

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## REGULAR MINUTES

**MARCH 26, 2014 AT 9:00 A.M.**

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

### BOARD of DIRECTORS

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

### PRINCIPAL STAFF

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

Mission Statement: The Nipomo Community Services District's mission is to provide its customers with reliable, quality, and cost-effective services now and in the future.

**00:00** A. CALL TO ORDER AND FLAG SALUTE

*President Armstrong called the Regular Meeting of March 26, 2014 to order at 9:00 a.m. and led the flag salute.*

**0:00:50** B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

*At Roll Call, Directors Blair, Gaddis, Harrison and Armstrong were present. Director Vierheilig had a planned absence.*

*President Armstrong announced that the Board would consider Item E-1 next.*

E-1) CONSIDER GRANT REQUEST FROM NIPOMO CHAMBER OF COMMERCE IN AMOUNT OF \$24,552.00 FOR SOLID WASTE REMOVAL IN NIPOMO COMMUNITY COMMON AREAS

*Richard Malvarose, Nipomo Chamber of Commerce President, gave a report on the proposed Solid Waste Grant Program and answered questions from the Board. The Board thanked Mr. Malvarose.*

*Ed Eby, NCSD Customer, commented in favor of the Grant.*

*Upon the motion of Director Blair and seconded by Director Gaddis, the Board unanimously approved the Grant request from the Nipomo Chamber of Commerce in the amount of \$24,552.00.*

*Vote 4-0.*

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

*The Board took Public Comment.*

*Ed Eby, NCSD Customer, commented on the status of San Luis Obispo County's state water supply.*

0:08:39 C. PRESENTATIONS AND REPORTS

## C-1) DIRECTOR OF ENGINEERING AND OPERATIONS

RE: Summary of Activities

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

*There was no public comment.*

## C-2) REPORT ON MARCH 12, 2014 REGULAR MEETING CLOSED SESSION

Announcement of actions, if any, taken in Closed Session

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

*Mr. Seitz reported that Item One(b) (existing litigation – Mesa Community Alliance Vs. District, Case No. CV 130222) was dismissed with prejudice.*

*Mr. Seitz reported that the Board discussed Items One (c) (NCSD v. Troesh, et al, SLOCSC# CV130175) and Item One (d) (BenIng Company LLC v. NCSD Case # 14CV-0069) in closed session, but took no reportable action.*

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

## C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT &amp; COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES, AND SEMINARS.

Receive Announcements and Reports from Directors

Director Gaddis

- ◇ *Assisted SCAC Committee to conduct the SCAC Election on March 17*
- ◇ *Attended the SCAC Meeting on March 24*
- ◇ *Announced that Jim Caruso of the San Luis Obispo County Planning Committee will give a presentation to SCAC on water on April 28*

Director Armstrong

- ◇ *Attended the NMMA TG Meeting on March 20*
- ◇ *Attended the SCAC Meeting on March 24*

## C-4) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS

*There was no public comment.*

**C. PRESENTATIONS AND REPORTS (CONTINUED)**

*Upon the motion of Director Harrison and seconded by Director Blair, the Board unanimously voted to receive and file the presentations and reports as submitted.  
 Vote 4-0.*

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

**0:20:18** D. CONSENT AGENDA

- D-1) WARRANTS
- D-2) APPROVE MARCH 12, 2014 REGULAR BOARD MEETING MINUTES
- D-3) DECLARE 250 KW GENERATOR SURPLUS AND AUTHORIZE SALE

*President Armstrong asked if any Directors desired to pull items from the Consent Agenda or had any questions. No items were pulled from the Consent Agenda. Director Harrison requested clarification on warrants.*

*There was no public comment.*

*Upon the motion of Director Gaddis and seconded by Director Blair, the Board unanimously approved the Consent Agenda.  
 Vote 4-0.*

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

**0:24:27** E. ADMINISTRATIVE ITEMS

E-2) CONSIDER WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN

*Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun and Michael Seitz, District Legal Counsel, answered questions from the Board.*

*The following members of the public spoke:*

*Ed Eby, NCSD Customer, expressed concerns about NCSD waiting to act on this plan.*

*Bill Kengel, NCSD Customer, had concerns about increasing water rates.*

*Rick Bacon, NCSD Customer, had concerns about increasing water rates.*

*The Board decided to table further discussion of this item until the April 9 Board meeting.*

**E. ADMINISTRATIVE ITEMS (CONTINUED)**

*Prior to discussion of Item E-3, Director Blair requested clarification on Item D-3. Michael LeBrun, General Manager, and Michael Seitz, District Legal Counsel, addressed Director Blair's request.*

**E-3) AUTHORIZE CONTRACT FOR EUREKA WELL REPAIR**

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

*There was no public comment.*

*Upon the motion of Director Harrison and seconded by Director Gaddis, the Board unanimously approved the Resolution authorizing staff to execute contract in the amount of \$63,180.00 with Fisher Pump and Well Service, Inc., and authorizing change order contingency in the amount of \$30,000.00*

*Vote 4-0.*

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

RESOLUTION 2014-1331  
 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO  
 COMMUNITY SERVICES DISTRICT AUTHORIZING A CONTRACT FOR  
 EUREKA WELL REPAIR WITH FISHER PUMP AND WELL SERVICE, INC.

