,533
Montecito Verde II	190	5,734	(263)		5,471	6,456
Property Taxes	210	111,737	(610)		111,127	96,054
Town Water Capacity Fees	220	27,631	0		27,631	28,760
Town Sewer Capacity Fees	230	82,943	(3,294)		79,649	18,734
Blacklake Water Capacity Fees	240	4,245	0		4,245	7,244
Funded Replacement-Town Water	800	13,418	0	77,328	90,746	86,669
Funded Replacement-Town Sewer	801	16,932	0	70,317	87,249	83,545
Funded Replacement-BL Water	802	1,511	0	7,497	9,008	8,614
Funded Replacement-BL Sewer	803	937	0	4,878	5,815	5,561
TOTAL		1,794,006	(1,079,108)	0	714,898	628,720

CASH BALANCE OF EACH FUND
AS OF MARCH 31, 1999

FUND	FUND #	CASH BALANCE 03/31/99	COMPARISON CASH BALANCE 03/31/98
Administration	110	(453)	(11,378)
Town Water	120	187,203	292,306
Town Sewer	130	474,955	338,649
Blacklake Water	140	587,050	490,974
Blacklake Sewer	150	(2,249)	(2,563)
Blacklake Streetlighting	160	50,338	50,666
Drainage Maintenance	170	121,314	106,866
Sewer Maint Dist (Folkert Oaks)	180	162,006	143,159
Montecito Verde II	190	45,794	40,144
Property Tax	210	113,022	0
Town Water Capacity Fees	220	577,635	643,321
Town Sewer Capacity Fees	230	2,255,860	1,922,515
Blacklake Water Capacity Fees	240	64,597	126,846
Funded Replacement-Town Water	800	381,910	262,448
Funded Replacement-Town Sewer	801	466,610	351,559
Funded Replacement-BL Water	802	42,338	30,470
Funded Replacement-BL Sewer	803	26,378	18,719
SUBTOTAL		5,554,308	4,804,701

CUSTODIAL FUNDS-A/D #93-1

A/D-Redemption Fund	820	25,459	130,872
A/D-Reserve Fund	820	112,859	105,526
SUBTOTAL		138,318	236,398

GRAND TOTAL 5,692,626 5,041,099

Period Ending: 03/31/99
FISCAL YR 99

BALANCE SHEET
NIPOMO COMMUNITY SERVICES DIST

09:41:37 Page 1
Report Date: 04/15/99
(Consolidated) 100 - 803

	Current Balance	Year's Beg. Bal.	Change	Cur Month Last Year	Change	% of Change
ASSETS						
CURRENT ASSETS						
Cash on Hand	350	350	0	350	0	0
1040 Cash-Checking	2,028	-228	2,256	-420	2,448	%-583
1045 Cash-Savings	15,499	12,697	2,801	7,530	7,968	105
1050 Cash-SRF Checking	57	0	57	0	57	0
1051 Cash-SRF Savings	117,628	0	117,628	0	117,628	0
1080 Cash in L.A.I.F.	5,549,766	5,241,242	308,523	5,024,425	525,341	10
1081 Cash-Fiscal Agent	7,298	13,260	-5,963	9,215	-1,917	-21
Due To/From Cash Pool	-138,318	-308,759	170,441	-236,398	98,080	-42
1210 Accounts Receivable-Water/Sewer	54,981	50,607	4,374	44,811	10,170	22
1220 Unbilled Water Sales Receivable	136,000	136,000	0	172,000	-36,000	-21
1221 Unbilled Sewer Sales Receivable	52,000	52,000	0	44,000	8,000	18
1260 Prepaid Insurance	5,528	0	5,528	6,594	-1,066	-17
1340 Due from SWRCB	181,203	0	181,203	0	181,203	0
Due To/From Other Funds	0	0	0	0	0	%-100
TOTAL CURRENT ASSETS	5,984,017	5,197,169	786,848	5,072,107	911,910	17
FIXED ASSETS						
Property, Plant and Equipment	21,707,308	20,801,259	906,049	19,434,737	2,272,571	11
1590 Accumulated Depreciation	5,106,622	5,139,158	-32,537	4,518,354	588,268	-13
NET FIXED ASSETS	16,600,686	15,662,101	938,586	14,916,383	1,684,303	11
OTHER ASSETS						
1800 Accrued Interest Receivable	67,378	68,703	-1,325	68,257	-879	-2
1833 Deposit-W/C Insurance	2,848	2,700	148	2,700	148	5
1835 Notes Receivable-M.V. I	79,940	89,379	-9,439	91,454	-11,513	-13
1840 Loan Fees(Matching)-SRF Loan	116,230	0	116,230	0	116,230	0
TOTAL OTHER ASSETS	266,396	160,783	105,614	162,410	103,986	64
TOTAL ASSETS	22,851,100	21,020,053	1,831,047	20,150,900	2,700,200	13
LIABILITIES AND FUND EQUITY						
CURRENT LIABILITIES						
2100 Accounts Payable	61,128	113,367	-52,239	37,214	23,915	64
2101 Compensated Absences Payable	36,731	36,731	0	32,805	3,926	11
2115 Construction Meter Deposits	4,000	3,250	750	3,000	1,000	33
2116 PCI Deposit	9,839	-704	10,543	672	9,167	999

