

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

DATE: MAY 8, 2015

AGENDA ITEM

C

MAY 12, 2015

PRESENTATIONS AND REPORTS

The following presentations and reports are scheduled:

- C-1) REPORT ON APRIL 22, 2015 REGULAR MEETING CLOSED SESSION
Announcement of actions, if any, taken during most recent Closed Session
- C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & 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

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN *msl*
GENERAL MANAGER

DATE: MAY 8, 2015

AGENDA ITEM

C-1

MAY 12, 2015

CLOSED SESSION REPORT

ITEM

Announcement of actions, if any, taken during Closed Session at previous Board Meetings [NO ACTION REQUESTED]

BACKGROUND

The April 22, 2015 Regular Meeting Closed Session included:

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

Staff will report on closed session action taken, if any.

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

DATE: MAY 8, 2015

AGENDA ITEM

D

MAY 12, 2015

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 APRIL 22, 2015 REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVAL]
- D-3) INVESTMENT POLICY – FIRST QUARTER REPORT [RECOMMEND ACCEPT]
- D-4) THIRD QUARTER FINANCIAL REPORT [RECOMMEND ACCEPT AND APPROVE]
- D-5) APPROVAL OF THE ENGINEER'S LEVY REPORT AND DECLARATION OF INTENTION TO LEVY ANNUAL ASSESSMENTS FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2015-2016 [RECOMMEND ADOPT RESOLUTIONS]
- D-6) ADOPT RESOLUTION ACCEPTING DEED RESTRICTION FOR 298 SOUTH THOMPSON AVENUE, APN 090-111-008 [RECOMMEND ADOPT RESOLUTION]

TO: BOARD OF DIRECTOR

REVIEWED: MICHAEL S. LEBRUN
GENERAL MANAGER

FROM: LISA BOGNUDA *LSB*
FINANCE DIRECTOR

DATE: MAY 8, 2015

**AGENDA ITEM
D-1
MAY 12, 2015**

PAGE ONE

HAND WRITTEN CHECKS

04-22-15	20382	JOHN GODFREY
04-21-15	20383	SECRETARY OF STATE
04-22-15	20384	STATE WATER RESOURCES
04-22-15	20385	SANTA BARBARA CSDA CHAPTER
04-24-15	20386	SANTA BARBARA CTY CLERK
05-04-15	20387	PGE
05-12-15	20388	ANYA BERNFELD
05-12-15	20389	WILLIAM HAZEN
05-12-15	20390	JAY & MALINDA SHRIVER
05-12-15	20391	JINA SISTO
05-12-15	20392	MAUREEN SWINBURNE
05-12-15	20393	MELISSA TREMPER-RICHISON
05-12-15	20394	RON & FAYE ZIMMERMAN
05-12-15	20395	SANTA MARIA TIMES

TOTAL COMPUTER CHECKS

\$1,068,753.81

REFUND-PCIA AGREEMENT	\$1,199.31
NOTARY FEE	\$40.00
OIT CERTIFICATE	\$170.00
CHAPTER MEETING	\$120.00
RECORDING FEE	\$30.00
ELECTRICITY	\$44,345.33
WASHER REBATE	\$75.00
WASHER REBATE	\$75.00
WASHER REBATE	\$75.00
WASHER REBATE	\$75.00
WASHER REBATE	\$75.00
WASHER REBATE	\$75.00
WASHER REBATE	\$75.00
SUBSCRIPTION	\$149.75

VOIDS - 24072, 24136

COMPUTER GENERATED CHECKS

24223	04/24/15	EMP01	EMPLOYMENT DEVELOP DEPT	B50420	04/20/15	STATE INCOME TAX	04-15	33.00	
24223	04/24/15	EMP01	EMPLOYMENT DEVELOP DEPT	1B50420	04/20/15	STATE INCOME TAX	04-15	1486.43	1519.43
24224	04/24/15	MID01	RABOBANK-PAYROLL TAX DEPOS	B50420	04/20/15	FEDERAL INCOME TAX	04-15	125.00	
24224	04/24/15	MID01	RABOBANK-PAYROLL TAX DEPOS	1B50420	04/20/15	MEDICARE (FICA)	04-15	14.50	
24224	04/24/15	MID01	RABOBANK-PAYROLL TAX DEPOS	2B50420	04/20/15	FEDERAL INCOME TAX	04-15	4845.65	
24224	04/24/15	MID01	RABOBANK-PAYROLL TAX DEPOS	3B50420	04/20/15	FICA	04-15	86.80	
24224	04/24/15	MID01	RABOBANK-PAYROLL TAX DEPOS	4B50420	04/20/15	MEDICARE (FICA)	04-15	1284.38	6356.33
24225	04/24/15	MID02	RABOBANK-DIRECT DEPOSIT	B50420	04/20/15	NET PAY	04-15	32831.89	32831.89
24226	04/24/15	PER01	PERS RETIREMENT	B50420	04/20/15	PERS PAYROLL REMITTANCE	04-15	.00	
24226	04/24/15	PER01	PERS RETIREMENT	1B50420	04/20/15	PERS PAYROLL REMITTANCE	04-15	10919.68	10919.68
24227	04/24/15	STA01	CALPERS 457 DEFERRED COMP	B50420	04/20/15	457 DEFERRED COMP	04-15	2930.00	2930.00
24228	05/08/15	EMP01	EMPLOYMENT DEVELOP DEPT	1594.93	.00	1594.93	B50505	STATE INCOME TAX	
24229	05/08/15	MID01	RABOBANK-PAYROLL TAX DEPO	5100.54	.00	5100.54	B50505	FEDERAL INCOME TAX	
				62.00	.00	62.00	1B50505	FICA	
				1309.56	.00	1309.56	2B50505	MEDICARE (FICA)	
			Check Total.....:	6472.10	.00	6472.10			
24230	05/08/15	MID02	RABOBANK-DIRECT DEPOSIT	33306.86	.00	33306.86	B50505	NET PAY	
24231	05/08/15	PER01	PERS RETIREMENT	10983.07	.00	10983.07	B50505	PERS PAYROLL REMITTANCE	
24232	05/08/15	STA01	CALPERS 457 DEFERRED COMP	2930.00	.00	2930.00	B50505	457 DEFERRED COMP	
024233	05/12/15	ABA01	ABALONE COAST BACTERIOLOG	5161.00	.00	5161.00	2492	LAB TESTS	
024234	05/12/15	ADV01	ADVANTAGE ANSWERING PLUS	130.00	.00	130.00	74140425	ANSWERING SERVICE	
024235	05/12/15	AEC01	AECOM USA INC	7233.30	.00	7233.30	523607	SUPPLEMENTAL WATER	
				7292.70	.00	7292.70	523957	PHASE 2A - RESERVOIR	
			Check Total.....:	14526.00	.00	14526.00			
024236	05/12/15	ALX01	ALEXANDER'S CONTRACT SERV	3386.99	.00	3386.99	90871	METER READING	
024237	05/12/15	AME02	AMERICAN INDUSTRIAL SUPPL	39.24	.00	39.24	279645	20 PC PUNCH AND CHISEL SE	
024238	05/12/15	AME03	AMERI PRIDE	190.87	.00	190.87	354391	UNIFORMS	
				166.68	.00	166.68	358848	UNIFORMS	
				189.12	.00	189.12	363359	UNIFORMS	
			Check Total.....:	546.67	.00	546.67			
024239	05/12/15	AQU01	AQUA-METRIC SALES CO.	14080.08	.00	14080.08	56190	WATER METERS	
024240	05/12/15	ATT01	AT&T	152.95	.00	152.95	6507210	TELEPHONE	
				26.74	.00	26.74	6507454	TELEPHONE	
				189.25	.00	189.25	6507523	TELEPHONE	
			Check Total.....:	368.94	.00	368.94			

