

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## REGULAR MINUTES

SEPTEMBER 28, 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 September 28, 2016 to order at 9:00 a.m. and led the flag salute.*

00:00:36 B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

*At Roll Call, all Directors were present except Director Blair.*

*There were no public comments.*

President Armstrong announced that Item E-1 would be heard next.

00:00:42 E-1) CONDUCT HEARING REGARDING PROPOSED RESOLUTION OF NECESSITY FOR THE ACQUISITION OF PERMANENT INTEREST FOR THE WATERLINE INTERTIE PROJECT: LOS PRIMOS PROPERTIES, LLC, ASSESSOR'S PARCEL NUMBER 090-291-046

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

*Mike Seitz, District Legal Counsel, initiated the public hearing process and stated that the Resolution of Necessity is necessary to commence eminent domain proceedings.*

### **PRESIDENT ARMSTRONG OPENED THE HEARING**

*The following members of the public spoke:*

*Vincent Martinez, representative for Los Primos Properties, commented on the property easement and stated it should not be called a "utility easement" since it will prevent his client from building a structure on the property. Mr. Martinez also commented that "necessity" is not there for the width of the easement. He is concerned the District's buffer zone will affect his client's farming practices.*

*Director Gaddis asked if the property owner would be able to continue farming over the easement. Mr. Seitz responded that farming practices could continue over the easement.*

*Mr. Seitz commented that the District has invited Los Primos Properties to counter the District's proposal, but they have not done so and the Staff Report is factually supported.*

*The Board discussed the item further. Mr. Iglesias and Mr. Seitz answered questions from the Board.*

*Director Eby suggested the language in the Resolution of Necessity include the word "easement."*

*Director Gaddis asked Mr. Martinez why his client was delayed 6 months in preparing a response to the District's April 2016 offer.*

*Director Armstrong recommended the Board approve the Resolution of Necessity but take no action for 30 days to allow for negotiations with Los Primos Properties.*

**PRESIDENT ARMSTRONG CLOSED THE HEARING**

*Upon the motion of Director Ed Eby and seconded, the Board approved the Resolution of Necessity as amended and will review again at its October 26, 2016 Regular meeting. Vote 4-0.*

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

**RESOLUTION NO. 2016-1426**  
**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT**  
**DECLARING CERTAIN REAL PROPERTY NECESSARY FOR THE OPERATION AND MAINTENANCE OF THE**  
**WATERLINE INTERTIE PROJECT AND AUTHORIZING THE ACQUISITION THEREOF (LOS PRIMOS PROPERTIES, LLC,**  
**APN 090-290-046)**

00:25:32

**E-2) SERVICE REQUEST – 1020 DIVISION STREET MIXED USE DEVELOPMENT**

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

*Director Eby suggested the words "and verifiable" be added between "Written" and "confirmation" to the Intent-to-Serve (ITS) letter.*

*Mike Seitz, District Legal Counsel, clarified that new development can only be served by supplemental water but is okay with the addition of the word "verifiable" to the Intent-to-Serve letter.*

*The following members of the public spoke:  
 CJ Horseman, representative for the project architect, commented that the project is held up without a Will-Serve letter.*

*Director Woodson commented that the South County Advisory Council (SCAC) recently recommended this project be denied based on the lack of water and lack of response from the petitioner.*

*Director Armstrong commented that the Board should be consistent and approve the ITS so the applicant can work towards perfecting it into a Will-Serve. Mr. Seitz clarified that there is sewer capacity for this project.*

*Mr. Iglesias clarified that it is an ITS and the applicant will have to meet conditions in the ITS before issued a Will-Serve.*

**Nipomo Community Services District  
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*Upon the motion of Director Ed Eby and seconded, the Board approved the Intent-to-Serve (ITS) with amended conditions.  
Vote 4-0.*

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

President Armstrong announced that the Board would return to Item C-1.

00:39:35

**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 Woodson

- ◇ *September 26, Attended the South County Advisory Council (SCAC) meeting.*

Director Eby

- ◇ *September 15, Attended the Local Area Formation Commission (LAFCO) meeting where they discussed new water districts in the Paso Robles region.*
- ◇ *September 23, Attended the Nipomo Mesa Management Area (NMMA) Technical Group meeting.*
- ◇ *There will be a presentation regarding water depth and quality measuring techniques on October 5<sup>th</sup> from 9:30 am at the SLO Veteran's Memorial Building.*

Director Gaddis

- ◇ *September 19, Attended the District Officer's 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 Ed Eby and seconded, the Board approved to receive and file the presentations and reports as submitted.*

*Vote 4-0.*

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

00:43:14

**D. CONSENT AGENDA**

D-1) WARRANTS

D-2) APPROVE SEPTEMBER 14, REGULAR BOARD MEETING MINUTES

*There were no public comments.*

Nipomo Community Services District  
**REGULAR MEETING  
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*Upon the motion of Director Ed Eby and seconded, the Board approved the Consent Items. Vote 4-0.*

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

E. ADMINISTRATIVE ITEMS

ITEMS E-1 AND E-2 WERE HEARD EARLIER IN THE MEETING

00:43:48 F. GENERAL 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:*

- *There are no new production numbers to report*
- *Attended the Sustainable Groundwater Management Act (SGMA) meeting in Arroyo Grande on September 14th*
- *The District received acknowledgement from the Special District Risk Management Authority (SDRMA) for no paid worker's comp claims for five consecutive years. As a result, the District can anticipate lower Worker's Compensation premiums.*

*There were no public comments.*

G. COMMITTEE REPORTS

*None.*

00:48:31 H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

*Director Gaddis*

- *Would like an update on the Joshua Road Pump Station Reservoir project at the next Board meeting*
- *Would like the Manager's Report to include the next Nipomo Mesa Management Area (NMMA) Technical Group meetings*

*Director Eby*

- *The next NMMA Technical Group meeting will be on October 21<sup>st</sup> at 10 AM*

*Director Woodson*

- *Commented that the South County Advisory Council (SCAC) heard a report of water being hauled to Speedling Nursery and asked about exportation rules within the basin. Mike Seitz, District Legal Counsel, commented that this would be discussed in Closed Session.*

00:53:40 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).

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- 2. CONDUCT ANNUAL PERFORMANCE REVIEW OF DISTRICT LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION 54957
- 3. INSTRUCTION TO NEGOTIATORS MARIO IGLESIAS, MIKE SEITZ AND LILLIAN JEWELL PURSUANT TO GOVERNMENT CODE SECTION 54956.8 FOR PURCHASE OF EASEMENT 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 9:55 a.m.*

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

*The Board came back into Open Session at 10:44 a.m.*

*The Board took no reportable action.*

ADJOURN

*President Armstrong adjourned the meeting at 10:45 a.m.*

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	56 minutes
Closed Session	49 minutes
TOTAL HOURS	1 hour 45 minutes

Respectfully submitted,

  
 \_\_\_\_\_  
 Mario Iglesias, General Manager and Secretary to the Board

10/28/2016  
 Date