BALANCE SHEET
 NIPOMO COMMUNITY SERVICES DIST

	Current Balance	Year's Beg. Bal.	Change	Cur Month Last Year	Change	% of Change
2117 Deposit-Pomeroy Rd Lowering	24,170	24,170	0	24,170	0	0
2118 Maintenance Guarantee Deposit	7,000	7,000	0	5,000	2,000	40
2121 Retention Payable	31,946	0	31,946	23,717	8,229	34
2160 Deferred Revenues	6,300	6,300	0	6,300	0	0
2170 Bonds Payable-Current Portion	6,000	6,000	0	6,000	0	0
TOTAL CURRENT LIABILITIES	187,114	196,114	-9,000	138,877	48,236	34
LONG TERM LIABILITIES, LESS CURRENT PORT						
2220 Water Revenue Bonds Payable-1978	189,000	189,000	0	195,000	-6,000	-4
2230 Note Payable-Walsh/Shiffrar	0	50,000	-50,000	50,000	-50,000	-100
2240 Note Payable-SRF Loan	697,367	0	697,367	0	697,367	0
TOTAL LONG TERM LIABILITIES	886,367	239,000	647,367	245,000	641,367	261
TOTAL LIABILITIES	1,073,481	435,114	638,367	383,877	689,603	179
FUND EQUITY						
3100 Contributed Capital-Assets	5,153,747	5,153,747	0	4,166,212	987,535	23
3101 Contrib Cap-Capacity Fees(CY)	477,780	469,195	8,585	279,685	198,095	70
3102 Contrib Cap-Capacity Fees(PY)	7,172,261	6,703,066	469,195	6,703,066	469,195	6
3103 Contributed Capital-Right of Way	31,600	31,600	0	31,600	0	0
3104 Contributed Capital-Assess Dist	1,631,597	1,631,597	0	1,665,670	-34,073	-3
3110 Capital Grants-Federal and State	3,351,183	3,351,183	0	3,437,607	-86,424	-3
3120 R/E-Reserved	570,249	570,249	0	337,723	232,526	68
3121 R/E-Reserved (Debt Service)	15,600	15,600	0	15,600	0	0
3122 R/E-Reserved (Emergencies)	50,000	50,000	0	50,000	0	0
3123 R/E-Reserved (Sewer Grant)	165,000	165,000	0	150,000	15,000	10
3130 R/E-Unreserved	2,443,702	2,443,702	0	2,301,137	142,565	6
NET INCOME/LOSS	714,900	0	714,900	628,722	86,178	13
TOTAL FUND EQUITY	21,777,619	20,584,939	1,192,680	19,767,023	2,010,596	10
TOTAL LIABILITIES AND FUND EQUITY	22,851,100	21,020,053	1,831,047	20,150,900	2,700,200	13

UNAUDITED REPORT

Period Ending: 03/31/99
 FISCAL YR 99

INCOME STATEMENT
 NIPOMO COMMUNITY SERVICES DIST

09:42:42 Page 3
 Report Date: 04/15/99
 (Consolidated) 100 - 803

	Total Budget	Cur Month Last Year	Current Month	YTD Total	% of Budget	Last Year YTD
REVENUES						
Water Sales	972,000	44,780	66,139	781,745	80	764,347
Sewer Revenues	510,400	33,742	40,955	406,512	79	371,048
Fees and Penalties	22,000	1,835	1,736	20,530	93	18,425
4220 Meter Fees	21,800	1,870	340	36,689	168	18,700
4240 Water Connection Fees	760	0	0	2,280	300	760
4250 Plan, Check and Inspection Fees	5,000	100	100	4,685	94	12,417
4265 Sewer Lift Station	5,000	0	0	4,500	90	4,500
Miscellaneous Income	46,000	75	-3,274	2,542	5	4,999
4292 Administrative Fee	0	1,305	0	3,175	0	8,013
4295 Streetlighting Income	16,320	1,566	1,188	10,634	65	10,192
4310 Annexation Fees	0	0	0	1,500	0	3,400
4330 Reimb of Fees by Tracts	0	0	0	2,664	0	10,618
4700 Settlement Income	0	0	0	106,000	0	0
4800 Oper Trans In-Admin	93,722	6,651	8,350	75,297	80	63,908
4810 Oper Trans In-Funded Replace	213,360	17,780	17,780	160,020	75	160,004
TOTAL REVENUES	1,906,362	109,703	133,313	1,618,774	84	1,451,330
EXPENSES						
5010 Accounting	3,150	0	0	3,150	100	2,675
50 Advertising	0	0	342	685	0	113
5030 Bank Charges	475	37	58	285	60	149
5035 BL Advisory Committee	500	0	0	0	0	0
5060 Chemicals	15,000	480	0	4,585	31	4,495
5070 Computer Expense	5,500	57	20	2,521	46	5,793
5080 Consulting	16,000	0	0	0	0	0
5090 Director Fees	15,000	1,000	1,600	8,820	59	8,800
5100 Dues and Subscriptions	4,300	442	485	3,402	79	3,309
5110 Education and Training	3,000	451	109	3,391	113	2,522
5112 Engineering	8,500	3,504	233	1,154	14	5,807
5115 Elections	2,500	0	0	177	7	0
5120 Equipment Rental	500	0	246	437	87	24
5123 Fire Alarm	760	60	50	295	39	478
5125 Fuel	6,000	37	311	3,566	59	4,232
5130 Insurance-Liability	23,240	2,198	1,842	18,074	78	20,617
5140 Insurance-Medical/Dental	50,000	3,970	7,337	36,858	74	36,050
5150 Insurance-Workman's Compensation	9,570	2,340	2,111	6,987	73	7,432
5160 Lab Tests and Supplies	14,000	884	13,641	26,022	186	13,536
5165 Landscape and Janitorial	4,500	135	135	4,743	105	743
5170 Legal	30,000	0	0	11,206	37	12,997
5171 Legal-Litigation	100,000	8,063	0	89,052	89	84,193
5172 Legal-Water Counsel	10,000	0	8,381	9,611	96	0
5190 Meters-New	6,000	0	0	5,295	88	3,040
5195 Meters-Replacement Program	18,165	0	0	4,675	26	11,296