**AGENDA ITEM D-1 Warrants
MAY 12, 2015**

024241	05/12/15	BAB01	BABE' FARMS INC	11358.00	.00	11358.00	MAY 2015	RENT-TEMP CONSTRUCTION EA
024242	05/12/15	BEN02	BENTLEY SYSTEMS, INC.	1739.75	.00	1739.75	47674884	GEMS SOFTWARE SUBSCRIPTIO
024243	05/12/15	BRE02	BRENNTAG PACIFIC INC.	249.74	.00	249.74	514128	SODIUM HYPOCHLORITE
				313.04	.00	313.04	514129	SODIUM HYPOCHLORITE
				303.99	.00	303.99	516580	SODIUM HYPOCHLORITE
				213.57	.00	213.57	516581	SODIUM HYPOCHLORITE
				400.75	.00	400.75	518997	SODIUM HYPOCHLORITE
				364.58	.00	364.58	518998	SODIUM HYPOCHLORITE
			Check Total.....:	1845.67	.00	1845.67		
024244	05/12/15	BRI01	BRISCO'S	296.62	.00	296.62	161099	SONO TUBES
				444.53	.00	444.53	161283	SONOTUBES
				191.32	.00	191.32	161323	CONCRETE
			Check Total.....:	932.47	.00	932.47		
024245	05/12/15	BUR01	BURDINE PRINTING	448.18	.00	448.18	26692	LATE NOTICES
024246	05/12/15	CHA02	CHARTER COMMUNICATIONS	225.00	.00	225.00	MAY2015A	INTERNET SHOP
				225.00	.00	225.00	MAY2015B	INTERNET OFFICE
			Check Total.....:	450.00	.00	450.00		
024247	05/12/15	COR01	CORBIN WILLITS SYSTEMS	750.83	.00	750.83	504151	MONTHLY SOFTWARE SUPPORT
024248	05/12/15	COR04	CORIX WATER PRODUCTS (US)	216.50	.00	216.50	3009100	NO BOLT HOLE WATER LIDS
				689.34	.00	689.34	3009928	BOLT DOWN VALVE BOX, HAND
			Check Total.....:	905.84	.00	905.84		
024249	05/12/15	CRY01	CRYSTAL SPRINGS	46.05	.00	46.05	APR2015	DISTILLED WATER
024250	05/12/15	CUW01	CALIFORNIA URBAN WATER	2569.38	.00	2569.38	2015-784	2015 DUES
024251	05/12/15	DEW01	J B DEWAR INC	1519.99	.00	1519.99	455507	DIESEL FUEL
024252	05/12/15	ELE03	ELECTRICRAFT, INC.	279.13	.00	279.13	8416	INSTALL CONTROL WIRING
024253	05/12/15	ENV05	ENVIRONMENTAL RESOURCE AS	534.57	.00	534.57	753348	LAB SUPPLIES
024254	05/12/15	FAR02	FAR WEST EXPRESS	24.00	.00	24.00	APR 2015	DELIVERY SERVICE
024255	05/12/15	FER01	FERGUSON ENTERPRISES INC	5490.66	.00	5490.66	1817345	GASKETS, CLAMPS, ADAPTERS
				5921.46	.00	5921.46	1817345-1	GASKETS, CLAMPS, RISERS,
			Check Total.....:	11412.12	.00	11412.12		
024256	05/12/15	FGL01	FGL ENVIRONMENTAL	88.28	.00	88.28	581049A	LAB TESTS
				68.48	.00	68.48	581051A	LAB TESTS
				46.45	.00	46.45	581266A	LAB TESTS
			Check Total.....:	203.21	.00	203.21		
024257	05/12/15	GIB01	GIBBS INTERNATIONAL	360.36	.00	360.36	41544	VEHICLE REPAIR/MAINTENANC
024258	05/12/15	GIL01	GLM, INC.	360.00	.00	360.00	1150	LANDSCAPE OFFICE
024259	05/12/15	GWA01	GWA INC	55.00	.00	55.00	400640101	ALARM
				87.00	.00	87.00	402062101	ALARM
				87.00	.00	87.00	402107101	ALARM
			Check Total.....:	229.00	.00	229.00		
024260	05/12/15	HAC01	HACH COMPANY	3215.03	.00	3215.03	9333282	TSS PORTABLE HAND-HELD SY
				859.02	.00	859.02	9341819	LDO PROBE W/CABLE
				3072.27	.00	3072.27	9343980	FIELD KIT W/PROBES
				1850.00	.00	1850.00	9358556	DISINFECTANT TRAINING
			Check Total.....:	8996.32	.00	8996.32		
024261	05/12/15	HAY01	HAYES ADVANCED DESIGN	2920.00	.00	2920.00	APR2015	DITCH REPAIR
024262	05/12/15	INT02	INTEGRATED INDUSTRIAL SUP	137.60	.00	137.60	31020	SS TUBE FITTINGS
				57.99	.00	57.99	31277	GLOVES
				21.90	.00	21.90	31368	S/S BUSHINGS, UNION
			Check Total.....:	217.49	.00	217.49		
024263	05/12/15	KCI01	KCI ENVIRONMENTAL, INC.	354.00	.00	354.00	215003.1	SWWTF IMPROVEMENT
024264	05/12/15	LAN02	LANDMARK LANDSCAPE CO INC	214.00	.00	214.00	65690	LMD
024265	05/12/15	LEE02	LEE CENTRAL COAST NEWSPAP	1070.00	.00	1070.00	APR2015A	ADVERTISING
				482.75	.00	482.75	APR2015B	PUBLIC NOTICE
			Check Total.....:	1552.75	.00	1552.75		
024266	05/12/15	MCR01	MCR TECHNOLOGIES, INC.	168.88	.00	168.88	34580	PUMP TUBING

