

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

NOVEMBER 9, 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 November 9, 2016 to order at 9:00 a.m. and led the flag salute.

00:00:35 B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, all Directors were present.

There were no public comments.

President Armstrong announced that the Board would hear Item E-3 next.

00:00:44 E-3) CONDUCT PUBLIC HEARING FOR VARIANCE REQUEST TO PROVIDE ADDITIONAL WATER AND SEWER SERVICE AT APN 092-577-008

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

PRESIDENT ARMSTRONG OPENED THE HEARING

The following members of the public spoke:

David Masheyekan, Customer and Developer, commented on the variance request for the project. He also commented on the need for safety upgrades and convenience to his customers.

Steve Osler, pharmacy customer, commented in support of a variance for relocation of the pharmacy.

Jessica Masheyekan, pharmacy manager, commented on the need for the relocation due to safety concerns and patient convenience.

Eileen Getzoff, NCSD Customer, handed a letter to the Board (available for review at the District office) and commented on the need for a relocation to better serve pharmacy customers.

Jan Sanderwood, Nipomo resident and pharmacy customer, commented on the need for a relocation for customer convenience.

Courtney Taylor, Land Use Consultant, commented on the project and summarized the plans. Ms. Taylor also commented that there would be no impact on water use. The Board discussed. Mr. Masheyekan answered questions from the Board.

Director Eby asked about water use at the old location should he move to the new location. Mr. Masheyekan responded that the old location would only be used for file storage and no water use would be necessary.

PRESIDENT ARMSTRONG CLOSED THE HEARING

Director Armstrong recommended that the District Director of Engineering and Operations review the submitted plans first before the Board makes a decision.

Peter Sevcik, Director of Engineering and Operations, commented that he will need to look at the plans and make a determination on capacity of the current meter at the proposed new location.

Director Gaddis commented on staff's recommendation and asked if the District would be setting a precedent by approving the variance. Mike Seitz, District Legal Counsel, responded that this process is part of policy and would not set a precedent. All NCSO customers can ask for a variance to District requirements/regulations.

Director Armstrong suggested the Item be continued to a future meeting so that Mr. Sevcik can review the plans and directed staff to work with Mr. Masheyekan to obtain any necessary documents.

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously agreed to continue the Item to the December 14, 2016 Regular meeting.
 Vote 5-0.

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

President Armstrong announced that the Board would hear Item E-4 next.

00:45:55 E-4) ACCEPT FINANCIAL AUDIT REPORT FOR FISCAL YEAR 2015-2016

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet and introduced Terry Shea with Rogers, Anderson, Malody & Scott, LLP.

Mr. Shea presented the annual audit report and stated that the District received an "unmodified opinion," the highest rating. Mr. Shea answered questions from the Board.

There were no public comments.

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously accepted the 2015-2016 Annual Audit Report and directed staff to file the Report.
 Vote 5-0.

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

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

00:58:02

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 Gaddis

- ◇ November 2, Attended the Regional Water Management Group (RWMG) meeting.
- ◇ November 2, Attended the Water Resources Advisory Council (WRAC) meeting.

Director Eby

- ◇ October 26-28, Attended the California Local Area Formation Commission (LAFCO) conference in Santa Barbara where the SLO LAFCO was awarded "Most Effective LAFCO in California."
- ◇ November 2, Attended the Water Resources Advisory Council (WRAC) 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 Dan Allen Gaddis 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 Gaddis, Eby, Blair, Woodson, and Armstrong	None	None

00:59:50

D. CONSENT AGENDA

D-1) WARRANTS

D-2) APPROVE OCTOBER 26, REGULAR BOARD MEETING MINUTES

Director Gaddis asked a question regarding Item D-1. Mario Iglesias, General Manager, responded.

There were no public comments.

*Upon the motion of Director Bob Blair and seconded, the Board unanimously approved the Consent Agenda.
 Vote 5-0.*

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

01:01:05 E. ADMINISTRATIVE ITEMS

E-1) AWARD CONSTRUCTION CONTRACT FOR BLACKLAKE WATER RECLAMATION FACILITY HEADWORKS REHABILITATION PROJECT TO CUSHMAN CONTRACTING CORPORATION

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

The Board discussed and asked about funding for the project. Lisa Bognuda, Finance Director, responded that the project will not deplete reserves since it will come out of budgeted Funded Replacement.