INCOME STATEMENT
 NIPOMO COMMUNITY SERVICES DIST

	Total Budget	Cur Month Last Year	Current Month	YTD Total	% of Budget	Last Year YTD
520 Miscellaneous	2,500	78	0	641	26	524
5210 Newsletter	500	225	985	985	197	225
5220 Office Supplies	6,000	153	56	2,552	43	3,841
5230 Outside Services	21,600	1,543	742	9,650	45	13,092
5235 Outside Service-PB Repairs	85,000	0	11,550	95,448	112	0
5240 Operating Supplies	25,000	1,201	601	14,461	58	18,104
5250 Paging Expense	1,600	98	196	1,017	64	948
5280 Permits and Operating Fees	9,450	3,639	14	4,553	48	7,359
5290 Postage	7,000	1,232	1,634	5,336	76	4,022
5300 Printing	2,000	541	327	1,440	72	1,517
5310 Public and Legal Notices	1,500	0	0	326	22	596
5320 Rent	2,800	206	412	2,059	74	5,813
5330 Repairs & Maintenance-Vehicles	5,570	3,224	109	4,034	72	5,825
5340 Repairs & Maintenance-Building	2,350	0	1	79	3	155
5345 Repairs & Maintenance-Office	0	45	42	963	0	519
5350 Repairs & Maintenance-Water	23,340	4,449	6,250	21,828	94	10,658
5360 Repairs & Maintenance-Sewer	76,240	0	6,207	53,235	70	22,296
5365 Repairs & Maintenance-Misc.	0	0	0	87	0	0
5370 Retirement Benefits	23,785	1,897	1,800	16,520	69	16,998
5400 Taxes-Payroll	13,000	4,045	2,340	8,397	65	9,483
5405 Property Taxes	790	0	258	330	42	223
5410 Telephone	5,000	273	292	2,689	54	3,651
5420 Travel and Mileage	5,500	553	316	6,426	117	4,055
5430 Underground Notification	800	106	0	481	60	548
5440 Uniforms	2,430	0	0	1,471	61	1,646
545 Utilities-Electricity	286,500	16,406	12,902	199,611	70	195,022
545 Utilities-Electricity(StLight)	17,500	1,136	1,384	12,301	70	10,238
5460 Utilities-Gas	38,495	86	186	916	2	572
5465 Utilities-Trash Collection	1,195	55	55	493	41	465
5470 Wages-Office and Management	178,125	14,386	14,575	131,172	74	129,478
5480 Wages-O.T.-Office and Management	2,000	49	174	819	41	1,111
5500 Wages-Maintenance	163,630	12,720	11,135	106,594	65	113,353
5510 Wages-O.T.-Maintenance	35,000	2,363	1,845	21,630	62	23,782
TOTAL EXPENSES	1,392,860	94,367	113,289	973,536	69	834,418
EXCESS REV. OVER EXP.	513,502	15,336	20,024	645,238	125	616,913
OTHER INCOME AND EXPENSES						
OTHER INCOME						
Interest Income	110,900	68,353	68,088	210,770	190	199,838

Ending: 03/31/99
 LOCAL YR 99

INCOME STATEMENT
 NIPOMO COMMUNITY SERVICES DIST

11:39:24 Page 5
 Report Date: 04/15/99
 (Consolidated) 100 - 803

	Total Budget	Cur Month Last Year	Current Month	YTD Total	% of Budget	Last Year YTD
6175 Tax Revenues	173,000	8,839	10,204	121,734	70	104,787
6191 Gain/Loss on Sale of Assets	0	0	0	2,628	0	0
TOTAL OTHER INCOME	283,900	77,192	78,292	335,132	118	304,625
OTHER EXPENSES						
6500 Interest Expense	10,000	0	0	8,125	-81	7,251
6600 Other Expense	0	0	0	22,027	0	61,652
6800 Contingency-Budgeted	5,000	0	0	0	0	0
6901 Oper Trans Out-Admin	93,722	6,651	8,350	75,297	-80	63,908
6950 Oper Trans Out-Funded Replace	213,360	17,780	17,780	160,020	-75	160,004
TOTAL OTHER EXPENSES	-322,082	-24,431	-26,130	-265,470	82	-292,816
TOTAL OTHER INCOME AND EXPENSES	-38,182	52,762	52,162	69,662	%-183	11,809
EXCESS REV.& OTHER OVER EXP.	475,320	68,098	72,186	714,900	150	628,722

UNAUDITED REPORT

TO: BOARD OF DIRECTORS

FROM: DOUG JONES

DATE: APRIL 21, 1999

INVESTMENT POLICY - QUARTERLY REPORT

The Board of Directors have adopted an Investment Policy for NCSD which states that the Finance Officer shall file a quarterly report that identifies the District's investments and their compliance with the District's Investment Policy. The quarterly report must be filed with the District's auditor and considered by the Board of Directors.

Below is the March 31, 1999 Quarterly Report for your review. The Finance Officer is pleased to report to the Board of Directors that the District is in compliance with the Investment Policy.

After Board consideration and public comment, it is recommended that your Honorable Board accept the quarterly report by motion and minute order.

NIPOMO COMMUNITY SERVICES DISTRICT
INVESTMENT POLICY - QUARTERLY REPORT 3/31/99

The District's investments are as follows:

TYPE OF INVESTMENT	INSTITUTION	DATE OF MATURITY	AMOUNT OF DEPOSIT 3/31/99	RATE OF INTEREST	ACCRUED INTEREST 3/31/99
Money Market Checking	Mid-State Bank	n/a	\$6,825.30	1.01%	\$0.00
Savings	Mid-State Bank	n/a	\$15,498.53	2.54%	\$0.00
Pooled Money Investment	Local Agency Investment Fund	n/a	\$5,549,765.94	5.19%	\$69,505.95

n/a = not applicable

As District Finance Officer and Treasurer, I am pleased to inform the Board of Directors that the District is in compliance with the 1999 Investment Policy and that the objectives of safety, liquidity, and yield have been met. The District has the ability to meet cash flow requirements for the next six months.

Respectfully submitted,


Doug Jones
General Manager and
Finance Officer/Treasurer

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

MANAGER'S REPORT

1. DRAFT 1999-2000 FISCAL YEAR BUDGET

Attached for the Board's review is the draft 1999-2000 Fiscal Year Budget. It is recommended that the Finance Committee review the budget with staff and bring the recommendation back to the full Board.

2. SACRAMENTO GOVERNMENT AFFAIRS DAY, MAY 17, 1999

Enclosed is a flyer on the Sacramento Government Affairs Day to be held on May 17, 1999. If any Board member would like to attend, please notify staff and arrangements will be made.

3. DESALINATION ARTICLE FROM CHEM. ENGINEER

Enclosed is an article from Chemical Engineering Magazine about desalination of sea water. Note that the cost of sea water is getting down to \$600-\$700 per acre foot.

4. CORRESPONDENCE FROM LANDOWNERS GROUP

Enclosed is correspondence from Mr. John Snyder representing the Landowners Group, which has filed a suit against the District.

C:\W:\Bd99\MR042199.DOC

Sacramento Government Affairs Day

Monday, May 17, 1999

8:45 a.m. to 3:00 p.m.

