

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER 

DATE: APRIL 21, 2017

AGENDA ITEM

D

APRIL 26, 2017

CONSENT AGENDA

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

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

D-1) WARRANTS [RECOMMEND APPROVAL]

D-2) APPROVE APRIL 12, 2017, REGULAR BOARD MEETING MINUTES
[RECOMMEND APPROVAL]

D-3) INVESTMENT POLICY – FOURTH QUARTER REPORT [RECOMMEND REVIEW
AND ACCEPT REPORT]

TO: BOARD OF DIRECTOR
REVIEWED: MARIO IGLESIAS
GENERAL MANAGER
FROM: LISA BOGNUDA
FINANCE DIRECTOR
DATE: APRIL 21, 2017

**AGENDA ITEM
D-1
APRIL 26, 2017**

HAND WRITTEN CHECKS

None

VOIDS – NONE

**TOTAL COMPUTER CHECKS
\$182,351.45**

COMPUTER GENERATED CHECKS – SEE ATTACHED



Nipomo Community Services District

Item D-1 Warrants APRIL 26, 2017
By Payment Number

Payment Dates 04/26/2017 - 04/26/2017

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 2376				
Allweather Landscape Mainte	Landscape Maintenance Distri	29540	04/26/2017	325.00
Payment 2376 Total:				325.00
Payment: 2377				
AmeriPride	Uniforms	1501875775	04/26/2017	243.66
AmeriPride	Uniforms	1501865448	04/26/2017	207.22
AmeriPride	Uniforms	1501870853	04/26/2017	219.50
Payment 2377 Total:				670.38
Payment: 2378				
AT&T	Telephone	9521963	04/26/2017	171.91
Payment 2378 Total:				171.91
Payment: 2379				
BDP Industries, Inc	Belt and blades	8892	04/26/2017	639.26
Payment 2379 Total:				639.26
Payment: 2380				
Burdine Printing	Postage for bills	32866B	04/26/2017	808.15
Burdine Printing	Mail bills	32866A	04/26/2017	178.83
Burdine Printing	Mail bills	32842A	04/26/2017	80.42
Burdine Printing	Postage for bills	32842B	04/26/2017	203.78
Payment 2380 Total:				1,271.18
Payment: 2381				
Cannon Corporation	Southland Metal Building	63141	04/26/2017	616.00
Cannon Corporation	Nipomo Palms Lift Station reh	63258	04/26/2017	1,501.35
Payment 2381 Total:				2,117.35
Payment: 2382				
Clever Ducks	Computer expense	23335	04/26/2017	2,535.00
Payment 2382 Total:				2,535.00
Payment: 2383				
County of Santa Barbara	Water Wise Gardening magaz	8330-04052017	04/26/2017	150.00
Payment 2383 Total:				150.00
Payment: 2384				
Crystal Springs	Distilled water	MAR2017	04/26/2017	23.05
Payment 2384 Total:				23.05
Payment: 2385				
Culver Company	Conservation giveaways	50309	04/26/2017	122.25
Culver Company	Leak tablets	52796	04/26/2017	126.12
Payment 2385 Total:				248.37
Payment: 2386				
Cushman Contracting Corpora	Progress payment request #1	1	04/26/2017	43,932.47
Payment 2386 Total:				43,932.47
Payment: 2387				
Engel & Gray, Inc.	Biosolids collection	18769	04/26/2017	115.00
Engel & Gray, Inc.	Biosolids collection	18622	04/26/2017	115.00
Engel & Gray, Inc.	Biosolids collection	18740	04/26/2017	115.00
Engel & Gray, Inc.	Biosolids collection	18662	04/26/2017	240.00
Payment 2387 Total:				585.00
Payment: 2388				
Fisher Pump & Well Service, I	Well pump repair	4853	04/26/2017	2,100.00
Payment 2388 Total:				2,100.00