**AGENDA ITEM D-1 Warrants
MAY 12, 2015**

024267	05/12/15	MIN02	MINER'S ACE HARDWARE	476.53	.00	476.53	APR2015	SUPPLIES
024268	05/12/15	MOR02	MORE OFFICE SOLUTIONS	214.71	.00	214.71	893063	COLOR/B&W COPIES
024269	05/12/15	MUL01	MULLAHEY FORD	1436.47	.00	1436.47	88912	VEHICLE REPAIRS - 09 FORD
024270	05/12/15	MUN03	MUNICIPAL MAINTENANCE EQU	45.59	.00	45.59	99996	SYNTHETIC GREASE
024271	05/12/15	NEW05	NEWTON GEO-HYDROLOGY CONS	8455.11	.00	8455.11	APR2015	LITIGATION SUPPORT
024272	05/12/15	NEX03	NEXTRAQ	399.50	.00	399.50	1155654	GPS SUBSCRIPTION
024273	05/12/15	NIP05	NIPOMO CHAMBER OF COMMERC	165.00	.00	165.00	1504	CHAMBER CLEAN-UP GRANT DI
024274	05/12/15	NUT01	NU TECH PEST MGMT	265.00	.00	265.00	0111415	PEST CONTROL
				75.00	.00	75.00	0111417	RODENT CONTROL
			Check Total.....:	340.00	.00	340.00		
024275	05/12/15	OFF01	OFFICE DEPOT	41.91	.00	41.91	603001	OFFICE SUPPLIES
				437.84	.00	437.84	289423001	OFFICE SUPPLIES
			Check Total.....:	479.75	.00	479.75		
024276	05/12/15	ONE02	101 BLUEPRINT & COPY	45.47	.00	45.47	15-0573	WATER MAP
024277	05/12/15	POL02	POLYDYNE, INC.	570.83	.00	570.83	963820	CLARIFLOC WE-1409
024278	05/12/15	POO01	POOR RICHARD'S PRESS	343.53	.00	343.53	265561	JUNE BILL STUFFER
024279	05/12/15	PRE01	PRECISION JANITORIAL	650.00	.00	650.00	259	JANITORIAL SERVICE
024280	05/12/15	RAB02	RABOBANK PETTY CASH	61.17	.00	61.17	APR2015A	SUPPLIES
				92.21	.00	92.21	APR2015B	OFFICE SUPPLIES
				27.01	.00	27.01	APR2015C	POSTAGE
			Check Total.....:	180.39	.00	180.39		
024281	05/12/15	RAU01	RAUCH COMMUNICATION CONSU	918.75	.00	918.75	MAR-1510	OUTREACH CONSULTANT
024282	05/12/15	RIC01	RICHARDS, WATSON, GERSHON	6406.00	.00	6406.00	201190	WATER RIGHTS ADJUDICATION
024283	05/12/15	ROD01	RODRIGUEZ, RIGOBERTO	3.24	.00	3.24	B50506	PURCHASE REIMBURSEMENT
024284	05/12/15	SOU01	SOUTH COUNTY SANITARY	38.98	.00	38.98	4852936	WASTE COLLECTION - OFFICE
				213.58	.00	213.58	4854093	WASTE COLLECTION - OLDE T
				185.06	.00	185.06	4854613	WASTE COLLECTION - SHOP
			Check Total.....:	437.62	.00	437.62		
024285	05/12/15	SOU03	SOUTH COUNTY SANITARY	807.47	.00	807.47	APR 2015	TAX LIENS-SOLID WASTE
024286	05/12/15	SPI01	SPIESS CONSTRUCTION CO.	770226.94	.00	770226.94	15	PROGRESS PAYMENT #15
024287	05/12/15	SPI02	RABOBANK	40538.26	.00	40538.26	15	RETENTION PAYMENT #15
024288	05/12/15	STA03	STATEWIDE SAFETY & SIGNS	43.65	.00	43.65	3000797	MARKING PAINT
024289	05/12/15	STA11	SWRCB ACCOUNTING OFFICE	3914.24	.00	3914.24	LW1000555	DRINKING WATER PROGRAM FE
024290	05/12/15	TEC01	TECHNOFLO SYSTEMS	1662.90	.00	1662.90	14155	PUMP SENSOR AND METER TES
024291	05/12/15	TES01	TESCO CONTROLS, INC.	9350.00	.00	9350.00	56656	RADIO SYSTEM IMPROVEMENT
				375.00	.00	375.00	56665	ELECTRONIC REPAIR
			Check Total.....:	9725.00	.00	9725.00		
024292	05/12/15	THE01	THE GAS COMPANY	21.74	.00	21.74	APR2015	HEAT-OFFICE
				32.49	.00	32.49	APR2015A	HEAT - SHOP
			Check Total.....:	54.23	.00	54.23		
024293	05/12/15	THE02	THE TRIBUNE SLO CO NEWSPAP	150.80	.00	150.80	B50506	SUBSCRIPTION RENEWAL
024294	05/12/15	TOW02	TOWN SQUARE PUBLICATIONS	1095.00	.00	1095.00	B50507	ADVERTISING
024295	05/12/15	TUC01	TUCKFIELD & ASSOCIATES	6480.00	.00	6480.00	395	SEWER RATE STUDY
				337.50	.00	337.50	397	PURVEYOR OPTIONS
			Check Total.....:	6817.50	.00	6817.50		
024296	05/12/15	TYL01	TYLER TECHNOLOGIES, INC.	6949.77	.00	6949.77	025122810	DEPOSIT-ACTG/BILLING SOFT
024297	05/12/15	UND01	UNDERGROUND SERVICE ALERT	109.50	.00	109.50	15004026	SERVICE ALERTS
024298	05/12/15	USA01	USA BLUEBOOK	359.76	.00	359.76	616499	DEBRIS BASKET, TIGERTAIL
				81.75	.00	81.75	624251	BUFFER SOLUTION, ELECTROD
				204.20	.00	204.20	626376	SLUDGE SAMPLING KIT
				132.17	.00	132.17	628167	FILTERS
			Check Total.....:	777.88	.00	777.88		