SACRAMENTO CONVENTION CENTER

1400 J Street, Rooms 202 & 204, Sacramento, California

TENTATIVE AGENDA

- 8:00 - 8:45 a.m. REGISTRATION/CHECK-IN
- 8:45 - 9:00 a.m. WELCOME AND INTRODUCTIONS
- 9:00 - 9:30 a.m. **Tim Gage, Director, Department of Finance*** - The Fiscal State of the State
- 9:30 - 10:15 a.m. **Senator Steve Peace** - Local Government Finance Forums & Future Public Policy Responses
- 10:15 - 10:45 am. **Lt. Governor Cruz Bustamante*** - Governor's Commission on Building for the 21st Century
- 10:45 - 11:15 a.m. **Senator Richard Rainey** - Senate Local Government Committee Issues '99
- 11:15 - 12:00 p.m. **CSDA Legislative Advocate Ralph Heim** - CSDA Legislative Update
- 12:00 - 1:15 p.m. **Legislators Luncheon** - *(Participants are encouraged to invite legislators and/or Capitol staff members as guests to lunch)*
- 1:30 - 2:15 p.m. **Greg Lucas Political Columnist, San Francisco Chronicle** - An Insider's View
- 2:15 - 2:45 p.m. **Senator Jim Costa*** - The Future of California's Water
- 3:00 P.M. WRAP-UP AND ADJOURN

*Invited

REGISTRATION: Register now for the 1999 Sacramento Government Affairs Day by completing the registration form below, and returning it on or before May 7, 1999 to CSDA, 1121 L Street, Suite 508, Sacramento, CA 95814, (916) 442-7887, (916) 442-7889 FAX. Registration requested after May 7, 1999 will be subject to space availability and registration fee increase.

HOTEL ACCOMMODATIONS: If your travel arrangements indicate you will need to stay overnight in Sacramento, the following hotels are close to the Sacramento Convention Center: Hyatt Regency (800) 233-1234; Residence Inn or Courtyard by Marriott (800) 331-3131; Holiday Inn (916) 446-0100 and The Clarion (916) 444-8000.

LEGISLATORS LUNCHEON: Delegates are requested to invite their legislators and/or Capitol staff members to join them at the CSDA Legislators Luncheon. **Delegates must purchase a luncheon ticket for each guest.** CSDA will be coordinating luncheon tables to try and ensure all delegates from a legislative district are seated with an attending legislator or Capitol staff member. If a legislator is unable to attend the luncheon, delegates may want to arrange for an appointment with their legislative representative(s). However, no specific time period is designated for Capitol visits. If you wish to meet with one or more of your legislative representatives or their aides or have them join you at the Legislators' Luncheon on May 17, 1999, please phone each respective Member's Capitol office appointment secretary as soon as possible.

Call CSDA for appropriate telephone numbers or if you have any questions. CSDA staff is available to help you coordinate a luncheon table or an appointment with your legislator(s). If you would like this assistance, please indicate who your representatives are on the registration form. If you know other district representatives in your area who are also attending the Government Affairs Day, you may wish to combine invitations and appointments.

DELEGATES ARE REQUESTED TO INVITE LEGISLATORS AND/OR CAPITOL STAFF MEMBERS TO THE LEGISLATORS LUNCHEON.

CANCELLATION POLICY: Cancellations received on or before May 11, 1999 receive a full refund less a \$25 processing fee. No refunds will be granted for cancellations received after May 11, 1999. If you register by telephone and do not show up or cancel, you will be billed. ALL CANCELLATIONS MUST BE IN WRITING.

PAGE 2

**SACRAMENTO GOVERNMENT AFFAIRS DAY
Registration**

Name _____

District _____

Address _____

City/State/Zip _____

Telephone/FAX _____

Legislative Representatives _____

Charge: VISA MasterCard

Print Account Name _____

Account Number _____ Expiration Date _____

Authorized Signature _____

Registration Fees (all include morning beverages, luncheon and materials)
"Sponsoring member" includes any member of CSDA, CARPD, MVCAC, or CWRA

Before May 7, 1999

Full Registration (Sponsoring Member)	\$100	\$ _____
Full Registration (Non-Sponsoring Member)	\$125	\$ _____

After May 7, 1999

Full Registration (Sponsoring Member)	\$125	\$ _____
Full Registration (Non-Sponsoring Member)	\$150	\$ _____

Extra Luncheon Tickets (for legislators and/or Capitol staff guests)	\$25	\$ _____
--	------	----------

Legislators Luncheon

Delegates are requested to invite their legislators and/or Capitol staff members to join them at the CSDA Legislators Luncheon. **Delegates must purchase a luncheon ticket for each guest.** CSDA will be coordinating luncheon tables to try and ensure all delegates from a legislative district are seated with an attending legislator or Capitol staff member. If a legislator is unable to attend the luncheon, delegates may want to arrange for an appointment with their legislative representative(s). However, no specific time period is designated for Capitol visits. Call CSDA for appropriate telephone numbers or if you have any questions. CSDA staff is available to help you coordinate a luncheon table or an appointment with your legislator(s).

Cancellation Policy

Cancellations received on or before May 11, 1999 receive a full refund less a \$25 processing fee. No refunds will be granted for cancellations received after May 11. If you register by telephone and do not show up or cancel, you will be billed. **ALL CANCELLATIONS MUST BE IN WRITING.**

**RETURN REGISTRATION TO:
 CSDA * 1121 L Street, Suite 508 * Sacramento, CA 95814
 (916) 442-7887 * (916) 442-7889 FAX**

SEAWATER GETS FRESH

**For desalination, reverse osmosis
battles distillation for pole position**

By mid-March, Florida's Tampa Bay Water is expected to select one of four proposals for a 20–25-million gal/d seawater desalination plant to help meet the potable water needs of the three counties and three cities served by the water authority — located, appropriately, in Clearwater. The plant will be the largest of its kind built so far in the U.S., and it is expected to pave the way for more such plants in U.S. coastal cities that have limited options for obtaining freshwater. Also, it will use reverse osmosis (RO) membranes, which are making seawater desalination more practical and affordable through a combination of lower cost and improved performance.

Currently, about two-thirds of the world's seawater desalination is done by distillation, according to the water-treatment company Suez Lyonnaise des Eaux (Paris). However, this is because many of the large plants were built years ago in the Middle East, when RO technology was more expensive and relatively untried. Today, the economics generally favor membranes, which are expected to win an increasing market share. Some believe that RO's share is fast approaching 50%.

Worldwide, there are 10,000 seawater desalination plants, producing 20 million m³/d of water, says Patricia Renaud, head of Lyonnaise's Centre International de Recherche sur l'Eaux et L'Environnement (Cirsee). About 8

million m³/d is for industrial use and 12 million m³/d for drinking water.

Although membranes have found wide use in cleaning up brackish water, whose salt content is roughly 1,500–3,000 ppm, in the past they have been too expensive for seawater because its salt content ranges from 35,000 ppm in major oceans to 46,000 ppm in the Persian Gulf. That's all changed with the development of membranes that are more efficient and less expensive.

New desalination plants are springing up in coastal spots all over the globe: In Mediterranean countries, the Caribbean, the Canary Islands, Singapore, China and now, the U.S. Not only are freshwater supplies limited in such coastal regions as Florida, the Gulf Coast and California, but brackish water supplies are dwindling around the country, says Irving Moch, president of the water consulting firm I. Moch & Associates (Wilmington, Del.). Moch believes that seawater, processed via RO, is a viable replacement for brackish water for industrial use.