Item D-1 Warrants APRIL 26, 2017

Payment Dates: 04/26/2017 - 04/26/2017

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 2389				
Hach Company	Chlorine analyzer	10401276	04/26/2017	1,214.79
Payment 2389 Total:				1,214.79
Payment: 2390				
Hayes Advanced Design	Paving repair - Barberrry	APR2017	04/26/2017	1,783.00
Payment 2390 Total:				1,783.00
Payment: 2391				
Iglesias, Mario	Cell phone reimbursement	APR2017	04/26/2017	65.00
Payment 2391 Total:				65.00
Payment: 2392				
Integrated Industrial Supply, I	A/C filters, gloves	44902	04/26/2017	118.59
Integrated Industrial Supply, I	Latex gloves	45031	04/26/2017	116.37
Payment 2392 Total:				234.96
Payment: 2393				
MNS Engineers, Inc.	JRPS reservoir improvements	68307	04/26/2017	30,823.25
Payment 2393 Total:				30,823.25
Payment: 2394				
More Office Solutions	B&W/Color copies	1559979	04/26/2017	75.07
More Office Solutions	B&W/Color copies	1561231	04/26/2017	64.19
More Office Solutions	Copier maintenance	1553049	04/26/2017	607.50
Payment 2394 Total:				746.76
Payment: 2395				
Municipal Maintenance Equip	Service and repair - VACCON	0118211	04/26/2017	1,398.14
Payment 2395 Total:				1,398.14
Payment: 2396				
NexTraq	GPS subscription	1376720	04/26/2017	399.50
Payment 2396 Total:				399.50
Payment: 2397				
Nipomo Community Services	BLWWTP	APR2017A	04/26/2017	434.73
Nipomo Community Services	805 ALTA VISTA - DOM	APR2017B	04/26/2017	58.12
Nipomo Community Services	805 ALTA VISTA - IRR	APR2017C	04/26/2017	62.07
Payment 2397 Total:				554.92
Payment: 2398				
Nunley & Associates, Inc.	Flow Monitoring	3183	04/26/2017	360.00
Nunley & Associates, Inc.	Rocky Place PCIA	3211	04/26/2017	70.00
Nunley & Associates, Inc.	JRPS construction managemen	3184	04/26/2017	335.00
Nunley & Associates, Inc.	Branch Street Waterline	3190	04/26/2017	2,371.81
Nunley & Associates, Inc.	GSWC Cypress Ridge Hydraul	3186	04/26/2017	2,565.00
Nunley & Associates, Inc.	Blacklake WRF	3189	04/26/2017	643.64
Nunley & Associates, Inc.	Hydraulic Analysis for Standpi	3185	04/26/2017	3,051.25
Nunley & Associates, Inc.	Blacklake Sewer Master Plan	3221	04/26/2017	1,020.00
Nunley & Associates, Inc.	Nipomo Oaks PCIA	3210	04/26/2017	2,856.51
Payment 2398 Total:				13,273.21
Payment: 2399				
Nu-Tech Pest Management	Rodent control	0126326	04/26/2017	75.00
Nu-Tech Pest Management	Pest control	0126324	04/26/2017	265.00
Payment 2399 Total:				340.00
Payment: 2400				
Office Depot	Office supplies	917714236001	04/26/2017	159.79
Office Depot	Office supplies	917397994001	04/26/2017	202.69
Office Depot	Office supplies	918069254001	04/26/2017	-202.69
Office Depot	Office supplies	917397776001	04/26/2017	417.19
Office Depot	Office supplies	917253313001	04/26/2017	84.96
Payment 2400 Total:				661.94
Payment: 2401				
PG&E	Electricity	APR2017	04/26/2017	35,481.06