**AGENDA ITEM D-1 Warrants
MAY 12, 2015**

024299	05/12/15	USB01	US BANK (VISA)	83.88	.00	83.88	APR2015A	COMPUTER EXPENSES
				765.35	.00	765.35	APR2015B	EDUCATION/TRAINING
				288.96	.00	288.96	APR2015C	TRAVEL
				78.76	.00	78.76	APR2015D	SUPPLIES
				150.00	.00	150.00	APR2015E	FILING FEES
				454.75	.00	454.75	APR2015F	OFFICE SUPPLIES
			Check Total.....:	1821.70	.00	1821.70		
024300	05/12/15	VER01	VERIZON	52.09	.00	52.09	APR2015	TELEPHONE
024301	05/12/15	VER03	VERIZON WIRELESS	326.13	.00	326.13	44480797	TELEPHONE
024302	05/12/15	WAL02	WALLRAVIN, MERRIE	31.10	.00	31.10	B50508	EXPENSE REIMBURSEMENT
024303	05/12/15	WAT06	WATERISAC	499.00	.00	499.00	20150101	MEMBERSHIP FEES
024304	05/12/15	YOU01	YOUR PEOPLE PROFESSIONALS	2000.00	.00	2000.00	B50506	EMPLOYMENT AGENCY DEPOSIT
024305	05/12/15	ZIE02	ZIERMAN PLUMBING, INC.	670.00	.00	670.00	92981	INSTALLATION OF BLOWER MO
				358.05	.00	358.05	93043	PREP WORK FOR INSTALL OF
			Check Total.....:	1028.05	.00	1028.05		
024306	05/12/15	\P013	PENAFLO, JOHN & JANINE	78.91	.00	78.91	000B50501	MQ CUSTOMER REFUND FOR PE

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN
GENERAL MANAGER

MSL

DATE: MAY 8, 2015

**AGENDA ITEM
D-2
MAY 12, 2015**

APPROVE APRIL 22, 2015 REGULAR BOARD MEETING MINUTES

ITEM

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

ATTACHMENT

- A. April 22, 2015, draft Regular Board Meeting Minutes

May 12, 2015

D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

DRAFT REGULAR MINUTES

APRIL 22, 2015, AT 9:00 A.M.

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

BOARD of DIRECTORS

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

PRINCIPAL STAFF

MICHAEL S. LEBRUN, **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 April 22, 2015 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.

00:00:46

C. PRESENTATIONS AND REPORTS

C-1) DISTRICT DIRECTOR OF ENGINEERING AND OPERATIONS SUMMARY OF ACTIVITIES

Peter Sevcik, Director of Engineering & Operations, reviewed the report as presented in the Board packet. Mr. Sevcik commented that the Nipomo Supplemental Water Project (NSWP) Blosser Road Watermain was completed in March. NSWP Phase I is still on schedule to be complete in June.

Mr. Sevcik answered questions from the Board.

00:09:34

C-2) REPORT ON APRIL 8, 2015 REGULAR MEETING CLOSED SESSION Announcement of actions, if any, taken in Closed Session

Mike Seitz, District Legal Counsel, announced that the Board discussed Item I.1(a) from the April 8, 2015 Regular Meeting (Conference with District Legal Counsel re: pending litigation pursuant to GC §54956.9 SMVWCD VS. NCSD) in closed session, but took no reportable action.

00:09:58

C-3) 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

- ◇ *Toured the NSWP Pump Station site at Joshua Road with Director Gaddis*
- ◇ *April 13, Attended the Nipomo Mesa Management Area Technical Group (NMMA TG) meeting at Wallace Group*

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
REGULAR MEETING
MINUTES

- ◇ April 21, Watched the Pismo Beach City Council's meeting online where they discussed reclaimed water

Director Gaddis

- ◇ April 15, Attended Finance & Audit Committee meeting

Director Blair

- ◇ April 21, Attended the Pismo Beach City Council's meeting

Director Armstrong

- ◇ April 13, Attended the Nipomo Mesa Management Area Technical Group (NMMA TG) meeting at Wallace Group

C-4) 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
Directors Eby, Gaddis, Blair, Woodson, and Armstrong	None	None

00:13:20

D. CONSENT AGENDA

D-1) WARRANTS

D-2) APPROVE MINUTES OF PREVIOUS BOARD MEETINGS

- APRIL 8, 2015 REGULAR MEETING

D-3) APPROVE CHANGES TO WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN

D-4) APPROVE PURCHASE OF SEWER BYPASS PUMP

D-5) ACCEPT SUPPLEMENTAL WATER PROJECT PHASE 1 BLOSSER ROAD WATER MAIN

Director Eby requested to pull Item D-3 for separate consideration.

Directors Eby and Gaddis requested clarification on warrants. Michael LeBrun, General Manager, and Peter Sevcik, Director of Engineering and Operations responded.

Director Eby requested clarification on the sewer bypass pump. Mr. Sevcik responded.

ITEMS D-1, D-2, D-4 and D-5

There were no public comments.

Nipomo Community Services District
REGULAR MEETING
MINUTES

Upon the motion of Director Dan A. Gaddis and seconded, the Board unanimously approved Items D-1, D-2, D-4 and D-5.
Vote 5-0.

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

RESOLUTION NO. 2015-1373
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING PURCHASE OF SEWER BYPASS PUMP FROM GODWIN PUMPS IN THE AMOUNT OF \$36,291

ITEM D-3

Director Eby questioned the wording in the Water Shortage Response and Management Plan and suggested striking the words "any such" from the Plan.

The Board discussed and agreed.

There were no public comments.

Upon the motion of Director Ed Eby and seconded, the Board unanimously approved Item D-3 as amended.
Vote 5-0.

