BOARD OF DIRECTORS

FROM:

MARIO IGLESIAS

GENERAL MANAGER

DATE:

JUNE 17, 2022

AGENDA ITEM C

JUNE 22, 2022

PRESENTATIONS AND REPORTS

The following presentations and reports are scheduled:

- C-1) WATER CONSERVATION EFFORTS EAGLE AERIAL SOFTWARE PRESENTATION [RECOMMEND RECEIVE AND FILE]
- C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS.

 Receive Announcements and Reports from Directors
- C-3) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS

BOARD OF DIRECTORS

FROM:

MARIO IGLESIAS GENERAL MANAGER



C-1 JUNE 22, 2022

AGENDA ITEM

DATE:

June 17, 2022

WATER CONSERVATION EFFORTS EAGLE AERIAL SOFTWARE PRESENTATION

ITEM

General Manager's update on water conservation using the latest data tools available. [RECOMMEND RECEIVE AND FILE]

BACKGROUND

The most recent drought in California is causing water agencies and regulatory agencies that oversee water agencies to increase water conservation efforts. The Nipomo Community Services District ("District") has been at a heightened level of water conservation since first declaring Stage III in 2015 and then, elevating in 2016 to Stage IV of the District's Water Shortage Response and Management Plan. The community has been practicing water conservation for the last 7 years at these heightened levels and meeting the conservation objectives satisfactorily.

To assist the District in balancing the upcoming State Water Resource Control Board ("Water Board") water conservation regulation with the District's obligation to bring a prescribed amount of water onto the Nipomo Mesa in compliance with the Court issued Judgement, staff has contracted with Eagle Aerial. Eagle Aerial is a software developer specializing in assisting agencies with their water conservation efforts. An advantage to using Eagle Aerial as our software vendor is that the Water Board also uses Eagle Aerial software technology. By leveraging this advantage, the District gains insight into its ability to meet the Water Board's future and pending water conservation objectives – an advantage the District needs as higher scrutiny by the Water Board over water use intensifies.

FISCAL IMPACT

Software cost were included in Fiscal Year 2021-22 Budget and are included in Fiscal Year 2022-23 Budget.

STRATEGIC PLAN

- Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.
 - B.4 Maintain the Water Shortage Response and Management Plan to respond to drought and other supply emergencies.
- Goal 4. FINANCE. Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.
 - B.1 Evaluate, plan for and maintain finances that are adequate for all needs, stable, and reliable over the long-term.

RECOMMENDATION

Staff recommends that your Honorable Board receive and file the report.

ATTACHMENTS

- A. DWR Fast Facts: Water Conservation Legislation
- B. Eagle Aerial Presentation

JUNE 22, 2022

ITEM C-1

ATTACHMENT A

Fast Facts on the



Water Conservation Legislation

In 2018, two laws were passed that built on California's ongoing efforts to make water conservation a way of life. They emphasized efficiency and stretching water supplies in cities and farms. Here are some fast facts about the 2018 Making Water Conservation A Way of Life laws:

Do the 2018 water conservation laws set limits on personal water use?

No. These laws establish mandates for water budget planning and efficiency objectives for water suppliers, not individuals, homeowners, or businesses.

Will residents be fined \$1,000 for using more than 55 gallons of water per person, per day?

No. The laws do not establish any water use fines on customers, nor do they impose fines on individuals.

Do I have to choose between showering or doing laundry on the same day?

No. You are still encouraged to shower and wash your clothes in the Golden State, and even to wash children, pets and dishes. Though there are some easy ways you can take part in making conservation a way of life when using water at home – check out some water saving tips and tricks at: **saveourwater.com**

Senate Bill 606 (Hertzberg) and **Assembly Bill 1668** (Friedman) serve as a roadmap for Californians to plan for dry conditions, and to work together for clean, reliable water supplies now and in the future.

In addition to water conservation targets, the bills outline certain roles and actions to be carried out by the California Department of Water Resources, the **State Water Resources Control Board** (State Water Board), and water suppliers. Future milestones include:

- Beginning in November 2023, urban water suppliers will annually calculate a water efficiency standard based on the indoor and outdoor water needs of its service area.
- The indoor water use standard is one of several metrics used to calculate the overall efficiency standard for a service area. The laws establish a standard of 55 gallons per person per day until January 2025, and then to 50 gallons per person per day in 2030. However, those targets are aggregated across the population in a service area and are not intended as enforceable standards for individuals.
- The State Water Board may initiate enforcement actions in 2025 against urban water suppliers if they fail to meet the standards. The standards are scheduled to go into effect in 2023.

More information on these laws and making water conservation a way of life can be found at: water.ca.gov/Programs/Water-Use-And-Efficiency