Moch has developed cost figures for a 500,000-gal/d water plant for industrial use by RO or mechanical vapor compression (MVC). The RO plant would produce water of less than 10 mg/L total dissolved solids (TDS) at a cost of \$3.06/1,000 gal, versus \$4.11/1,000 gal for MVC.

The layout for the RO plant is typical of RO desalination facilities, except that it has a second set of RO modules to obtain the 10 mg/L TDS requirement (Figure 1). As the flowsheet shows, RO requires more pretreat-

REVERSING A WATER SHORTAGE

The Tampa Bay area, like many locations in the U.S., is faced with a freshwater shortage and limited options for meeting the needs of its population. Until now, Tampa Bay Water has relied on groundwater for its needs, but because of the impact this has had on wetlands, the utility has made an agreement with the Southwest Florida Water Management District to reduce groundwater use from the present 158 million gal/d to 90 million gal/d by 2007.

Between that loss and the increasing demand "we have identified a need for another 85 million gal/d," says Donald Lindeman, the desalination project manager. The 20–25-million-gal/d desalination plant, designed to be expandable to 35 million gal/d, will supply part of the need. For the rest, the authority plans to pump water from three rivers to a 60-million-gal/d treatment plant and store the surplus in an offline reservoir for use in the dry season.

Four proposals were submitted for the desalination plant by teams of companies, three of which include a membrane manufacturer (the fourth team will procure membranes independently). None of the proposals involves distillation. A winner is expected to be approved by the Tampa Bay Water Board at a meeting on Mar. 15. The winning team will build and operate the plant and sell water to Tampa Bay Water under a 30-year contract. RO prices quoted in the proposals range from \$1.71/1,000 gal to \$2.26/1,000 gal for the first year, and are estimated at \$2.08–\$2.71/1,000 gal over 30 years.

The prices show how dramatically the cost of RO has dropped in recent years. "They are about one-third what they were 10 years ago," says Theodore Pappastavros, vice-president for strategic planning with Ionics, Inc. (Watertown, Mass.), one of the membrane companies involved in the proposals. The others are DuPont (Wilmington, Del.) and Hydranautics (Oceanside, Calif.), a subsidiary of Nitto Denko Corp. (Osaka). □

ment than MVC or other distillation methods. Chlorination, for biological control, is followed by dechlorination with sodium bisulfite, as chlorine would damage the membranes. Also, the seawater must be cleaned up by media and cartridge filters to reduce turbidity and minimize fouling.

A major cost in the process is the use of a high-pressure pump to achieve the 850–1,000 psig necessary to overcome seawater's osmotic pressure. This drives 45–50% of the water through the membranes as permeate, leaving a more-concentrated brine that is returned to the sea. However,

Newsfront edited by
Deborah Hairston

MARVELOUS MEMBRANES

Advancements in membrane technology have been the major factor driving demand for desalting plants based on reverse osmosis (graph, p. 35). Improvements in manufacturing methods, coupled with higher-volume production, have helped cut operating costs for membranes, which have to be replaced every 3-5 years.

RO membranes are mostly made of polyamide. Many manufacturers make them in a spiral-wound configuration as polyamide-polysulfone composites, with the polysulfone providing support for the thin-film membrane. The two notable exceptions are DuPont and Toyobo Co. (Osaka), which make hollow-fiber membranes. Other leading membrane makers include FilmTec Corp. (Minneapolis), a subsidiary of Dow Chemical Co. (Midland, Mich.); Hydranautics (Oceanside, Calif.); Koch Membrane Systems, Inc. (San Diego, Calif.); Osmonics, Inc. (Minnetonka, Minn.); Toray Industries, Inc. (Ohtsu City); and Ionics (Watertown, Mass.), which typically uses RO membranes from other suppliers in its systems.

The salt-rejection capability of membranes has been improved. Larry Pelegrin, business development manager for Hydranautics, says the company's membranes are now achieving close to 99.7% salt rejection with seawater, up from about 99.3% a few years ago. Koch claims 99.8% for most of its production.

A more recent development is the use of ultrafiltration (UF) membranes as a more-efficient replacement for the media filters used in pretreatment. Koch has had such a membrane for a few years, but only in the past year or two has it become competitive in cost with conventional filtration, says Robert Blanck, business development manager for industrial water applications. Blanck says the hollow-fiber membrane reduces the salt density index (SDI) of seawater to less than 1, versus 2-5 for conventional filtration, and the turbidity to 0.1 NTU (against 0.2-10.0 NTU). The result is that the through-

put of the RO system may be increased by 20-30%, while the cleaning interval for the RO membranes is extended to 6-8 months or more, from 1-4 months. Hydranautics is also introducing a hollow-fiber UF membrane, and France's Lyonnaise is pilot-testing hollow-fiber UF membranes, in cooperation with several partners. U.S. Filter (Palm Desert, Calif.) says its Memcor microfilters not only remove particles, but bacteria as well. This may avoid the need for chlorine, which damages RO membranes.

Chlorine-resistant membranes

A long-time, but elusive, goal of RO membrane research is the development of chlorine-resistant membranes, to avoid the dechlorination step. DuPont's partial solution to the problem has long been a proprietary protective coating for the hollow fibers of its membranes. Though not truly chlorine-resistant, because the water still has to be dechlorinated, the membranes can tolerate chlorine breakthroughs that might occur. The coating gradually wears off, but is reapplied when dissolved in feedwater.

Toyobo's hollow-fiber membranes are made of triacetate, which is more resistant to chlorine attack than other membrane materials, and can last as long as five years, says the company. Toyobo recently announced development of a thin-wall membrane that can recover 60% of seawater as freshwater in a one-step process.