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

RESOLUTION NO. 2015-1374
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT REVISING DISTRICT WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN PURSUANT TO WATER CODE § 375

E. ADMINISTRATIVE ITEMS

NONE.

F. GENERAL MANAGER'S REPORT

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

- Director Gaddis will not be able to attend the June 24th Regular meeting. The Board discussed and determined there were no other conflicts with that date thus establishing a quorum.
- The Santa Barbara County Special District Association is hosting a dinner on April 27th regarding cloud seeding. Directors Eby and Blair will attend.
- District staff are closely following the court case regarding tiered rates.

Director Woodson requested to see a bar chart for supplemental water accounting in the Manager's Report.

Mr. LeBrun answered questions from the Board.

There were no public comments.

00:16:06

00:21:23

Nipomo Community Services District
REGULAR MEETING
MINUTES

00:37:13 G. COMMITTEE REPORTS

There were no comments on the committee meeting minutes included in the Board Packet.

00:37:23 H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Woodson

- *Has received questions from the public and asked staff why the District is still issuing Intent-to-Serve letters. Mike Seitz, District Legal Counsel, responded regarding the District's legal commitment. Mr. Seitz will send Director Woodson the Water Code Sections.*

Director Eby

- *Requested to see how the District reports water consumption to the State.*

00:48:24 I. CLOSED SESSION ANNOUNCEMENTS

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

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

00:48:44 J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There were no public comments.

K. ADJOURN TO CLOSED SESSION

President Armstrong adjourned to closed session at 9:48 a.m.

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

The Board came back into Open Session at 10:45 a.m.

Mike Seitz, District Legal Counsel, announced that the Board discussed Item 1(a) and gave staff direction, but took no reportable action.

ADJOURN

President Armstrong adjourned the meeting at 10:46 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	49 minutes
Closed Session	57 minutes
TOTAL HOURS	1 hour 46 minutes

Respectfully submitted,

Michael S. LeBrun, General Manager and Secretary to the Board

Date

TO: BOARD OF DIRECTOR

REVIEWED: MICHAEL S. LEBRUN
GENERAL MANAGER

MSL

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: MAY 8, 2015



INVESTMENT POLICY – FIRST QUARTER REPORT

ITEM

Review Investment Policy First Quarter Report [RECOMMEND ACCEPT]

BACKGROUND

The District's Investment Policy requires the Finance Officer file a quarterly report that identifies the District's investments and their compliance with the policy. The quarterly report is considered by the Board of Directors and is filed with the District's auditor.

As District Finance Officer and Treasurer, I am pleased to inform the Board of Directors that the District is in compliance with the Investment Policy and that the objectives of safety, liquidity, and yield have been met. The District has the ability to meet cash flow requirements for the next six months.

INVESTMENT POLICY-FIRST QUARTER REPORT 3/31/15

Investment	Institution	Amount of Deposit 3/31/15	Rate of Interest	Quarterly Interest Earned or Accrued 3/31/15	Amount of Deposit 3/31/14	Rate of Interest	Quarterly Interest Earned or Accrued 3/31/14
Public Checking	Rabobank	\$110,852.72	0.00%	\$0.00	\$145,448.04	0.00%	\$0.00
Savings-Improvement Bonds	Rabobank	\$207,701.78	0.22%	\$107.03	\$172,719.08	0.25%	\$109.56
Savings-Performance Bonds	Rabobank	\$200,978.62	0.22%	\$112.15	\$200,482.35	0.25%	\$127.15
Savings-NMWCA Fees (1)	Rabobank	\$403,139.42	0.22%	\$206.46	n/a	n/a	n/a
Pooled Money Investment	Local Agency Investment Fund (LAIF)	\$19,215,903.69	0.26%	\$12,898.83	\$22,395,870.35	0.23%	12,898.83

n/a = not applicable

(1)=account opened 12/11/14 – funds transferred from Public Checking

RECOMMENDATION

After Board consideration and public comment, it is recommended that your Honorable Board accept the quarterly report by motion and minute order and direct staff to file the Report with District Auditor.

ATTACHMENTS

None

TO: BOARD OF DIRECTOR

REVIEWED: MICHAEL S. LEBRUN
GENERAL MANAGER

MSL

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: MAY 8, 2015

AGENDA ITEM

D-4

MAY 12, 2015

THIRD QUARTER FINANCIAL REPORT

ITEM

ACCEPT QUARTERLY FINANCIAL REPORT [RECOMMEND ACCEPT AND APPROVE]

BACKGROUND

As of March 31, 2015, the 2014-2015 Fiscal year is 75% complete. The consolidated operating revenues are 67.44% of budget, operating expenditures are at 64.74% of budget and general and administrative expenditures are at 58.81% of budget.

Attached are the following which provide an overview of the first nine months of the fiscal year:

Page 1	Summary of Approved Budget Amendments
Page 2	Summary of Revenues, Expenses and Cash Balances by Fund
Page 3	Consolidated Balance Sheet
Page 4-5	Consolidated Income Statement
Page 6-7	Graphs for Consolidated Revenues and Expenses
Page 8-10	Graphs for major funds (Water, Town Sewer, and Blacklake Sewer)

Detailed information by fund is available in the office.

STRATEGIC PLAN

Goal 4. FINANCE. Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

RECOMMENDATION

It is recommended that your Honorable Board accept report and direct Staff to file the quarterly financial report for the third quarter of fiscal year 2014-2015.