Item D-1 Warrants APRIL 26, 2017

Payment Dates: 04/26/2017 - 04/26/2017

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 2401				35,481.06
Payment: 2402				
Price, Postel & Parma, LLP	Water Inter Tie Project	139405	04/26/2017	328.60
Payment 2402 Total:				328.60
Payment: 2403				
R. Baker, Inc.	Water leak repair - Thompson	11-16-8335	04/26/2017	7,107.25
Payment 2403 Total:				7,107.25
Payment: 2404				
Science Discovery	Water conservation educatio	899NCSD	04/26/2017	817.41
Payment 2404 Total:				817.41
Payment: 2405				
Shipsey & Seitz, Inc.	Legal services through 03-31-	MAR2017	04/26/2017	8,177.00
Payment 2405 Total:				8,177.00
Payment: 2406				
SoCalGas	Heat - shop/office	APR2017D	04/26/2017	25.56
SoCalGas	Heat - shop/office	APR2017C	04/26/2017	16.23
Payment 2406 Total:				41.79
Payment: 2407				
Special District Financing & A	Annual Disclosures - Supplem	13680	04/26/2017	750.00
Special District Financing & A	Annual Disclosures - Property	13681	04/26/2017	750.00
Special District Financing & A	Annual Disclosure Reports - S	13679	04/26/2017	750.00
Payment 2407 Total:				2,250.00
Payment: 2408				
Staples	Office supplies	APR2017	04/26/2017	40.74
Payment 2408 Total:				40.74
Payment: 2409				
State Water Resources Contr	Water system fees	LW-1010670	04/26/2017	17,494.00
Payment 2409 Total:				17,494.00
Payment: 2410				
USA Bluebook	Filters, ball valve	221816	04/26/2017	436.54
Payment 2410 Total:				436.54
Payment: 2411				
Wallace Group	FOG control program	43514	04/26/2017	3,912.62
Payment 2411 Total:				3,912.62

TO: BOARD OF DIRECTORS
FROM: MARIO IGLESIAS
GENERAL MANAGER
DATE: APRIL 21, 2017

**AGENDA ITEM
D-2
APRIL 26, 2017**

**APPROVE APRIL 12, 2017
REGULAR BOARD MEETING MINUTES**

ITEM

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

BACKGROUND

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

RECOMMENDATION

Approve Minutes

ATTACHMENT

- A. April 12, 2017 draft Regular Board Meeting Minutes

April 26, 2017

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

DRAFT REGULAR MINUTES

APRIL 12, 2017 AT 9:00 A.M.

JON S. SEITZ BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

DAN ALLEN GADDIS, **PRESIDENT**
ED EBY, **VICE PRESIDENT**
BOB BLAIR, **DIRECTOR**
CRAIG ARMSTRONG, **DIRECTOR**
DAN WOODSON, **DIRECTOR**

PRINCIPAL STAFF

MARIO IGLESIAS, **GENERAL MANAGER**
LISA BOGNUDA, **FINANCE DIRECTOR**
WHITNEY MCDONALD, **GENERAL COUNSEL**
PETER SEVCIK, **DIRECTOR OF ENG. & OPS.**
JESSICA MATSON, **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.

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

President Gaddis called the Regular Meeting of April 12, 2017 to order at 9:00 a.m. and led the flag salute.

00:00:34 B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, all Directors were present.

There were no public comments.

C. PRESENTATIONS AND REPORTS

00:00:45 C-1) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES, AND SEMINARS.

Receive Announcements and Reports from Directors

Director Woodson

- *April 10, Attended the South County Advisory Council (SCAC) meeting.*

Director Eby

- *March 24, Attended the Nipomo Mesa Management Area (NMMA) Technical Group Meeting.*
- *March 29, Attended the California Special District Association (CSDA) quarterly chapter meeting.*
- *April 3, Attended the District Board Officer's meeting.*
- *April 4, Attended the County Board of Supervisors meeting.*
- *April 5, Attended the Water Resources Advisory Council (WRAC) meeting.*
- *April 6, Attended the Local Area Formation Commission (LAFCO) meeting where they discussed the formation of a new Paso Robles water district.*
- *April 11, Attended the District's Ad-Hoc meeting where they discussed the Blacklake Sewer Master Plan.*

Director Armstrong

- *April 5, Attended the WRAC meeting where they discussed Groundwater Sustainability Act (GSA) funding.*

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
REGULAR MEETING
MINUTES

Director Gaddis

- March 24, Attended the NMMA Technical Group meeting.
- April 3, Attended the District Board Officer's meeting.
- April 5, Attended the Regional Water Management Group (RWMG) meeting.

C-2) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE and FILE PRESENTATIONS AND REPORTS

There were no public comments.