Likewise, Toray has developed a desalination process that recovers 60% of the feedwater, but in two steps. The first uses a flat aromatic polyamide membrane at 950 psig to achieve 40% recovery. The second uses the same membrane, but of a different structure, at 1,300 psig. Toray says the system reduces water production costs by 15-20%, compared with a one-step method that recovers 40% of the feedwater. The system's viability has been confirmed in a 4,500-m.t./d plant that Toray built in the Canary Islands. □

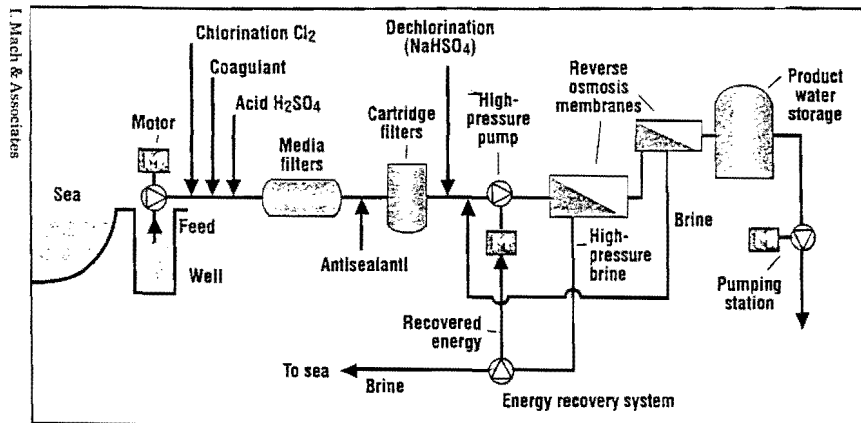


FIGURE 1. In this dual-membrane schematic, brine is rejected from the first RO unit. Before the brine is dumped back into the sea, its energy is recovered and transferred to a motor that pressurizes feedwater to the membranes. Brine rejected from the second RO unit, at a much lower pressure, is recycled to the incoming feed

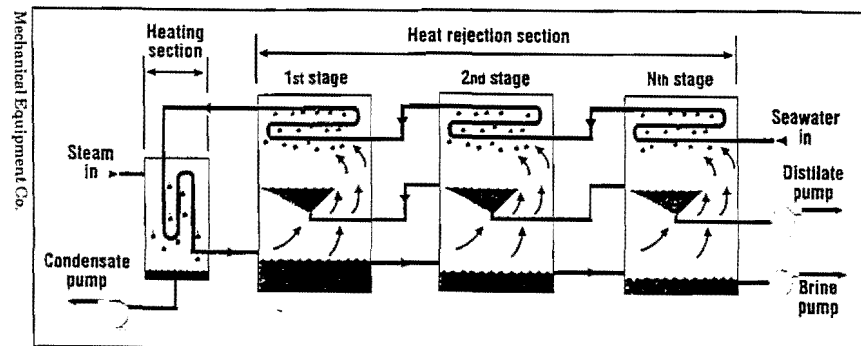


FIGURE 2. In multistage flashing, shown here, preheated seawater enters a flash chamber. Through each successive stage, vapor pressure and temperature are controlled to promote flashing

the cost of pressurizing the feed is offset by recovering energy from the still-pressurized brine to help drive the pump, an innovation that has helped cut operating costs in recent years.

The permeate from a standard RO plant has a TDS of around 250-300 mg/L. This meets drinking-water standards, but requires further treatment for industrial use. In Moch's scheme, the permeate is pressurized to 175-200 psig and fed through low-pressure brackish water RO modules to yield permeate containing less than 10 mg/L TDS, with 85-90% recovery. The rejected brine is recycled to the seawater feed line.

Paul Choules, sales manager for Mechanical Equipment Co. Inc. (MECO; New Orleans, La.), a manufacturer of water-purification equipment and plants, agrees that improvements in RO have swung the economics in favor of that technology, particularly for a stand-alone facility. Still, he says the decision on whether to use RO or distillation is site specific.

For example, he notes that many large distillation plants are associated with power plants, where they can use the available waste heat and share the seawater intake facilities. He adds that distillation may be better where salinity is above 40,000 ppm TDS, or

Newsfront

where there are wide variations in the water temperature, which alters the osmotic pressure. Such is the case in the Persian Gulf, where Weir Westgarth Ltd. (Glasgow, U.K.) and the ABB Group (Zurich) are building a desalination plant based on multistage flashing (MSF) at Ras Abu Fontas, Qatar, reports Bono Exacta, a unit of the Cannon Group (Milan). Bono will supply chemical dosing systems.

The principle behind MSF is that if the pressure of the seawater is suddenly reduced below its equilibrium vapor pressure, explosive boiling or evaporation will occur, says MECO's Choule. This pressure reduction is achieved by introducing the seawater into a chamber through an orifice.

MSF requires an external heat source to add energy to the system (Figure 2). This is normally done in a brine heater. After exiting the heater, the seawater enters the first flash chamber. Vapor pressure and temperature are controlled to promote flashing in each successive stage. Due to the turbulent nature of the evaporation, the surface area of the water exposed is increased. The vapor produced is condensed, giving up its heat to preheat the incoming seawater.

Another approach is multi-effect distillation (MED). Preheated seawater is sprayed onto the heat-transfer area of a single-effect evaporator. The resulting vapor is transferred to the second, and, ultimately, the final effect. Vapor generated in each effect can be used as the motive steam in successive effect, which operate at progressively lower temperatures and pressures. Brine from the first effect is pumped and sprayed on the heat transfer area of the successive effects, creating more vapor.

Power requirements are higher for distillation methods than for RO, says Choules. The power needed to produce 1,000 gal of desalinated water is 22 kWh for RO, 38 kWh for MVC, 8 kWh for thermocompression and MED, and 16 kWh for MSF. However, the latter three also require steam, at an economy of 1 lb of steam for 7–12 lb of water. "But if you go from 7 lb to 12 lb the size of the plant will almost double," says Choule.

AquaGen International (Laguna Hills, Calif.), a newcomer to the field,

THE U.S. PUSHES DESALINATION TECHNOLOGY

The drive to develop better and less-expensive desalination technology has caught the attention of the U.S. Government through the Water Desalination Research & Development Program. Now in its second year, the program was authorized by the Water Desalination Act of 1996 and is administered by the U.S. Bureau of Reclamation's office in Denver, Colo.

Under the program, the cost of R&D projects is shared with institutions, typically on a 50–50 basis, says Stanley Hightower, manager of Reclamation's water-treatment engineering and research group. In the first year, \$3.7 million was allocated to the program. Funding for the current fiscal year, which began last Oct. 1, is \$2.5 million. So far, there are 18 projects under way, covering a variety of technologies.

For example, Vari-Power Co. (Encinitas, Calif.) is working with Science Applications International Corp. (San Diego, Calif.) to test a novel energy-recovery system for reverse osmosis (RO). In RO, seawater has to be pressurized to around 1,000 psig to overcome its osmotic pressure, yielding about 50% fresh water from the feedwater. The more-concentrated reject water, still under pressure, is used to help pressurize fresh feedwater. In conventional RO systems, the energy recovery is 50–60%, says Will Childs, president of Vari-Power, but his system recovers 90% (p. 23). Reclamation's Yuma, Ariz., center will soon start testing of a system that combines RO with an electromagnetic field to minimize fouling and scaling (p.23). The technology was developed by Mineral Water Development Pty. Ltd. (Stellenbosch, South Africa).