JUNE 22, 2022

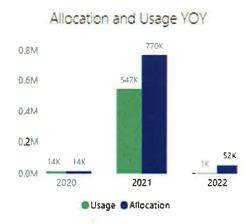
ITEM C-1

ATTACHMENT B

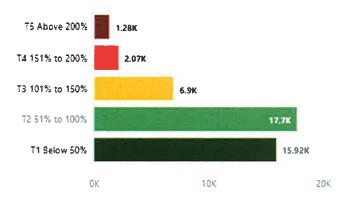


2021 Data Advanced Reporting







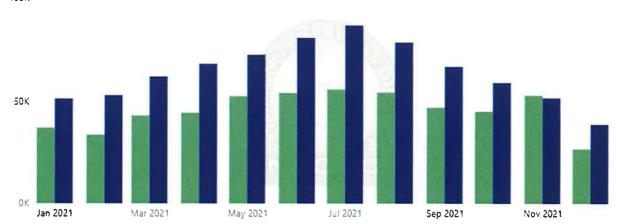


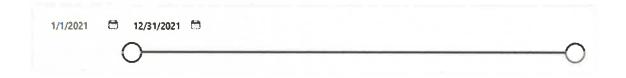


Nipomo Water Efficiency Dashboard









COPERCONS SEVEN LAGE ADRIAL ALL RIGHTESTELDIVE

■ WATERNEW

Averages

Avg Usage 12.48

Avg Allocation 17.56

Allocation % 71.06%

APN	Address	Avg Usage	Avg Allocation	Usage/Allocation %
092-	OIS LA	45.37	9.91	457.85%
092-	SRANDE Ave	541.22	121.94	443.83%
091-	HETRICK Ave	82.15	18.67	439.90%
091-	IUNTER RIDGE Ln	84.66	20.95	404.01%
092-	- MESA Rd	33.41	8.33	400.93%
091-	HETRICK Ave	48.02	12.35	388,75%
091-	POMEROY Rd	122.37	33.63	363.86%
092-	UNO Ct	40.35	11.22	359.56%
092-	INO SOLO Ct	39.10	11.39	343.35%
091-	ALMER St	35.46	10.75	329.93%
090-	DANA St	26.70	8.26	323.15%
092-	OAK GLEN Ave	110,23	34.97	315.26%



Search by Address

∠ Search

BENNETT St Nipomo CA 93444

VINTAGE St Nipomo CA 93444

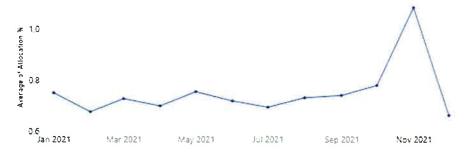
SUNDAY Dr Nipomo CA 93444

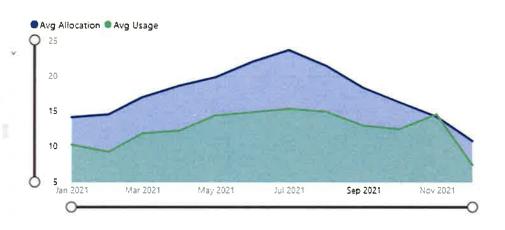
NAILEA Way Nipomo CA 93444

AIRII EA Mhir Minama CA 02444



Average Allocation % Trend Line





& WATERVIEW

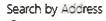
ANALYTICS | Totals

Total Usage 547.36K

Total Allocation 770.23K Allocation % 71.06%

APN	Address	Avg Usage	Avg Allocation	Usage/Allocation %
092-	LOIS Ln	45.37	9.91	457.85%
092-	GRANDE Ave	541.22	121.94	443.83%
091-	7 HETRICK Ave	82.15	18.67	439.90%
091-	HUNTER RIDGE Ln	84.66	20.95	404.01%
092-	S MESA Rd	33.41	8.33	400.93%
091-	1 HETRICK Ave	48.02	12.35	388,75%
091-	1 POMEROY Rd	122.37	33.63	363,86%
092-	JUNO Ct	40.35	11.22	359,56%
092-	PINO SOLO Ct	39.10	11.39	343.35%
091-	PALMER St	35.46	10.75	329.93%
090-	E DANA St	26.70	8.26	323,15%
092-271-0	001 312 S OAK GLEN Ave	110.23	34.97	315.26%





∠ Search

BENNETT St Nipomo CA 93444

40K

20K Jan 2021

Mar 2021

May 2021

Jul 2021

Sep 2021

Nov 2021

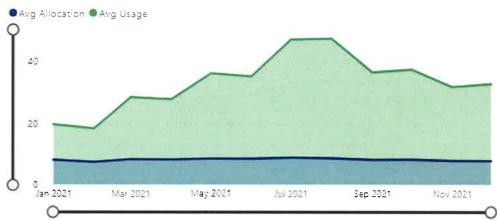
- ─ VINTAGE St Nipomo CA 93444
- UNDAY Dr Nipomo CA 93444
- NAILEA Way Nipomo CA 93444
- 1000 MANUEN MANUEN NINOMO CA 02444