*Upon the motion of Director Craig Armstrong and seconded, the Board unanimously approved to receive and file the presentations and reports as submitted.
Vote 5-0.*

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Eby, Blair, Woodson, and Gaddis	None	None

00:03:45

D. CONSENT AGENDA

- D-1) WARRANTS
- D-2) APPROVE MARCH 22, REGULAR BOARD MEETING MINUTES
- D-3) INITIATING PROCEEDINGS FOR ANNUAL LEVY OF ASSESSMENTS FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
- D-4) ADOPT RESOLUTION ACCEPTING WATER LINE AND SEWER LINE EASEMENT FOR TRACT 2441, APN 092-578-005
- D-5) ADOPT RESOLUTION TO AMEND THE METHODOLOGY OF COMPUTING THE COST OF LIVING ADJUSTMENT (COLA)
- D-6) APPROVE BUDGET AMENDMENT FOR DESIGN SERVICES WITH CANNON FOR SOUTHLAND METAL STORAGE BUILDING

Director Woodson pulled Item D-2 for separate consideration since he was not present at the March 22nd meeting.

Director Gaddis requested clarification on warrants. Peter Sevcik, Director of Engineering and Operations, responded.

There were no public comments.

ITEM D-2

*Upon the motion of Director Craig Armstrong and seconded, the Board unanimously approved Item D-2. Director Woodson was not qualified to vote.
Vote 4-0.*

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Eby, Blair, and Gaddis	None	None

Nipomo Community Services District
**REGULAR MEETING
 MINUTES**

ITEMS D-1, D-3, D-4, D-5, and D-6

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously approved the Items.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Eby, Blair, Woodson and Gaddis	None	None

RESOLUTION 2017-1438

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT INITIATING PROCEEDINGS FOR ANNUAL LEVY OF ASSESSMENTS FOR THE STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2017-2018 PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAY CODE

RESOLUTION 2017-1439

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ACCEPTING A WATER PIPELINE AND SEWER PIPELINE EASEMENT FROM GRAY TRUST FOR TRACT 2441, APN 092-578-005

RESOLUTION 2017-1440

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ESTABLISHING THE METHODOLOGY FOR COMPUTING EMPLOYEE COST OF LIVING ADJUSTMENTS (COLA)

E. ADMINISTRATIVE ITEMS

E-1) REVIEW DRAFT COST OF SERVICE PROPOSED FINANCIAL PLAN AND CONSIDER WATER RATE COST RECOVERY STRUCTURES

Mario Iglesias, General Manager, introduced Rate Consultant, Clayton Tuckfield of Tuckfield & Associates and distributed copies of the presentation to the Board and attendees (available for review at the District office).

Mr. Tuckfield gave a presentation on the 2017 Water Rate Study.

The Board discussed the presentation and various water rate options. Mr. Tuckfield, Lisa Bognuda, Finance Director, and Mario Iglesias, General Manager, answered questions from the Board.

Director Woodson commented on the options presented and the Prop 218 process. Whitney McDonald, District Legal Counsel, commented on the legality of both options and that doing something different than the options presented would require further review. Ms. McDonald also commented that going to a uniform rate structure is a wise choice.

Director Armstrong posed a question about building in drought rates to the Rate Study. The Board discussed.

The following members of the public spoke:

Noel Heal, Blacklake resident, commented on the options presented and the District's current tiered rate structure. Mr. Heal also commented that the District should make the presented information digestible for the public.

00:06:45

Nipomo Community Services District
REGULAR MEETING
MINUTES

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously agreed to choose Option 2 as defined in the presentation.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Blair, Woodson, Eby and Gaddis	None	None

The Board discussed the alternatives presented.

Director Armstrong asked what would be included in the draft report. Mr. Tuckfield responded that it would be similar to the presentation today and would still take into consideration feedback from the public.

Upon the motion of Director Ed Eby and seconded, the Board unanimously agreed to choose Alternative 2 as defined in the presentation and directed staff to work with Tuckfield & Associates to prepare the draft report.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Eby, Armstrong, Blair, Woodson, and Gaddis	None	None

01:24:35

F. MANAGER'S REPORT

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

Mr. Iglesias also reported the following:

- The District is operating the same after the Governor's recent declaration regarding the drought. The Key Wells Index will be the District's guide.