A membrane that works by vapor pressure, rather than osmotic pressure, is being tested by the University of Texas at El Paso. Developed by Scarab Development AB (Stockholm, Sweden), the proprietary membrane is hydrophobic, but allows water to pass in the vapor phase, says Charles Turner, a professor of civil engineering. The key elements are that it works by temperature differential and at low temperatures (40–90°C), so that it can be driven by low-grade heat, such as solar energy. In another project, the university is working on an evaporator that will be driven by waste brine from salinity-gradient solar ponds, in which concentrated brine is trapped at the bottom of the pond and heated to temperatures close to boiling in summer.

Reclamation has also developed an in-house electro dialysis technology that uses photovoltaic cells to power an electrochemical cell containing closely packed membranes. It is said to use 1/5th to 1/10th the power of an equivalent conventional unit. □

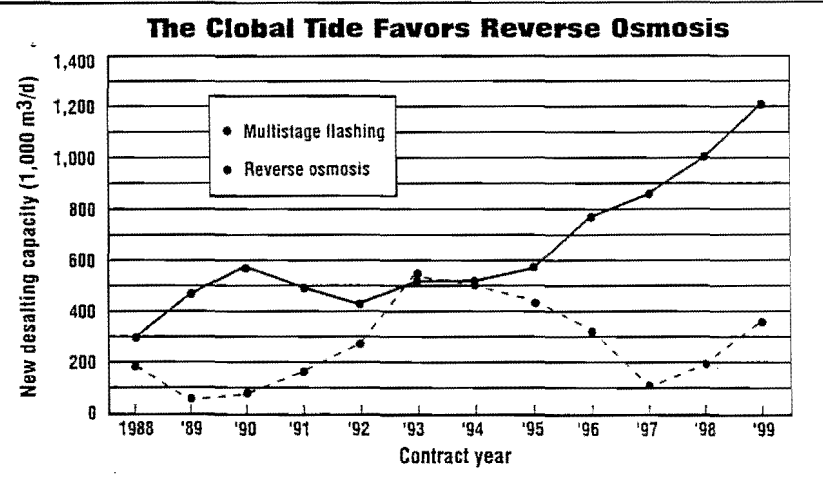


FIGURE 3. Since 1995, most new capacity for desalination plants has been based on reverse osmosis

has developed a more-efficient MED process that it claims can produce 24 lb of water per lb of steam. The company's first commercial plant, producing 125,000 gal/d of distillate, went into operation last month at Singapore Power's Pulau Seraya power station.

Dieter Emmermann, AquaGen's vice-president of engineering, says the process uses a vertical-tube, falling-film evaporator, with serrated-profile tubes of aluminum alloy. "We get five or six times the heat transfer rate you would get with a smooth tube." The

cost of the produced water is about \$2.50/1,000 gal, he says, but would be about \$1.50–\$1.75/1,000 gal for a 50-million-gal/d plant.

Still, Moch believes that if power is available, RO is competitive with distillation on any scale and that seawater will become the raw material for a significant portion of the industrial water used in the U.S. Says Moch: "It's a question of when, not if." ■

Gerald Parkinson,
with Charlene Crabb
and Takeshi Kamiya

International Desalination Assoc., Inventory Report No. 15, James Likens, West Neck Strategies

\$590 to 815/h

Landowner Group

..a & Records Collection: John Snyder
P.O. Box 1127
Nipomo, California 93444
(805) 929-4153

APR 5 1999

NIPOMO COMMUNITY
SERVICES DISTRICT

Steering Committee
Peter Adam
Larry Ferini
John Snyder

March 31, 1999

Nipomo Community Services District
148 Wilson Street
P.O. Box 326
Nipomo, CA 93444

(805) 929-1133 Phone
(805) 929-1932 Fax

Re: Request to Inspect and Copy Public Records

Dear Mr. Douglas Jones:

This letter is a request to inspect public records which are in the possession of the Nipomo Community Services District pursuant to the California Public Records Act (Govt. Code §§6250, et seq.). Following the inspection, we may request copies of some or all of the records. In the event we request copying by the Nipomo Community Services District we will, at that time, tender any required copying charges. However, we reserve the right to have copies of the records made at your location by an independent copying service of our choosing.

Please make the records available for inspection beginning on **April 15, 1999 at 10:00 a.m.** Unless we are notified otherwise, we shall expect that the records will be available for inspection in the office of the City Clerk.

The following is a list of the reasonably identifiable public records which we desire to inspect on or after **April 15, 1999**:

1. Any and all letters sent or as a result of the discussion in the March 31, 1999 NCS D board meeting Item 8.2 Water Rights Letter – Draft (see attached draft)
2. Any and all data bases used for the <<FirstName>>, <<LastName>>, <<Address1>>, <<City>>, <<State>>, <<PostalCode>>, <<Project>>, <<Description>> or <<Letter_Type>>. Merge fields in creating the letters.

If a portion of the information contained in the records we have requested is exempt from disclosure by express provisions of law, Govt. Code §6254 requires segregation and deletion of that material in order that the remainder of the information may be released.

Please take note that Govt. Code §6256 requires the Nipomo Community Services District to determine, within ten (10) days after receipt of this request, whether the City will comply with this request. If the City decides not to comply with all or any portion of this request, Govt. Code §6256 requires notification to us of the reasons for the determination not later than ten (10) days from your receipt of this request. Further, Govt. Code §6256.2 prohibits the use of any provision of the Public Records Act to delay access for the purposes of inspecting public records. Govt. Code §6256.2 also requires that any notification of denial of this request for records must set forth the names and titles or positions of each person responsible for the denial.

Thank you for your timely attention to our request.



RECEIVED

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

DRAFT 1999-2000 FISCAL YEAR BUDGET

Attached is the Draft 1999-2000 Fiscal Year Budget. It is recommended that the Finance Committee meet with Staff for a detailed review of the Budget in the next few weeks.

OVERVIEW OF OPERATING BUDGET

Budgeted Operating Revenues-all funds combined	\$1,678,380
Budgeted Operating Expenditures-all funds combined	<u>(1,729,655)</u>
Budgeted Operating Deficit	<u>(51,275)</u>

With the exception of the Town Division Water Fund and the Black Lake Division Sewer Fund, all other Funds of the District are operating in the "black" and should continue to do so in the 1999-2000 fiscal year.