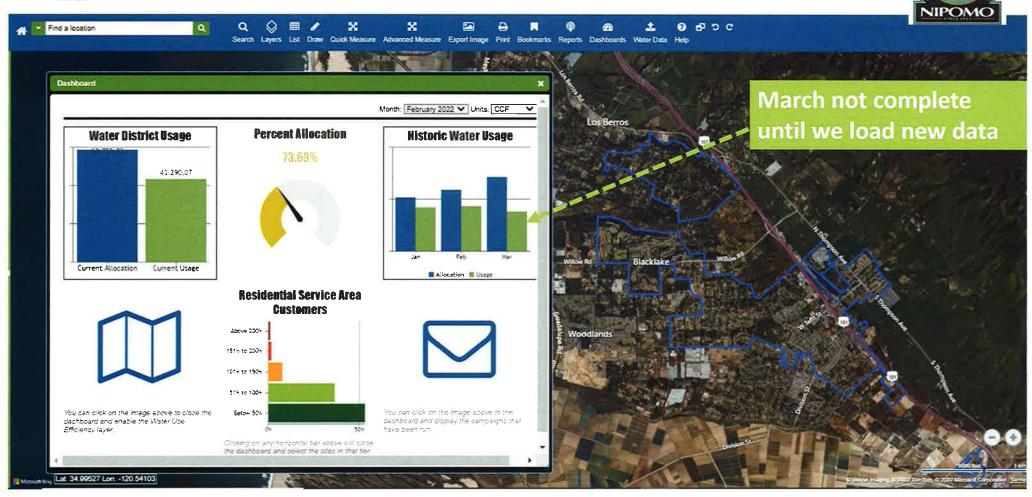


2022 Data Standard WaterView



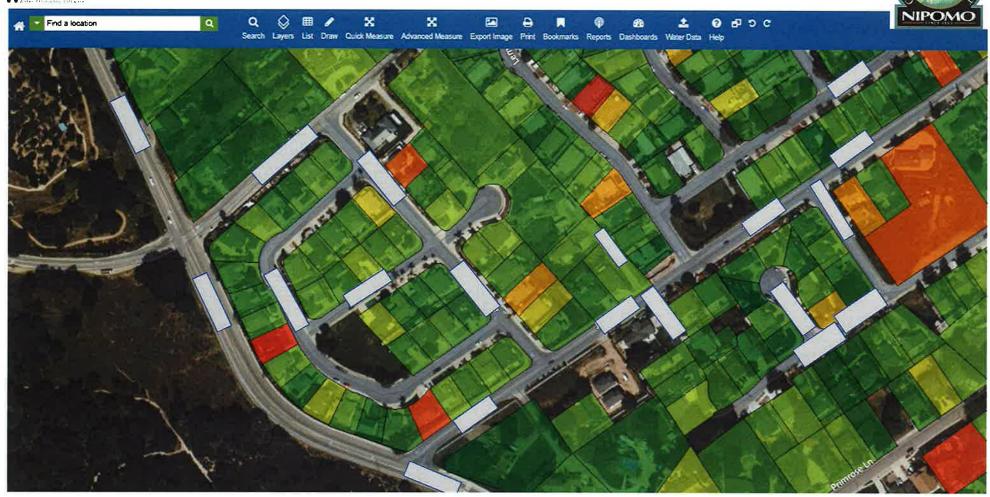


Home screen with Dashboard and Service Area



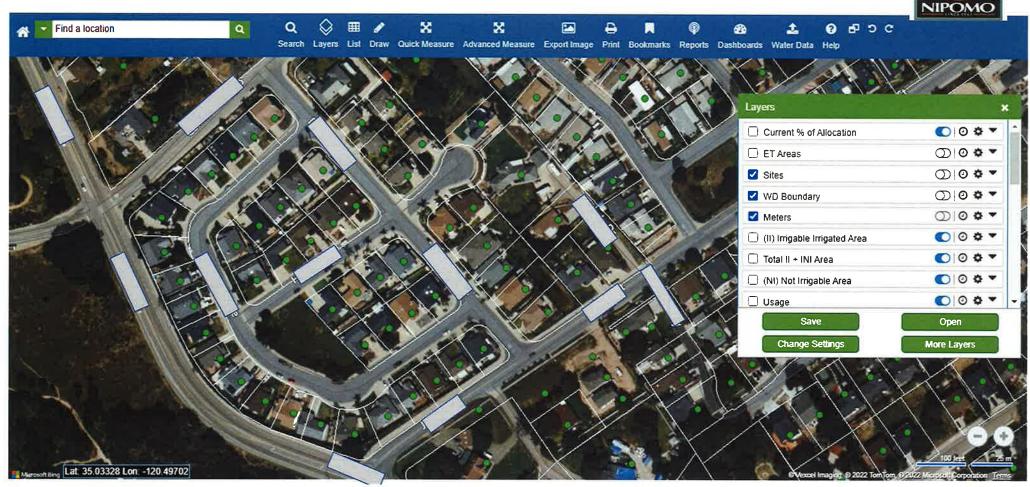


Color coded interactive map to show under/over allocation





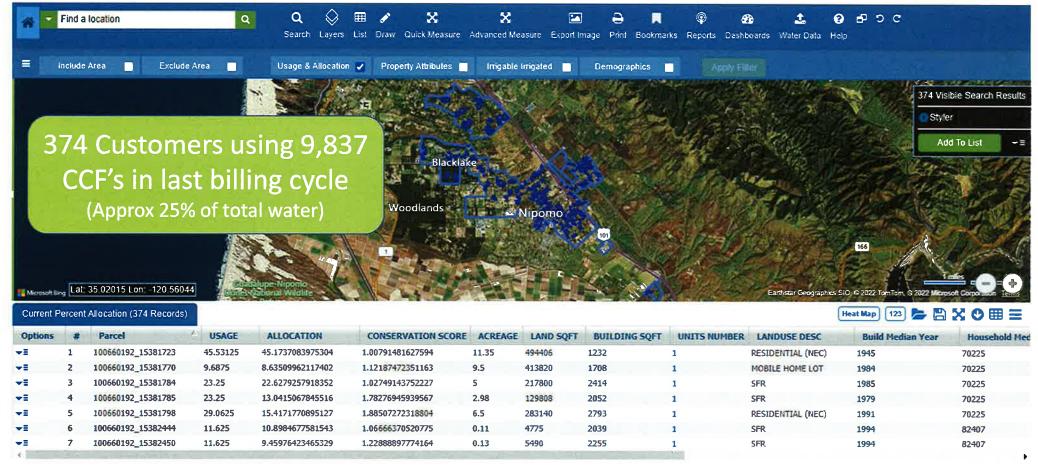
Meters matched to Parcels





374 customers over Allocation (>100%)