Mario Iglesias, General Manager, commented that the District has been working with the Blacklake Facilities Committee to keep them involved in the process.

There were no public comments.

*Upon the motion of Director Craig Armstrong and seconded, the Board unanimously agreed to award the Contract to Cushman Contracting Corporation in the amount of \$185,865, authorized staff to execute the Contract, authorized a Change Order Contingency in the amount of \$20,000, and authorized staff to amend the 2016-2017 Budget.
 Vote 5-0.*

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

RESOLUTION NO. 2016-1428
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AWARDING THE BID FOR THE CONSTRUCTION OF THE BLACKLAKE WATER RECLAMATION FACILITY HEADWORKS REHABILITATION PROJECT TO CUSHMAN CONTRACTING CORPORATION IN THE AMOUNT OF \$185,865, AUTHORIZING CONSTRUCTION CONTINGENCY OF \$20,000 AND AMENDING FY 2016/17 BUDGET

01:08:23 E-2) AWARD CONSTRUCTION INSPECTION CONTRACT FOR BLACKLAKE WATER RECLAMATION FACILITY HEADWORKS REHABILITATION PROJECT TO MNS ENGINEERS INC.

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

There were no public comments.

*Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously adopted the Resolution authorizing a Task Order for construction inspection services with MNS Engineers Inc. in the amount of \$27,324.
 Vote 5-0.*

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

RESOLUTION NO. 2016-1429
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING A TASK ORDER FOR BLACKLAKE WATER RECLAMATION FACILITY HEADWORKS REHABILITATION PROJECT CONSTRUCTION INSPECTION SERVICES WITH MNS ENGINEERS, INC. IN THE AMOUNT OF \$27,324

Items E-3 and E-4 were heard earlier in the meeting.

01:12:07

E-5) ANNUAL REVIEW OF CASH RESERVES IN ACCORDANCE WITH CASH RESERVES POLICY

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet. Mr. Iglesias and Lisa Bognuda, Finance Director, answered questions from the Board.

Ms. Bognuda also noted a correction to the staff report Recommendation #3; the amount should be \$29,000.

There were no public comments.

Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously approved staff's recommendation as amended.

Vote 5-0.

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

E-6) AUTHORIZE CONTRACT FOR KNOLLWOOD WELL REPAIR

01:15:36

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet. Peter Sevcik, Director of Engineering and Operation, answered questions from the Board.

Mr. Iglesias also noted a correction to the Resolution.

There were no public comments.

Upon the motion of Director Dan Woodson and seconded, the Board unanimously adopted the Resolution as amended authorizing a Contract with Fisher Pump and Well Service Inc. in the amount of \$38,184 and Change Order Contingency in the amount of \$5,000.

Vote 5-0.

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

RESOLUTION NO. 2016-1430

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING A CONTRACT FOR KNOLLWOOD WELL REPAIR WITH FISHER PUMP AND WELL SERVICE INC.

E-7) CALIFORNIA STATE DISABILITIES INSURANCE – RESOLUTION OF APPROVAL

01:19:59

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet. Mr. Iglesias and Lisa Bognuda, Finance Director, answered questions from the Board.

There were no public comments.

Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously adopted the Resolution.

Vote 5-0.

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

RESOLUTION NO. 2016-1431

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT APPROVING THE FILING OF A STATE DISABILITY INSURANCE COVERAGE APPLICATION FOR ELECTIVE COVERAGE UNDER SECTION 710.5 OF THE UNEMPLOYMENT INSURANCE CODE

01:25:34 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:

- *The District's groundwater pumping is reaching its current targets.*

There were no public comments.

G. COMMITTEE REPORTS

None.

01:26:54 H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

None.

01:27:07 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).

2. 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 10:34 a.m.

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

The Board came back into Open Session at 11:04 AM.

Mike Seitz, District Legal Counsel, announced that the Board discussed Item 1.1(a), heard a report, but took no reportable action.

Mr. Seitz reported that the Board discussed Item 2, heard a report, but took no reportable action.

Nipomo Community Services District
REGULAR MEETING
MINUTES

ADJOURN

President Armstrong adjourned the meeting at 11:05 AM.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hours 35 minutes
Closed Session	30 minutes
TOTAL HOURS	2 hours 5 minutes

Respectfully submitted,



Mario Iglesias, General Manager and Secretary to the Board

12-14-2016
Date