ATTACHMENT

A. Pages 1-10, Third Quarter Financial Report

May 12, 2015

D-4

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

SUMMARY OF APPROVED BUDGET AMENDMENTS

FISCAL YEAR ENDING JUNE 30, 2015

THIRD QUARTER ENDING MARCH 31, 2015

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
	None				

SECOND QUARTER ENDING DECEMBER 31, 2014

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
	None				

FIRST QUARTER ENDING SEPTEMBER 30, 2014

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
	None				

NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF REVENUES AND EXPENSES BY FUND
NINE MONTHS ENDING MARCH 31, 2015

FUND	FUND #	YTD REVENUES	YTD EXPENSES	SUBTOTAL	FUNDED REPLACEMENT	TRANSFERS B/W FUNDS	YTD SUPRPLUS/ (DEFICIT)
Administration	110	279,034	(279,034)	0	0	0	0
Water	125	2,786,809	(1,751,281)	1,035,528	(424,500)	0	611,028
Water Rate Stabilization	128	737	0	737	0	0	737
Town Sewer	130	1,431,721	(909,441)	522,280	(296,250)	183,499	409,529
Town Sewer Rate Stabilization	135	554	0	554	0	0	554
Blacklake Sewer	150	332,521	(192,914)	139,607	(126,000)	(58,000)	(44,393)
Blacklake Sewer Rate Stabilization	155	92	0	92	0	0	92
Blacklake Street Lighting	200	17,828	(17,084)	744	0	0	744
Street Landscape Maintenance	250	6,811	(10,049)	(3,238)	0	0	(3,238)
Solid Waste	300	72,201	(166,267)	(94,066)	0	0	(94,066)
Drainage Maintenance	400	10,037	0	10,037	0	0	10,037
Supplemental Water Capacity Fees	500	12,302	0	12,302	0	0	12,302
Property Taxes	600	370,368	(83,399)	286,969	0	0	286,969
Water Capacity Fees	700	2,881	0	2,881	0	0	2,881
Town Sewer Capacity Fees	710	480	0	480	0	0	480
Funded Replacement-Water	805	9,415	(15,695)	(6,280)	424,500	0	418,220
Funded Replacement-Town Sewer	810	3,457	0	3,457	296,250	0	299,707
Funded Replacement-BL Sewer	830	967	0	967	126,000	58,000	184,967
Town Sewer Sinking Fund	880	2,761	0	2,761	0	(183,499)	(180,738)
TOTAL		5,340,976	(3,425,164)	1,915,812	0	0	1,915,812

CASH BALANCE OF EACH FUND

FUND	FUND #	CASH BALANCE 3/31/2015
Administration	110	512,731
Water	125	1,794,430
Water Rate Stabilization	128	402,110
Town Sewer	130	943,354
Town Sewer Rate Stabilization	135	301,838
Blacklake Sewer	150	234,482
Blacklake Sewer Rate Stabilization	155	50,264
Blacklake Street Lighting	200	29,086
Street Landscape Maintenance	250	17,079
Solid Waste	300	323,948
Drainage Maintenance	400	42,557
Supplemental Water	500	3,766,184
Property Taxes	600	570,715
Water Capacity Fees	700	1,515,013
Town Sewer Capacity Fees	710	254,131
Funded Replacement-Water	805	5,290,271
Funded Replacement-Town Sewer	810	1,969,150
Funded Replacement-BL Sewer	830	603,173
Sinking Fund-Town Sewer	880	1,414,781
Funds held by Trustee		601,174
TOTAL		20,636,471

NIPOMO COMMUNITY SERVICES DISTRICT
BALANCE SHEET - CONSOLIDATED
AS OF MARCH 31, 2015

ASSETS

Cash and Cash Equivalents	20,636,471.18
Accounts Receivable - Utility Billing	208,098.88
Unbilled Accounts Receivable	869,000.00
Property, Plant & Equipment	84,382,571.37
Accumulated Depreciation	(17,950,305.72)
Prepaid Expenses	26,288.36
Accrued Interest Receivable	12,559.87
Receivable - Other	445,407.47
Notes Receivable - BL Sewer - Current	20,984.53
Notes Receivable - BL Water Merger - Current	22,476.22
Reservation Fee	37,500.00
Notes Receivable - BL Sewer - Long Term	87,580.00
Notes Receivable - BL Water Merger - Long Term	96,943.15
Total Assets	88,895,575.31

LIABILITIES

Accounts Payable	911,404.59
Other Payables	3,686.17
Construction Meter Deposits	1,000.00
Compensated Absences Payable	77,322.00
Accrued Interest Payable	123,767.92
Deposits	264,019.57
P/R Tax and Workers Comp Payable	(3,584.52)
Deposit - PCI	2,000.00
Retention Payable	84,341.44
Deposit - NMWCA	402,882.55
Deposits	296,057.55
Bond Premium - 2012 Revenue COP's	69,974.29
Bond Premium - 2013 Refunding	213,672.98
Notes Payable - Property Tax Fund - Current	20,984.53
Notes Payable - BL Water Merger - Current	22,476.22
SRF Loan #110 - Current Portion	34,868.35
SRF Loan #120 - Current Portion	42,180.25
2012 Revenue COP's - Current Portion	145,000.00
2013 Refunding Bonds - Current Portion	100,000.00
2013 Revenue COP's - Current Portion	135,000.00
Notes Payable - Property Tax Fund - Long Term	87,580.00
Notes Payable - BL Water Merger - Long Term	96,943.15
SRF Loan #110 Payable - Long Term Portion	139,473.40
SRF Loan #120 Payable - Long Term Portion	210,901.25
2012 Revenue COP's - Long Term Portion	9,345,000.00
2013 Refunding - Long Term Portion	2,645,000.00
2013 COP's - Long Term Portion	9,390,000.00
Total Liabilities	24,861,951.69

FUND EQUITY

Contributed Capital - Assets	14,759,310.78
Contributed Capital - Capacity Fees (CY)	35,870.25
Contributed Capital - Supplemental Water Fees (CY)	9,068.25
Contributed Capital - Capacity Fees (PY)	17,852,213.37
Contributed Capital - Supplemental Water Fees (PY)	3,901,240.13
Contributed Capital - Right of Way	70,100.00
Contributed Capital - Assessment Districts	1,086,429.00
Contributed Capital - Grants	4,411,363.66
Retained Earnings - Reserved (Funded Replacement)	12,804,952.00
Retained Earnings - Unreserved	7,187,263.97
CURRENT EARNINGS	1,915,812.21
Total Fund Equity	64,033,623.62
Total Liabilities and Fund Equity	88,895,575.31