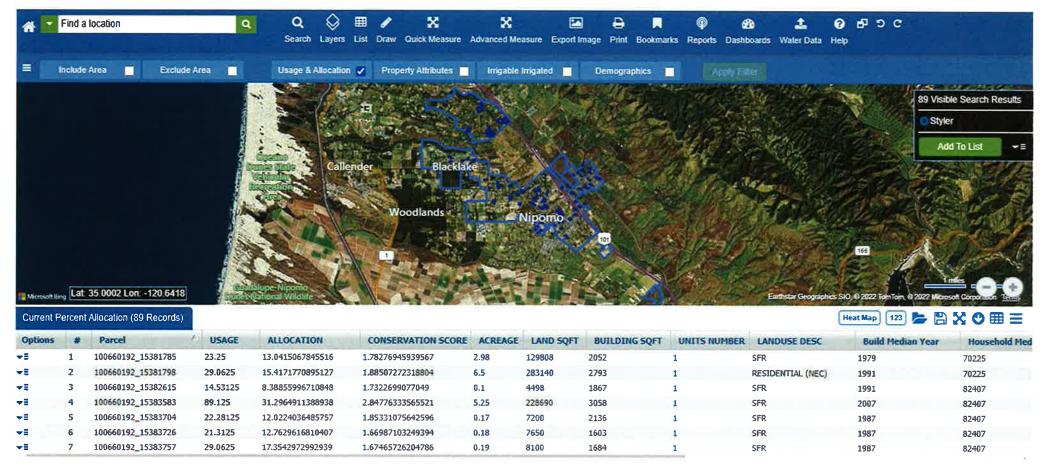






89 customers over 150% of Allocation

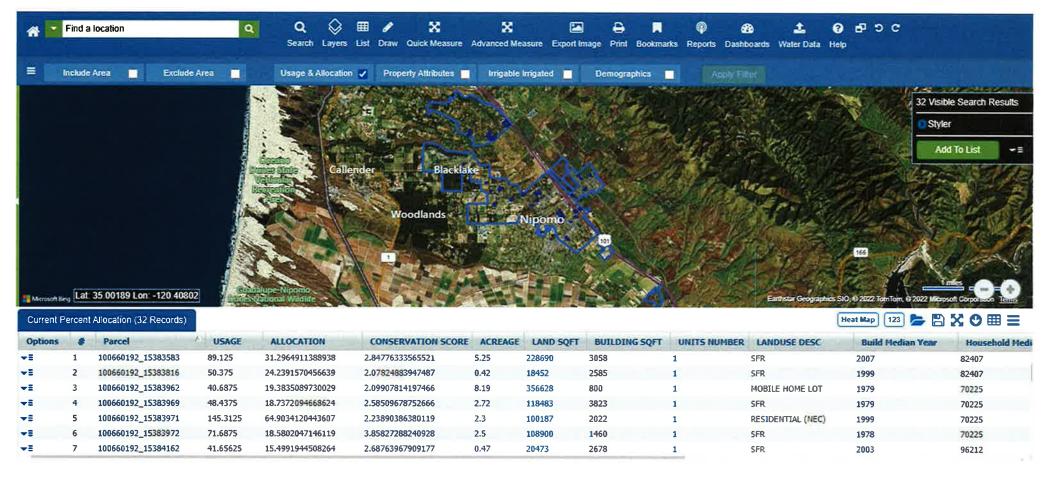




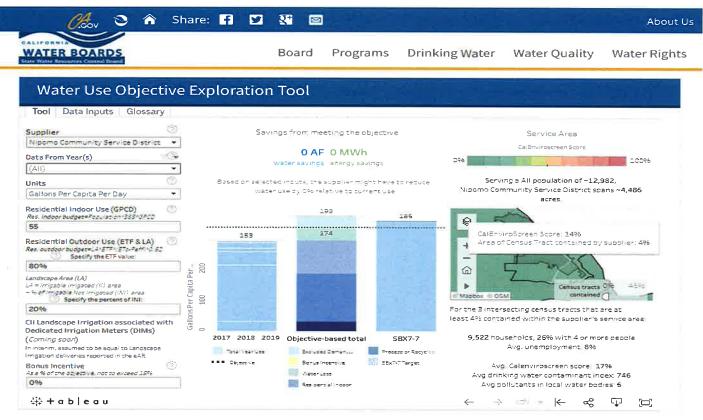


32 customers over 200% of Allocation





State Water Board Planning Tool





Questions



BOARD OF DIRECTORS

FROM:

MARIO IGLESIAS

GENERAL MANAGER



DATE:

JUNE 17, 2022

AGENDA ITEM D

JUNE 22, 2022

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 JUNE 8, 2022, REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]
- D-3) CONSIDER AUTHORIZING THE GENERAL MANAGER TO ENTER NIPOMO COMMUNITY SERVICES DISTRICT INTO A DIRECT PAYMENT AGREEMENT WITH HORNE LLP, FOR PAYMENTS RECEIVED UNDER THE LOW-INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM [RECOMMEND AUTHORIZE GENERAL MANAGER TO SIGN DIRECT PAYMENT AGREEMENT]

BOARD OF DIRECTORS

REVIEWED: MARIO IGLESIAS

GENERAL MANAGER

FROM:

LISA BOGNUDA

FINANCE DIRECTOR

DATE:

JUNE 17, 2022

AGENDA ITEM D-1

JUNE 22, 2022

WARRANTS WILL BE DISTRIBUTED TUESDAY, JUNE 21, 2022

BOARD OF DIRECTORS

FROM:

MARIO IGLESIAS GENERAL MANAGER

DATE:

JUNE 17, 2022

AGENDA ITEM D-2 JUNE 22, 2022

APPROVE JUNE 8, 2022 REGULAR BOARD MEETING MINUTES

<u>ITEM</u>

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

<u>ATTACHMENT</u>

A. June 8, 2022 draft Regular Board Meeting Minutes

JUNE 22, 2022

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community since 1965

DRAFT REGULAR MINUTES

JUNE 8, 2022 AT 9:00 A.M.

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

BOARD of DIRECTORS
ED EBY, PRESIDENT
RICHARD MALVAROSE, VICE PRESIDENT
DAN ALLEN GADDIS, DIRECTOR
DAN WOODSON, DIRECTOR
CRAIG ARMSTRONG, DIRECTOR

PRINCIPAL STAFF

MARIO IGLESIAS, GENERAL MANAGER
LISA BOGNUDA, FINANCE DIRECTOR
PETER SEVCIK, DIRECTOR OF ENG. & OPS.
CRAIG STEELE, GENERAL COUNSEL

Mission Statement:

Provide our customers with reliable, quality, and cost-effective services now and in the future.