The Operating Revenues are collected from water and sewer ratepayers. Those Operating Revenues are used to fund the Operating and Maintenance (O & M) Expenditures of the water and sewer systems.

TOWN DIVISION WATER FUND

Budgeted Operating Revenues	\$ 890,260
Budgeted Operating Expenditures	<u>(1,043,701)</u>
Budgeted Operating Deficit	<u>(153,441)</u>

1. As the Board is aware, the District has been expending funds from the Town Division Water Fund over the past several years to fund the polybutylene litigation. In addition, the District has been replacing polybutylene services utilizing outside contractors. This has placed a significant burden on this Fund. The outcome of the trial and/or settlement is unknown with trial set to begin this summer. The budgeted amount for legal fees for this case is \$100,000.
2. The services of a groundwater law attorney have been retained to represent the District in the suit recently filed against the District by the SMVWCD. This lawsuit will place an additional burden on a fund that will be dwindled down to near zero by the end of the 1999-2000 budget year. The budgeted amount for legal fees for this case is \$100,000.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

DRAFT 1999-2000 FISCAL YEAR BUDGET

3. An appropriate level of cash reserves should be maintained in this Fund for unforeseen emergencies. The appropriate level of cash reserves should be maintained at least three times the monthly operating costs. The monthly average O & M cost for this Fund is \$53,000 (excluding special counsels), thus the cash reserves should be approximately \$159,000.

How does NCSD balance the budget of Town Division Water Fund?

The ratepayers have not seen a water rate increase in seven years (the last increase was implemented in Fall 1992). It is recommended that the Board review a rate increase to be incorporated into the 1999-2000 fiscal year budget and implemented effective July 1 to fund legal fees.

WATER RATES FOR TOWN DIVISION

Water rates will need to be adjusted to meet the anticipated expenditures in the 99-00 Fiscal Year Budget which includes an estimate of \$85,000 for water rights litigation. The following is presented for discussion:

The present Town and Black Lake Division bi-monthly water rates are as follows:

Flat Fee	\$13.00 per billing period (bi-monthly)
Less than (<) 4000 cubic feet bi-monthly	\$0.75 per hundred cubic feet
Over (>) 4000 cu. ft. bi-monthly	\$1.15 per hundred cubic feet

There are approx. 2600 water customers in the Town Division. By adjusting the water rates in the Town Division, the following revenue would be created.

By increasing the Flat Fee by \$2.25, it would increase revenue approx. \$70,200 per year. By increasing the "less than" (<)4000 cubic feet bi-monthly by \$.05/hcf, it would increase revenue approx. \$15,600 per year. The "more than" (>) 4000 cubic feet would not change but would remain at \$1.15 per hcf. Total revenue increase would be approx. \$85,800 per year.

The Town Division's Water Fund reserve is insufficient to fund its portion of the water litigation costs, therefore, it would be supplemented by the proposed water rate increase.

While this recommended rate increase will assist in offsetting litigation costs, it will not assist the Town Water Division in increasing its cash reserves or funded replacement to the recommended levels.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

DRAFT 1999-2000 FISCAL YEAR BUDGET

BLACK LAKE DIVISION WATER FUND

Budgeted Operating Revenues	\$. 185,000
Budgeted Operating Expenditures	<u>(165,172)</u>
Budgeted Operating Reserve	<u>19,828</u>

The Black Lake Division Water Fund consumes approximately 16% of the water consumed by the entire District, therefore, it is appropriate that this Fund share in the groundwater litigation legal fees at 16%. The Black Lake Division Water Fund has adequate cash reserves to fund their share of litigation, therefore, a rate increase is not recommended.

BLACK LAKE SEWER FUND

Budgeted Operating Revenues	\$ 108,000
Budgeted Operating Expenditures	<u>(134,976)</u>
Budgeted Operating Deficit	<u>(26,976)</u>

A rate increase of \$4.00 was implemented July 1, 1997 to offset the operating deficit at that time. It was anticipated that Tract 2151 and Tract 2264 would be built out in the near future and with the increase in customers, the \$4.00 rate increase would cover the deficit. Unfortunately, the building of Tract 2151 has been much slower than anticipated and Tract 2264 underground utilities are currently under construction.

Presently there are approx. 440 sewer accounts in the Black Lake Division. The anticipated 99-00 Fiscal Year Operation & Maintenance (O&M) budget indicates approx. \$135,000 in expenditures and approx. \$108,000 in revenue leaving a deficit of \$27,000.

O&M costs per account based on the budget = $\$135,000 / 12 / 440 = \25.56 per month

In the Black Lake O & M Sewer Fund, of the \$135,000 expenditures approx. \$20,000 is to replace the sag in the sewer line in the golf course. If these expenditures were not made this coming year or taken from the Black Lake Sewer Replacement Fund, these following monthly fee would develop.

O & M costs per account = approx. $\$115,000 / 12 \times 450 = \21.29 per month

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: APRIL 21, 1999

DRAFT 1999-2000 FISCAL YEAR BUDGET

Since the Black Lake Sewer Fund Reserve is zero, it is recommended that the monthly user fee be increased to \$23.00 per month from \$20.00 per month. The \$23.00 per month service fee (depending on the operations of this coming year) may create a small reserve in the Black Lake Sewer Fund where presently none exists. Reserves are needed in the Operation Fund to take care of emergencies and unforeseen events.

REPLACEMENT STUDY AND RATE STUDY

Boyle Engineering is in the process of preparing a Replacement Study for the District. The Replacement Study will provide the District with the amount of funds that should be systematically set aside each year to pay for the replacement of its aging water and sewer facilities.

A Rate Study has been budgeted in the 1999-2000 fiscal year budget. Upon completion of the Replacement Study, the Rate Study will be commissioned to review the water and sewer rate structures taking into account the funding of replacement.

These two studies are critical for the District and its future economic health. As been demonstrated over the past few years, a combination of one litigation, replacement of old waterlines and the overhauling of our major water wells can cause a significant financial burden on cash reserves. When cash reserves are depleted and expenditures are required, the only alternative would be to borrow from outside sources.

After the Finance Committee reviews the draft budget with staff, their recommendations will be presented to the full board in a study session. After the study session, and any modifications to the budget are made, the budget will be presented for adoption at the June 2 Board Meeting.

Budget/budget00/boardletter.doc