UNAUDITED

NIPOMO COMMUNITY SERVICES DISTRICT
INCOME STATEMENT - CONSOLIDATED
FOR THE PERIOD ENDING MARCH 31, 2015

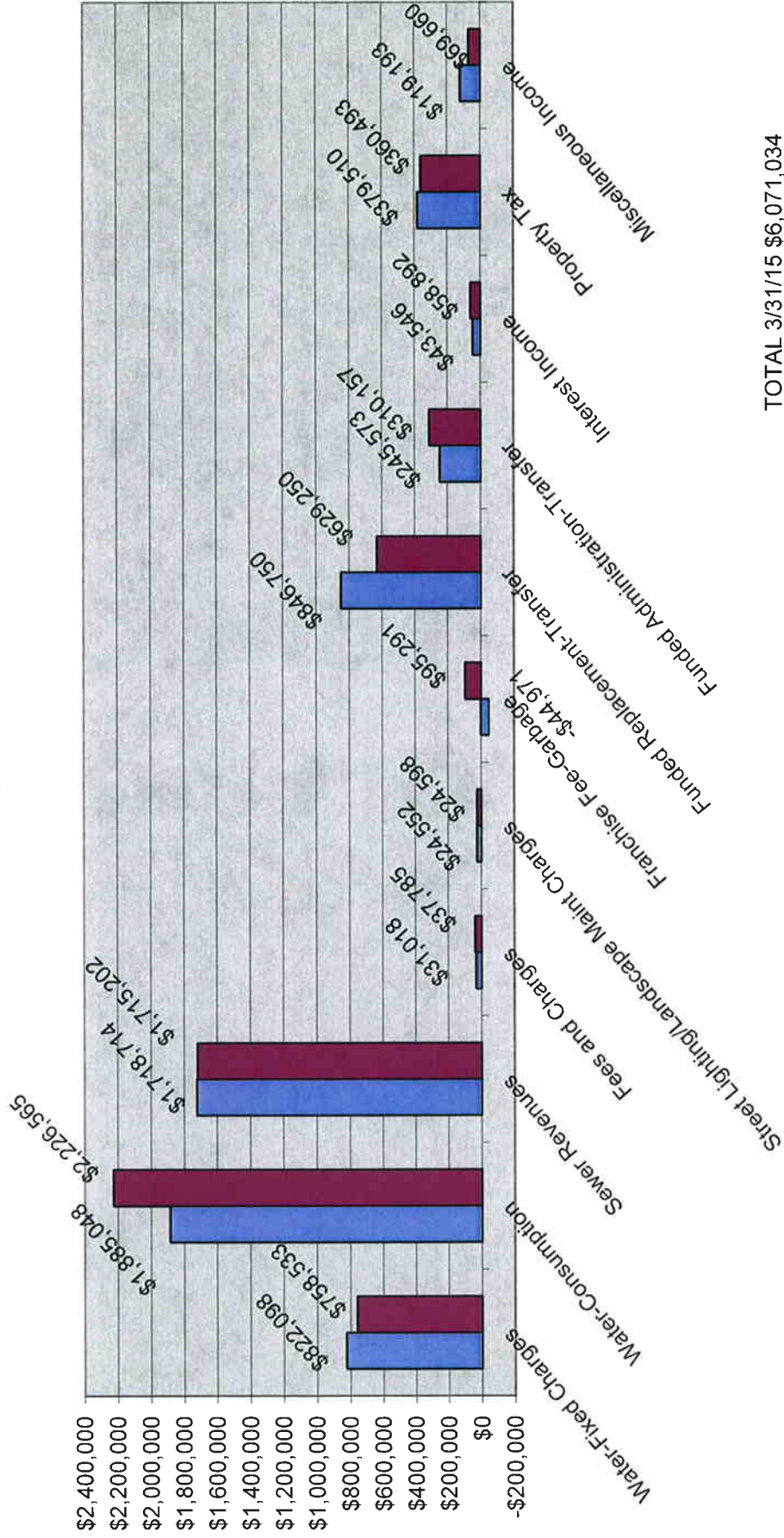
	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
<u>OPERATING REVENUES</u>			
Water - Fixed Charge	822,097.82	1,009,000.00	81.48 %
Water - Usage	1,885,047.87	3,130,700.00	60.21 %
Sewer Charges	1,718,713.79	2,312,500.00	74.32 %
Fees and Penalties	29,813.26	43,000.00	69.33 %
Meters	1,105.00	13,750.00	8.04 %
Plan Check & Inspection Fees	100.00	500.00	20.00 %
Franchise Fees	71,455.98	143,000.00	49.97 %
Solid Waste Rate Deferral	(116,426.63)	0	.00 %
Miscellaneous Income	86,014.87	46,000.00	186.99 %
Street Lighting Charges	17,774.00	24,508.00	72.52 %
Landscape Maintenance Dist Charges	6,778.00	9,240.00	73.35 %
Operating Transfers In - Funded Administration	245,573.06	463,960.00	52.93 %
Operating Transfers In - Funded Replacement	846,749.88	1,129,000.00	75.00 %
Total Operating Revenues	5,614,796.90	8,325,158.00	67.44 %
<u>OPERATING EXPENSES - OPERATIONS & MAINTENANCE</u>			
Wages and Benefits	681,238.34	1,223,100.00	55.70 %
Electricity	437,607.43	639,650.00	68.41 %
Chemicals	33,862.66	86,000.00	39.38 %
Lab Tests	64,473.53	97,000.00	66.47 %
Operating Supplies	64,145.37	62,000.00	103.46 %
Outside Services	111,571.02	153,000.00	72.92 %
Permits and Operating Fees	25,975.81	33,500.00	77.54 %
Repairs and Maintenance	124,952.24	250,500.00	49.88 %
Engineering	12,575.00	20,000.00	62.88 %
Fuel	19,715.00	33,000.00	59.74 %
Paging Service	5,447.75	9,000.00	60.53 %
Meter Replacement Program	9,945.42	50,000.00	19.89 %
Safety Program	3,985.00	11,000.00	36.23 %
Uniforms	9,561.61	10,600.00	90.20 %
Landscape Maintenance & Water	9,959.04	7,200.00	138.32 %
Conservation Program	40,642.03	50,000.00	81.28 %
Solid Waste Program	32,005.46	50,000.00	64.01 %
Operating Transfers Out - Funded Replacement	846,749.88	1,129,000.00	75.00 %
Subtotal - Operating Expenses Operations & Maint	2,534,412.59	3,914,550.00	64.74 %
<u>OPERATING EXPENSES - GENERAL AND ADMINISTRATIVE</u>			
Wages and Benefits	581,883.89	739,850.00	78.65 %
Audit	7,800.00	7,800.00	100.00 %
Bank Charges and Fees	5,053.19	8,900.00	56.78 %
Computer Expense	51,530.02	90,000.00	57.26 %
Dues and Subscriptions	13,306.89	14,000.00	95.05 %
Education and Training	7,173.85	14,000.00	51.24 %
Elections	652.76	10,000.00	6.53 %
Insurance - Liability	58,644.81	80,000.00	73.31 %
LAFCO Funding	22,624.73	22,000.00	102.84 %
Landscape and Janitorial	10,266.79	14,500.00	70.81 %
Legal - General Counsel	57,504.11	125,000.00	46.00 %
Legal - Water Counsel	9,344.19	169,000.00	5.53 %
Professional Services	89,751.30	215,000.00	41.74 %

