

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## 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.*

**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 22<sup>nd</sup> 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
<i>Directors Armstrong, Eby, Blair, Woodson and Gaddis</i>	<i>None</i>	<i>None</i>

**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

*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.*

<b>YES VOTES</b>	<b>NO VOTES</b>	<b>ABSENT</b>
<i>Directors Armstrong, Blair, Woodson, Eby and Gaddis</i>	<i>None</i>	<i>None</i>

*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.*

<b>YES VOTES</b>	<b>NO VOTES</b>	<b>ABSENT</b>
<i>Directors Eby, Armstrong, Blair, Woodson, and Gaddis</i>	<i>None</i>	<i>None</i>

**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 14<sup>th</sup> 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 11<sup>th</sup> 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.*

01:29:30

I. CLOSED SESSION ANNOUNCEMENTS

- 1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9
  - a) SMWWCD VS. NCSO (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
  - b) BENING VS. NCSO SAN LUIS OBISPO COUNTY CASE NO 14CV0069
  - c) NCSO 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

*4-26-2017*  
 \_\_\_\_\_  
 Date