

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

JULY 13, 2016 AT 9:00 A.M.

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

BOARD of DIRECTORS

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

PRINCIPAL STAFF

MARIO IGLESIAS, **GENERAL MANAGER**
LISA BOGNUDA, **FINANCE DIRECTOR**
MICHAEL W. SEITZ, **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 Armstrong called the Regular Meeting of July 13, 2016 to order at 9:00 a.m. and led the flag salute.

00:00:33 B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, all Directors were present.

There were no public comments.

00:00:46 C. PRESENTATIONS AND REPORTS

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 Eby

- ◇ *The next Nipomo Mesa Management Area (NMMA) Technical Group meeting will be on July 18th at 10 AM at the NCSD office and he would like to attend.*

Director Gaddis

- ◇ *July 5, Attended the NCSD officer's meeting.*

Director Armstrong

- ◇ *Will be attending the NMMA Technical Group meeting on July 18th.*

C-3) 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 Ed Eby and seconded, the Board unanimously approved to receive and file the presentations and reports as submitted.

Vote 5-0.

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

00:01:33 D. CONSENT AGENDA

D-1) WARRANTS

D-2) APPROVE MINUTES OF PREVIOUS BOARD MEETINGS

- JUNE 22, 2016 REGULAR MEETING

D-3) ACCEPT PHASE I OF THE SUPPLEMENTAL WATER PROJECT

D-4) ACCEPT OFFER OF WATER AND SEWER IMPROVEMENTS FOR APN 090-111-008, ST. JOSEPH'S CHURCH, 298 SOUTH THOMPSON AVENUE, NIPOMO

There were no public comments.

Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously approved the Consent Items.

Vote 5-0.

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

RESOLUTION NO. 2016-1420

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT
 ACCEPTING WATER AND SEWER IMPROVEMENTS FOR ST. JOSEPH'S CHURCH**

E. ADMINISTRATIVE ITEMS

00:02:08 E-1) INTRODUCE ORDINANCE TO REPEAL DISTRICT CODE SECTION 3.05.070.B.1 APPLICATION FOR INTENT-TO-SERVE LETTERS, WILL-SERVE LETTERS AND TERMINATION

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

Mike Seitz, District Legal Counsel, reminded the Board of the process to change an Ordinance.

The Board discussed the Ordinance.

The following members of the public spoke:

Noel Heal, Blacklake resident, distributed a letter to the Board (available for review at the District office) and commented on the Intent-to-Serve (ITS) application process and government code.

Emily Ure, Planner with Oasis Associates, commented on the ITS process with the County.

Rob Rossi, Developer, commented on the length of time it takes to get through the County process.

Ray Wells, NCSD Customer, commented that the District should restrict all irrigation due to the drought.

Greg Nester, Developer, commented that the District's 240 day timeframe is challenging.

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Barbara Deming, NCSD Customer, commented on water supply in Nipomo and the agricultural impact.

Ian Wallace, NCSD Customer, commented on the Rossi project at Blacklake and District policy making. Mr. Wallace commented that policy should not be retroactive.

Upon the motion of Director Ed Eby and seconded, the Board unanimously agreed to authorize staff to read the proposed Ordinance by title only.
Vote 5-0.

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

Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously agreed to introduce the proposed Ordinance and set July 27, 2016 for public hearing and adoption.
Vote 5-0.

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

00:20:42

E-2) EVALUATE POSSIBLE ACTIONS LISTED IN DISTRICT'S WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN IN PREPARATION OF DECLARING STAGE IV WATER SHORTAGE CONDITION

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet.

The Board discussed the Plan's stages and possible actions. President Armstrong stated that the District is currently pumping 46% less groundwater.

00:36:05

The following members of the public spoke:

Phil Gray, Developer, commented on his housing project and stated that the Board should not declare a Stage IV shortage and restrict applications.

John Bullough, Property Owner, commented that he was nervous about the Board's decision since all his resources are tied up in his housing project. Mario Iglesias, General Manager, clarified that current Will-Serves will still be honored in Stage IV.

Jim Smith, Nipomo resident, commented on his project and the need for housing in Nipomo as well as the possible actions in Stage IV.

Roselyn Griffin, NCSD Customer, commented on the amount of money her and her neighbors have put into converting their landscapes to drought tolerant. Ms. Griffin also asked if the District uses reclaimed water. President Armstrong responded that the District currently returns reclaimed water back into the basin.