Director Gaddis commented that the Nipomo Mesa Management Area (NMMA) Technical Group meeting is on April 14th at 10 AM. Director Eby will attend.

There were no public comments.

01:27:05

G. COMMITTEE REPORTS

Director Eby reported that the Ad Hoc Committee met on April 11th regarding the Blacklake Sewer Master Plan. The committee received an update and were satisfied with the corrections made to the Plan. The report will be discussed with the Blacklake Facilities Group in May.

01:28:08

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Eby requested a discussion regarding County funding of the Groundwater Sustainability Act (GSA) agencies be added to a future Agenda.

Nipomo Community Services District
REGULAR MEETING
MINUTES

01:29:30

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) BENING VS. NCSD SAN LUIS OBISPO COUNTY CASE NO 14CV0069
 - c) NCSD VS. LOS PRIMOS PROPERTIES LLC, SAN LUIS OBISPO COUNTY CASE NO. 16CV0512
- 2. CONDUCT STEP 1 OF 2 – ANNUAL PERFORMANCE REVIEW OF DISTRICT GENERAL MANAGER PURSUANT TO GOVERNMENT CODE SECTION 54957

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There were no public comments.

K. ADJOURN TO CLOSED SESSION

President Gaddis adjourned to closed session at 10:40 a.m.

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

The Board came back into Open Session at 12:30 p.m.

Whitney McDonald, District Legal Counsel, announced that the Board discussed Item I.1(a), 1(b), and 1(c), heard a report, but took no reportable action.

Ms. McDonald also reported that the Board commenced performance review of District General Manager and plan to complete the review at a May Board meeting.

ADJOURN

President Gaddis adjourned the meeting at 12:32 p.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hour 42 minutes
Closed Session	1 hour 50 minutes
TOTAL HOURS	3 hours 32 minutes

Respectfully submitted,

Mario Iglesias, General Manager and Secretary to the Board

Date

TO: BOARD OF DIRECTOR

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: APRIL 21, 2017

**AGENDA ITEM
D-3
APRIL 26, 2017**

INVESTMENT POLICY – FIRST QUARTER REPORT

ITEM

Review Investment Policy First Quarter Report [RECOMMEND ACCEPT]

BACKGROUND

The District’s Investment Policy requires the Finance Officer to file a quarterly report that identifies the District’s investments and their compliance with the policy. The quarterly report is considered by the Board of Directors and is filed with the District’s auditor.

As District Finance Officer and Treasurer, I am pleased to inform the Board of Directors that the District is in compliance with the 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.

INVESTMENT POLICY-FIRST QUARTER REPORT 3/31/17

Investment	Institution	Amount of Deposit 3/31/17	Rate of Interest at 3/31/17	Quarterly Interest Earned or Accrued 3/31/17	Amount of Deposit 3/31/16	Rate of Interest at 3/31/16	Quarterly Interest Earned or Accrued 3/31/16
Public Checking	Rabobank	\$157,271.30	0.00%	\$0.00	\$99,705.07	0.00%	\$0.00
Savings-Improvement Bonds	Rabobank	\$48,367.92	0.20%	\$26.91	\$208,119.90	0.20%	\$103.74
Savings-Performance Bonds	Rabobank	\$201,792.81	0.20%	\$100.58	\$201,389.66	0.20%	\$100.38
Savings-NMWCA Fees	Rabobank	\$519,705.03	0.20%	\$259.06	\$518,666.74	0.20%	\$258.54
Savings-NSWP Funded Replacement	Rabobank	\$339,489.20	0.20%	\$144.26	\$103,500.90	0.20%	\$27.78
Pooled Money Investment	Local Agency Investment Fund (LAIF)	\$15,687,563.01	0.78 %	\$30,283.00	\$16,769,881.21	0.46%	\$19,011.04

STRATEGIC PLAN

Goal 4. FINANCE. Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

4.4 Maintain sound investment policy and investments.

RECOMMENDATION

After Board consideration and public comment, it is recommended that your Honorable Board accept the quarterly report by motion and minute order and direct staff to file the Report with District Auditor.

ATTACHMENTS

None