A. CALL TO ORDER AND FLAG SALUTE

President Eby called the Regular Meeting of May 25, 2022, to order at 9:00 a.m. and led the flag salute.

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

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

Receive Announcements and Reports from Directors

Director Ebv

- May 27, attended Board Officers' meeting.
- June 1, attended WRAC meeting.
- June 7, attended Blacklake Management Committee 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 Armstrong and seconded, the Board approved receiving and filing presentations and reports.

Vote 5-0.

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

D. CONSENT AGENDA

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE MAY 25, 2022, REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]
- D-3) ACCEPT DEED RESTRICTION FOR APN 092-577-002, LUCKY LANE, NIPOMO [RECOMMEND ADOPT RESOLUTION]
- D-4) ADOPT RESOLUTION AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND [RECOMMEND ADOPT RESOLUTION]

Staff answered questions regarding the warrants.

There were no public comments.

Upon the motion of Director Woodson and seconded, the Board approved the Consent Agenda. Director Malvarose abstained from item D-1 due to a conflict of interest relating to his employer. Director Gaddis abstained from Item D-2 due to absence at May 25, 2022 meeting.

Vote 4-0-1 on D-1.

Vote 4-0-1 on D-2.

Vote 5-0 on D-3 and D-4.

	YES VOTES	ABSENT	ABSTAIN
D-1	Directors Armstrong, Woodson, Gaddis, and Eby	None	Malvarose
D-2	Directors Armstrong, Woodson, Malvarose, and Eby	None	Gaddis
D-3 to D-4	Directors Armstrong, Woodson, Gaddis, Malvarose, and Eby	None	None

RESOLUTION NO. 2022-1626 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ACCEPTING LUCKY LANE DEED RESTRICTION APN 092-577-002

RESOLUTION NO. 2022-1627
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AUTHORIZING INVESTMENT OF MONIES IN
THE LOCAL AGENCY INVESTMENT FUND

E. ADMINISTRATIVE ITEMS

E-1) PUBLIC HEARING - APPROVE GENERAL MANAGER'S REPORT AUTHORIZE RECORDATION OF TAX LIENS FOR PROPERTIES IN ARREARS IN PAYMENT OF SOLID WASTE FEES [RECOMMEND CONDUCT HEARING, AMEND GENERAL MANAGER'S REPORT IF NECESSARY, AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING GENERAL MANAGER'S REPORT AND AUTHORIZING RECORDATION OF LIENS]

President Eby opened the Public Hearing.

There were no public comments and no written protests received.

President Eby closed the Public Hearing.

Upon the motion of Director Gaddis and seconded, the Board approved the Resolution. Vote 5-0.

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

RESOLUTION NO. 2022-1628
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
CONFIRMING REPORT OF DISTRICT GENERAL MANAGER
AND ORDERING THE COLLECTION OF UNPAID
SOLID WASTE COLLECTION CHARGES ON THE TAX ROLL

- E-2) PUBLIC HEARING REGARDING PROPOSED FORMATION OF THE NIPOMO COMMUNITY SERVICES DISTRICT BLACKLAKE STREET LIGHTING MAINTENANCE DISTRICT 2022-1
 - RECOMMEND: CONDUCT PUBLIC HEARING
 - CONDUCT PUBLIC HEARING AND ACCEPT BALLOTS
 - TABULATE BALLOTS (RECESS BOARD MEETING FOR TABULATION; PUBLIC MAY OBSERVE)
 - 3. RETURN TO BOARD MEETING FOR ANNOUNCEMENT OF RESULTS AND BOARD ACTION.
 - 4. IF NO MAJORITY PROTEST EXISTS, THE BOARD WILL CONSIDER ADOPTING RESOLUTION NO. 2022-16XX REGARDING THE PROPOSED BLACKLAKE STREET LIGHTING MAINTENANCE DISTRICT 2022-01:

 "A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ORDERING THE FORMATION OF THE NIPOMO COMMUNITY SERVICES DISTRICT BLACKLAKE STREET LIGHTING MAINTENANCE ASSESSMENT DISTRICT NO. 2022-1 AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2022-23 PURSUANT TO THE PROVISIONS OF

Or,

5. IF A MAJORITY PROTEST EXISTS, THE BOARD COULD DIRECT STAFF TO BRING THE ITEM BACK BEFORE THE BOARD AT THE JUNE 22, 2022 BOARD MEETING FOR FURTHER DISCUSSION.

PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION",

OR.

6. PROVIDE ALTERNATIVE DIRECTION TO STAFF

Mario Iglesias, General Manager, presented the item.

President Eby opened the Public Hearing and stated that the District would accept comments and ballots until the close of the public input section. There was no public comment and no ballots were submitted. President Eby closed the public input portion of the hearing and announced that the time to submit ballots had concluded.

President Eby announced that the Board will be taking a recess to tabulate the ballots and the Board meeting would reconvene at 11:15 a.m.

Dave Weitzel and Steven Myli participated as Blacklake representatives that observed the tabulation of the ballots by District staff.

President Eby reopened the meeting at 11:15 a.m.

Director Malvarose excused himself and did not return from the recess.

Mario Iglesias, General Manager, announced that ballots were weighted according to the proportional financial obligation that affected each property, the tabulation showed that ballots representing \$15,895 were returned in support of the assessment, sixty three percent, and \$9,350 were returned in opposition of the proposed assessment, thirty seven percent, therefore there no majority protest existed and the Board may proceed to create the District.

President Eby closed the Public Hearing.

Upon the motion of Director Gaddis and seconded, the Board approved the Resolution. Vote 4-0.