**E-4) AUTHORIZE CHANGE ORDER FOR SUPPLEMENTAL WATER PROJECT PHASE 1 BID PACKAGE 4**

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

*Ed Eby, NCS D Customer, expressed concern over possible construction complications.*

*Michael Seitz, District Legal Counsel, added the following verbiage to the Resolution:*

***Whereas, the Board of Directors has read the staff report for this item and has heard the staff presentation, and;***

*Upon the motion of Director Gaddis and seconded by Director Blair, the Board unanimously voted to approve the Resolution, authorize change order for Supplemental Water Project Phase 1 Bid Package 4, and authorize staff to issue change order in the amount of \$529,670.00 to Spiess Construction, Inc. for construction of flow meter and flow control station as part of Supplemental Water Project Phase 1 Bid Package 4, as amended.*

*Vote 4-0.*

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

RESOLUTION NO. 2014-1332  
 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
 NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING  
 CHANGE ORDER FOR SUPPLEMENTAL WATER PROJECT  
 PHASE 1 BID PACKAGE 4.

*The Board took a 10-minute break at 10:21 a.m.*

E-5) CONSIDER REQUEST BY DEVELOPER OF HILLSIDE TERRACE APARTMENT PROJECT

*President Armstrong gave a brief summary of the issue.*

*Michael LeBrun, General Manager, reviewed the report as presented in the Board Packet.*

*Bill Kengel, developer of the Hillside Terrace Apartment Project gave a history of the project, and asked that the Board consider his request for exceptions to District policy in order to expedite his project.*

*Ed Eby, NCSD Customer, commented on Mr. Kengel's request.*

*Mr. LeBrun, Michael Seitz, District Legal Counsel, and members of the Board addressed Mr. Kengel's concerns, with the determination being that the District needs to receive an Offer of Dedication of water and sewer utilities from both Mr. Kengel and the owner of Tract 2689 before Mr. Kengel's project can move forward with regard to water and sewer services.*

1:58:52 F. GENERAL MANAGER'S REPORT

*Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun added that Directors Harrison, Gaddis and Blair will be attending the Nipomo Chamber of Commerce luncheon on March 27. Mr. LeBrun answered questions from the Board.*

*The following members of the public spoke:*

*Ed Eby, NCSD Customer, expressed interest in accompanying Mr. LeBrun and Directors Gaddis and Blair on their tour of Southland WWTF on March 28.*

2:09:07 G. COMMITTEE REPORTS

*There were no committee reports.*

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

*There were no requests to staff.*

I. CLOSED SESSION ANNOUNCEMENTS

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

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

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

**I. CLOSED SESSION ANNOUNCEMENTS (CONTINUED)**

- 2. CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVT. CODE §54956.9(d)(2)&(e)(1):  
 Significant Exposure to Litigation - 1 case.

**J. PUBLIC COMMENT ON CLOSED SESSION ITEMS**

*There was no public comment.*

**2:20:00 K. ADJOURN TO CLOSED SESSION**

*President Armstrong adjourned to closed session at 11:20 a.m.*

**3:47:00 L. OPEN SESSION  
 ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION**

*The Board came back into Open Session at 12:47 p.m.*

*Michael Seitz, District Legal Counsel, announced that the Board discussed Items One and Two listed under closed session announcements, but took no reportable action.*

*The Board took a 10-minute break and reconvened at 1:04 p.m. to consider Item E-6.*

**E-6) STRATEGIC PLAN PRESENTATION AND ADOPTION**

*Martin Rauch, of Rauch Communications, reviewed his report as presented in the Board packet and answered questions from the Board.*

*There was no public comment.*

*Upon the motion of Director Harrison and seconded by Director Blair, the Board unanimously agreed to adopt the 2014 Strategic Plan, with suggestions.  
 Vote 4-0*

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

RESOLUTION NO. 2014-1333  
 A RESOLUTION OF THE BOARD OF DIRECTORS  
 OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
 ADOPTING THE 2014 STRATEGIC PLAN

**ADJOURN**

*President Armstrong adjourned the meeting at 1:57 p.m.*

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	3 hour 30 minutes
Closed Session	1 hour 27 minutes
<b>TOTAL HOURS</b>	<b>4 hours 57 minutes</b>