Emily Ure, Planner with Oasis Associates, commented on the Intent-to-Serve (ITS) process and requested a timeframe for completion for those currently in the application process if the Board does choose to enforce Stage IV actions.

Greg Nickerson, Nipomo property owner, requested clarification on the Key Wells Index and how it affects the District's Water Shortage Response and Management Plan stages. President Armstrong responded.

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Paul Bischof, Grover Beach contractor, requested that the Board consider the time and resources people have put into their projects and requested the Board not declare a Stage IV water shortage..

Don Wells, Blacklake resident, requested clarification on the processing of applications in Stage IV.

Greg Nester, Developer, requested that the Board look at all the projects and where they are in the process before suspending applications. Mr. Nester also stated that moving to Stage IV would hurt the community.

Jim Harrison, NCSD Customer, commented that the District will not be able to finish the Supplemental Water Project if the Board suspends Will-Serve letters. He also commented on the use of water out of District boundaries. Mario Iglesias, General Manager, responded.

President Armstrong proposed that the Board wait 6 months to see if the District is able to achieve a 50% reduction in groundwater pumping and review at their January meeting.

Director Eby requested staff clarify language in the Response Plan regarding the application process. Director Eby also requested more information on the arrival of more supplemental water and pumping reports. Mario Iglesias, General Manager, responded.

President Armstrong requested clarification on the maximum capacity of the Supplemental Water Project. Peter Sevcik, Director of Engineering and Operations, responded.

Director Eby recommended the Board declare a Stage IV water shortage but not implement the actions until further review at its January meeting.

The following members of the public spoke:

Eric Benham, Developer, commented on the supplemental water pipeline and other water companies and structures.

Upon the motion of Director Ed Eby and seconded, the Board unanimously agreed and directed staff to prepare a Resolution declaring a Stage IV water shortage, keep in place Stage III actions and place a review of groundwater pumping levels on the Agenda for its January 2017 Regular Board Meeting.

Vote 5-0.

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

President Armstrong called a recess at 10:20 a.m.

President Armstrong called the meeting back into session at 10:30 a.m.

01:13:31

01:16:43

F. GENERAL MANAGER'S REPORT

Mario Iglesias, General Manager, reviewed the report as presented in the Board packet. Mr. Iglesias also reported the following:

- *The District submitted a Water Supply Reliability Certification to the State Water Resources Control Board. MKN & Associates assisted with the preparation.*

Mr. Iglesias answered questions from the Board.

There were no public comments.

G. COMMITTEE REPORTS

None.

01:21:48 H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Armstrong

- Requested staff prepare a basic message to customers regarding Stage IV water shortage conditions.

Director Eby

- Asked staff to project when the District will reach a 50% reduction groundwater pumping. Mario Iglesias, General Manager, responded.

Director Gaddis

- Requested an update on the Supplemental Water Project Joshua Road Pump Station Reservoir project. Peter Sevcik, Director of Engineering and Operations, responded.

01:24:51 I. CLOSED SESSION ANNOUNCEMENTS

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

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

b) HEAL VS. NCSO (SAN LUIS OBISPO COUNTY CASE NO CV 15-0539)

2. INSTRUCTION TO NEGOTIATORS MARIO IGLESIAS, MIKE SEITZ, AND LILLIAN JEWELL PURSUANT TO GOVERNMENT CODE SECTION 54956.8 FOR PURCHASE OF EASMENT INTEREST IN APN 093-291-046 (OWNER: LOS PRIMOS PROPERTIES, LLC, NEGOTIATOR: VINCE MARTINEZ)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There were no public comments.

K. ADJOURN TO CLOSED SESSION

President Armstrong 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 11:05 a.m.

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

Mr. Seitz also reported that the Board discussed Item I. 2, gave direction, but took no reportable action.

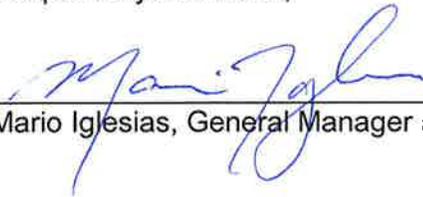
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ADJOURN

President Armstrong adjourned the meeting at 11:06 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hour 31 minutes
Closed Session	25 minutes
TOTAL HOURS	1 hour 56 minutes

Respectfully submitted,



Mario Iglesias, General Manager and Secretary to the Board

7-27-16
Date