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

RESOLUTION NO. 2022-1629
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ORDERING THE FORMATION OF THE NIPOMO COMMUNITY SERVICES DISTRICT BLACKLAKE STREET LIGHTING MAINTENANCE ASSESSMENT DISTRICT NO. 2022-1 AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2022-23 PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICL F AUIL DO F THE CALIFORNIA CONSTITUTION

E-3) PUBLIC HEARING - APPROVE ENGINEER'S REPORT AND AUTHORIZE COLLECTION OF FY 2022-2023 STREET LANDSCAPE MAINTENANCE DISTRICT ASSESSMENTS [RECOMMEND CONDUCT HEARING, AMEND ENGINEER'S REPORT IF NECESSARY AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING ENGINEER'S REPORT AND AUTHORIZING COLLECTION OF ASSESSMENTS]

Mario Iglesias, General Manager, presented the item.

President Eby opened the Public Hearing.

There were no public comments.

President Eby closed the Public Hearing.

Upon the motion of Director Armstrong and seconded, the Board approved the Resolution. Vote 4-0.

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

RESOLUTION NO. 2022-1630
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2022-2023

E-4) A) PUBLIC HEARING TO ADOPT 2022-2023 FISCAL YEAR BUDGET AND APPROPRIATION LIMIT [RECOMMEND CONDUCT PUBLIC HEARING, CONSIDER TESTIMONY, ORDER EDITS IF ANY AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING 2022-2023 FISCAL YEAR BUDGET AND APPROPRIATION LIMITATION]

Mario Iglesias, General Manager, introduced the item.

President Eby opened the Public Hearing for Item E-4(A).

<u>Jesse McGraw</u>, Blacklake resident, commented on the fleet schedule in the Budget stating his approval.

President Eby closed the Public Hearing for Item E-4(A).

Upon the motion of Director Armstrong and seconded, the Board approved the Resolutions adopting the 2022-2023 Budget and Appropriations Limitation.

Vote 4-0.

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

RESOLUTION 2022 - 1631 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ADOPTING THE 2022-2023 FISCAL YEAR BUDGET

RESOLUTION NO. 2022-1632 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT DETERMINING THE APPROPRIATION LIMITATION FOR THE 2022-2023 FISCAL YEAR

(B) ADOPT 2022-2023 FISCAL YEAR BUDGET FOR NIPOMO SUPPLEMENTAL WATER PROJECT (NSWP) [RECOMMEND CONDUCT PUBLIC HEARING, CONSIDER TESTIMONY, ORDER EDITS IF ANY AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING NSWP 2022-2023 FISCAL YEAR BUDGET]

Mario Iglesias, General Manager, introduced the item.

President Eby opened the Public Hearing for Item E-4(B).

There were no public comments.

President Eby closed the Public Hearing for Item E-4(B).

Upon the motion of Director Armstrong and seconded, the Board approved the Resolution. Vote 4-0.

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

RESOLUTION 2022-1633
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE NSWP (NIPOMO SUPPLEMENTAL WATER PROJECT)
2022-2023 FISCAL YEAR BUDGET

F. GENERAL MANAGER'S REPORT

Mario Iglesias, General Manager, presented the item and answered questions from the Board.

Director Woodson asked if we looked into sealed meter boxes with drain holes.

G. COMMITTEE REPORTS

None.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

None.

CLOSED SESSION ANNOUNCEMENTS

Craig Steele, District Legal Counsel, announced that there would be no closed session.

- 1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9
 - a. SMVWCD V. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750, AND ALL CONSOLIDATED CASES

<u>Pam Wilson</u>, NCSD resident, asked if the Governor's order of 20% reduction would affect the District.

ADJOURN MEETING

President Eby adjourned the meeting at 11:34 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	2 hour 34 minutes
Closed Session	0 hour 0 minutes
TOTAL HOURS	2 hour 34 minutes

R	esn	ectfi	illy	Sub	mitte	d
1.	ころい	しいいし	ali v	SUD		u.

Mario Iglesias	. General Manager and Secretary to the Board	Da

BOARD OF DIRECTORS

FROM:

MARIO E. IGLESIAS GENERAL MANAGER



AGENDA ITEM
D-3
JUNE 22, 2022

DATE:

JUNE 17, 2022

CONSIDER AUTHORIZING THE GENERAL MANAGER TO ENTER NIPOMO COMMUNITY SERVICES DISTRICT INTO A DIRECT PAYMENT AGREEMENT WITH HORNE LLP, FOR PAYMENTS RECEIVED UNDER THE LOW-INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM

ITEM

Consider authorizing the General Manager of Nipomo Community Services District ("District") to enter into a Direct Payment Agreement with Horne LLP, for payments the District would receive under the California Department of Community Services and Development's Low-Income Household Water Assistance Program ("LIHWAP") [RECOMMEND AUTHORIZE GENERAL MANAGER TO SIGN DIRECT PAYMENT AGREEMENT]

BACKGROUND

The new LIHWAP provides financial assistance to low-income Californians to help manage their residential water utility costs. The federal LIHWAP funds are administered by the U.S. Department of Health and Human Services (U.S. HHS) and the California Department of Community Services and Development (CSD) has been designated the administering agency for LIHWAP in California. LIHWAP is a customer-based program where qualified, low-income households can apply to their Local Service Provider (LSPs) to receive a one-time credit (up to \$2,000) on their water and/or wastewater bill. The LIHWAP program is accepting applications as of June 16, 2022.

The LSP network is made up of non-profit and local government organizations. These organizations will administer the program at the local level which includes customer outreach, intake, eligibility verification, and determination of the LIHWAP credit amount. The Nipomo Community Services District is not responsible for customer outreach, intake, eligibility verification, or determination of the LIHWAP credit amount activities.

On April 29, 2022, the District received confirmation from the CSD that the District's application was accepted and the District was now enrolled in the LIHWAP. As part of the program, CSD is contracting with Horne LLP, to manage the payments to utility entities of qualified grant recipients. The attached Direct Payment Agreement ("DPA") was provided to the District for consideration and is necessary to receive payments as prescribed by the CSD. District General Counsel has reviewed the DPA and considers the agreement neutral, and has no objection to the District entering into the DPA.

RECOMMENDATION

Staff recommends your Board consider the DPA and if appropriate, direct the District's General Manager to sign the agreement.

ATTACHMENTS

- A. Horne Direct Payment Agreement
- B. Water Assistance Flyer

JUNE 22, 2022

ITEM D-3

ATTACHMENT A



DIRECT PAYMENT AGREEMENT

THIS DIRECT PAYMENT AGREEMENT (Agreement) is made and entered into	0	
effective as of the date signed below (the "Effective Date"), by and between		
("the Water System"),	8.0	
and HORNE LLP , a Delaware limited liability partnership, having a place of busines	s	
at 661 Sunnybrook Road, Suite 100, Ridgeland, MS 39157 ("HORNE").		

WHEREAS, the California Department of Community Services and Development ("CSD") is authorized to administer the Low-Income Household Water Assistance Program ("LIHWAP" or "Program") to provide financial assistance to help low-income Californians manage their residential water utility costs;

WHEREAS, CSD has contracted with HORNE to disburse direct payments to water systems to apply a LIHWAP credit to households identified as eligible for LIHWAP assistance by CSD or its Local Service Providers (LSPs);

WHEREAS, CSD has authorized HORNE to enter into this Agreement with Water System; and

WHEREAS, the Water System desires to enroll in LIHWAP and participate in the direct payment service established by the Direct Payment Program.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Water System agrees to receive direct payments from HORNE for the benefit of California residents who qualify for LIHWAP and agrees to abide by all terms and conditions below:

Direct Payment Program General Terms and Conditions

- 1.1 To participate in the Direct Payment Program, a Water System must be defined as a "Community Water System" or "Community Water System Billing Entity", "Wastewater Treatment Provider" or "Wastewater Billing Entity" (collectively referred to as a "Water System" in this Agreement).
- 1.2 A "Community Water System" means a public water system with at least 15 service connections used by yearlong residents or regularly services at least 25 yearlong residents.
- 1.3 A "Community Water System Billing Entity" means a third-party entity that is the designated billing entity for a community water system.
- 1.4 A "Wastewater Treatment Provider" means a city, county, special district, or joint powers authority that provides wastewater collection, treatment, or disposal service through a publicly owned treatment works.
- 1.5 A "Wastewater Billing Entity" means a local government entity (city, county, or special district) that is the designated billing entity for a wastewater treatment provider.
- 1.6 The Water System enrolled in the Direct Payment Program must be the responsible entity for applying the LIHWAP credit to customer accounts.
- 1.7 Qualified low-income residential customers will be identified by CSD and its LSP partners. CSD will provide HORNE with a direct pay file that contains customer account information as well as the amount for the direct payment to the Water System for each customer. Commercial customers are not eligible for the program.
- 1.8 HORNE will provide the Water System a direct pay file that contains customer account information and the LIHWAP benefit amount for the purpose of crediting the accounts of qualified low-income residential customers of the Water System who have been identified as eligible for water assistance payments under LIHWAP by CSD or its LSPs.
- 1.9 HORNE will establish a secure method to provide the direct pay file and

- customer information to the Water System and a secure method to receive the Direct Payment Summary from the Water System as described in 2.11.
- 1.10 The Water System is encouraged to offer a payment plan or other forms of assistance to customers who have a remaining balance after the LIHWAP benefit is applied to support the continuation of services or the restoration of services for accounts where services are terminated due to nonpayment.

Obligations of the Water System

- 2.1 Water System shall provide water and/or wastewater services to each eligible and approved residential household for which payment is provided under LIHWAP.
- 2.2 Water System shall charge LIHWAP residential households using the Water System's normal billing process, the difference between the actual amount due and the amount of the payment made by the LIHWAP payment.
- 2.3 Water System shall restore water services on a timely basis or remove disconnection status upon payment, if applicable, and shall confirm this action to HORNE by submission of the Direct Payment Summary report as specified in provision 2.11.
- 2.4 Water System shall charge all LIHWAP eligible residential households the same rates charged for home drinking water and/or wastewater services billed to other similarly situated residential households that are non-eligible, as determined by the approved rate setting process.
- 2.5 Water System shall not apply LIHWAP payments to account balances that have previously been written off. The Water System shall return the Direct Payment Summary specified in 2.11 identifying these payments to HORNE within 30 calendar days of receipt for accounts where the owed balance has been discharged (written off) in its entirety by the Water System Within one business day of submission of the Direct Payment Summary, HORNE will transmit an invoice for the amount of program funds to be returned. Water System shall have

- 3 business days following receipt of the invoice to return the funds identified.
- 2.6 Water System shall apply the LIHWAP benefit to closed accounts to cover the pending balance and shall return the Direct Payment Reconciliation Summary specified in 2.11 identifying any remaining amount of the LIHWAP payment to HORNE within 30 calendar days. Within one business day of submission of the Direct Payment Summary, HORNE will transmit an invoice for the amount of program funds to be returned. Water System shall have 3 business days following receipt of the invoice to return the funds identified.
- 2.7 Water Systems shall adhere to existing credit return policies when returning funds to a customer that received a LIHWAP benefit, and the account is later closed and there is a remaining LIHWAP credit balance on the account.
- 2.8 Water systems that include other services on the customer's bill shall only apply LIHWAP payments towards the water, wastewater, and/or storm water amount owed including any applicable late fees, reconnection fees, taxes, and other charges.
- 2.9 Water System shall not discriminate against a LIHWAP eligible household with respect to terms, deferred payment plans, credit, conditions of sale, or discounts offered to other customers.
- 2.10 Water System shall post all payments to customer accounts within 5 business days from receipt of payment.
- 2.11 Water System shall submit to HORNE a Direct Payment Summary (in a format provided by HORNE) that reconciles the associated direct pay file and return payments that could not be credited to customer accounts within 30 calendar days of receipt of payment. The Direct Payment Summary must contain information on the date the credit was posted, direct pay file date; the total number of customer accounts that the Water System was successful in fully crediting; and the total number of customer accounts that the Water System was not successful in crediting. For those customer accounts that were not credited, the Water System shall reflect in the Direct Payment Summary the customer

accounts that were not credited to include customer account information (customer name, account number, account address, benefit amount), and reason why the LIHWAP benefit was unable to be applied to the customer's account. The Water System shall use customer and account information contained in the direct pay file to complete the reporting and identification of customer accounts that were not credited.

- 2.12 Water System shall clearly enter, on the LIHWAP recipient's bill, the amount of LIHWAP payment(s) received and identify the payment was received from LIHWAP. The credit should appear on the first billing statement after the credit has been posted. If posting on the LIHWAP recipient's bill is not feasible, the Water System shall send customers a notification of the LIHWAP payment via phone call, letter, text, or email communication as soon as practicable.
- 2.13 Water System shall cooperate with any Federal or State investigation, audit, or program review related to the administration of LIHWAP to ensure funds are accurately applied to customer accounts in compliance with this Agreement, including allowing CSD and its designated representatives access to all books and records related to the receipt and posting of LIHWAP benefits under review.
- 2.14 Water System is informed that failure to cooperate with any Federal or State investigation, audit, or program review may result in the immediate suspension or disqualification from participation in LIHWAP.
- 2.15 Water System shall take corrective action in the time frame specified by the CSD if violations of this Agreement are discovered. Corrective action may include, but is not limited to, providing detailed documentation of changes made and detailed plans for future changes that will bring the Water System into compliance.
- 2.16 Water System is informed that failure to implement corrective actions may result in the immediate suspension or disqualification from participation in LIHWAP.
- 2.17 Water System shall comply with all federal and California privacy laws, and shall take all necessary steps to protect the confidentiality of the information provided by HORNE to the Water System. Water System agrees to provide required

security to ensure the confidential, physical security and safekeeping of all data, information files, and documents ("customer information") pertaining to the recipients of LIHWAP utility assistance payments, while such customer information is in its possession. Water System will, in accordance with applicable law and the terms of this Agreement, protect from unauthorized use and disclosure all sensitive data, documentation, or other customer information provided to Water System by HORNE, CSD, or CSD's LSPs for purposes of this Agreement.

Term

3.1 The term of this Agreement shall be the effective date of this contract through October 31, 2023.

Project Coordinator

4.1 The Project Coordinator is designated to manage all HORNE inquiries regarding direct payments, issues with the direct payment process, mishandled or incorrect payments, clarification and updates of reports, and fraud and abuse. The Project Coordinator during the term of this Agreement is listed below. The Water System may designate a different Project Coordinator by notifying HORNE in writing.

Water System's Project Coordinator

Name and Title:
Company Name:
Address:
City, State, and ZIP Code:
Email:
Phone: () -

Additional Provisions

- 5.1 Amendment. All amendments to this Agreement shall be in writing, signed by HORNE and Water System.
- 5.2 Assignment. Neither this Agreement nor any of the rights, interests, or obligations under this Agreement shall be assigned by any party without the prior written consent of the other parties.
- 5.3 Merger/Entire Agreement. This Agreement (including the attachments, documents and instruments referred to in this Agreement) constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior understandings and agreements, whether written or oral, among the parties with respect to such subject matter.
- Nonwaiver. The waiver by either party of any breach of any term, covenant, or condition contained in this Agreement, or any default in the performance of any obligations under this Agreement, shall not be deemed to be a waiver of any other breach or default of the same or any other term, covenant, condition, or obligation; nor shall any waiver of any incident of breach or default constitute a continuing waiver of the same. All waivers shall be in writing.
- 5.5 Severability. If any provision of this Agreement is found invalid or unenforceable in any respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this Agreement will not be in any way impaired and shall remain in full force and effect.
- Venue. In the event that suit shall be brought by either party to this Agreement, the parties agree that venue shall be exclusively vested in the State Courts of the County of Sacramento, or where otherwise appropriate, exclusively in the United States District Court for the Eastern District of California in Sacramento, California.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement, or caused it to be signed by their duly authorized representatives "below".

HORNE LLP
Ву:
Name:_Loden Snell
Title: _Deputy Project Manager
Date:
Water System: []
Ву:
Name:
Title:
Date:

4882-0103-6556, v. 1

JUNE 22, 2022

ITEM D-3

ATTACHMENT B



LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM

Need Assitance with your Water Bill?

The Low Income Household Water
Assistance Program (LIHWAP) is a one
time assistance program designed to help
households that are facing the threat of
imminent disconnection, have already
been disconnected or have past due
(arrearage) on Water and Wastewater
bills.

You must receive service from a community Water System or Wastewater treatment provider that is participating in the program. (See our list on our website) The program is administered by the Community Action Partnership of San Luis Obispo County, Inc.



Eligibility is based on the household size and gross monthly income. Household income must not exceed the following amounts:

HOUSEHOLD	MONTHLY	
SIZE	INCOME	
1	\$2,564.73	
2	\$3,353.87	
3	\$4,143.02	
4	\$4,932.17	
5	\$5,721.31	
6	\$6,510.46	

To apply, please contact the CAPSLO'S Energy Department for an application. Along with the application, a copy of your water bill, Valid Photo ID and proof of all sources of income for adults over the age of 18 in the household are needed.

Applications may be turned in via email,mail, fax, or in person at our Drop Box outside office located at:

3970 Short St #110 in San Luis Obispo, CA 93401