NIPOMO COMMUNITY SERVICES DISTRICT
INCOME STATEMENT - CONSOLIDATED
FOR THE PERIOD ENDING MARCH 31, 2015

	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
Miscellaneous	4,679.84	8,500.00	55.06 %
Newsletters & Mailers	3,495.25	14,000.00	24.97 %
Office Supplies	12,572.83	15,000.00	83.82 %
Outside Service	15,111.14	28,250.00	53.49 %
Postage	18,707.69	25,000.00	74.83 %
Public Notices	6,102.87	14,150.00	43.13 %
Repairs and Maintenance	13,147.15	20,000.00	65.74 %
Property Taxes	1,054.42	1,600.00	65.90 %
Telephone	5,964.38	10,100.00	59.05 %
Travel and Mileage	6,044.32	12,500.00	48.35 %
Utilities	12,439.77	20,000.00	62.20 %
Operating Transfer Out - Funded Administration	245,573.06	463,960.00	52.93 %
Subtotal - Operating Expenses General & Admin	1,260,429.25	2,143,110.00	58.81 %
Total Operating Expenses	3,794,841.84	6,057,660.00	62.65 %
Total Operating Surplus/(Deficit)	1,819,955.06	2,267,498.00	
NON OPERATING INCOME			
Interest Income	43,546.44	76,235.00	57.12 %
Property Tax Revenues	379,509.08	518,940.00	73.13 %
BL Sewer Surcharge	16,369.53	24,480.00	66.87 %
BL Water Surcharge	16,809.09	25,779.00	65.20 %
Total Non Operating Income	456,234.14	645,434.00	70.69 %
NON OPERATING EXPENSES			
Interest Expense	360,376.99	893,484.00	40.33 %
Total Non Operating Expenses	360,376.99	893,484.00	40.33 %
Total Non Operating Surplus/(Deficit)	95,857.15	(248,050.00)	(38.64) %
Total Operating & Non Operating Surplus/(Deficit)	1,915,812.21	2,019,448.00	

UNAUDITED

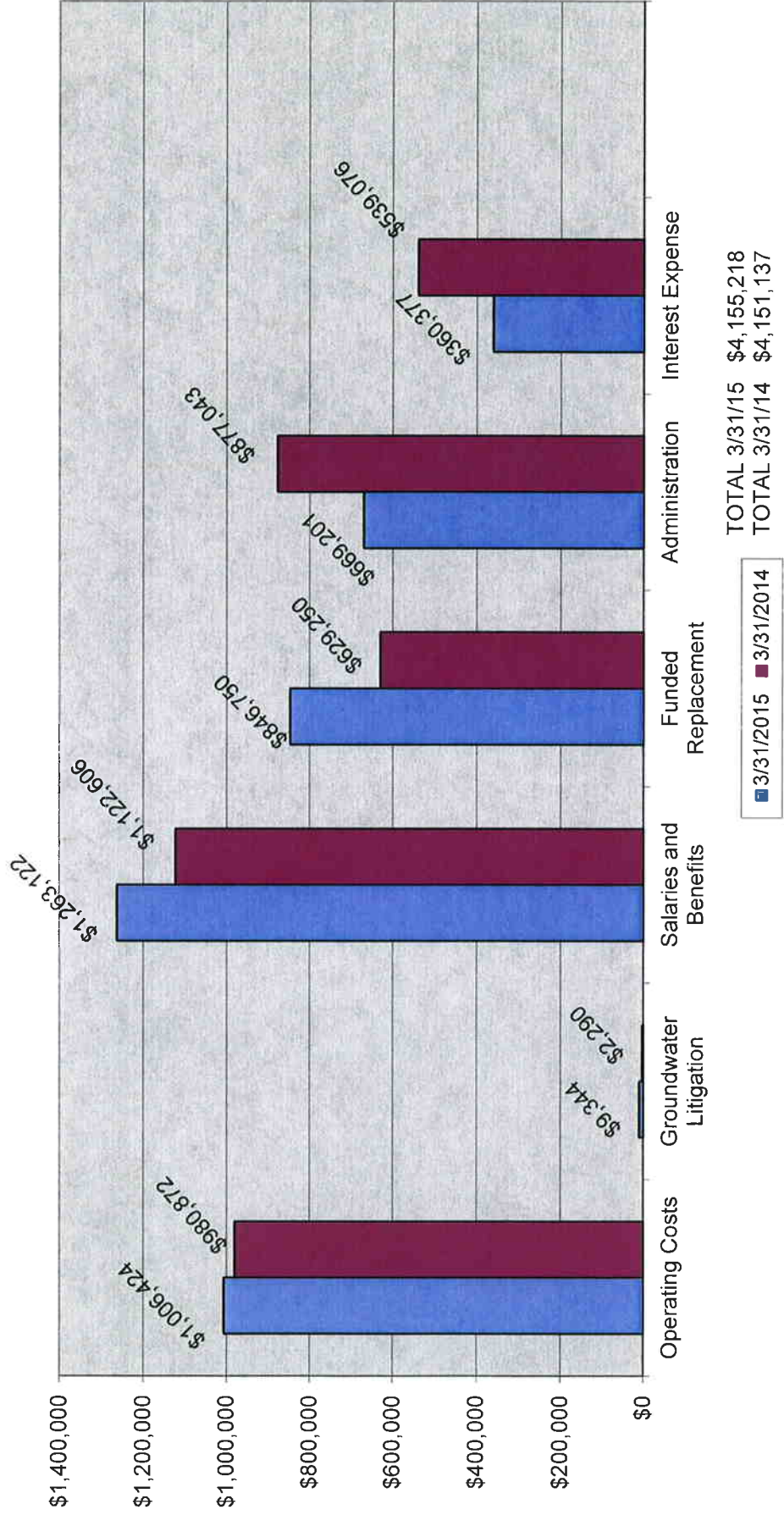
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED REVENUES FOR ALL FUNDS
 NINE MONTHS ENDED
 MARCH 31, 2015 AND MARCH 31, 2014**



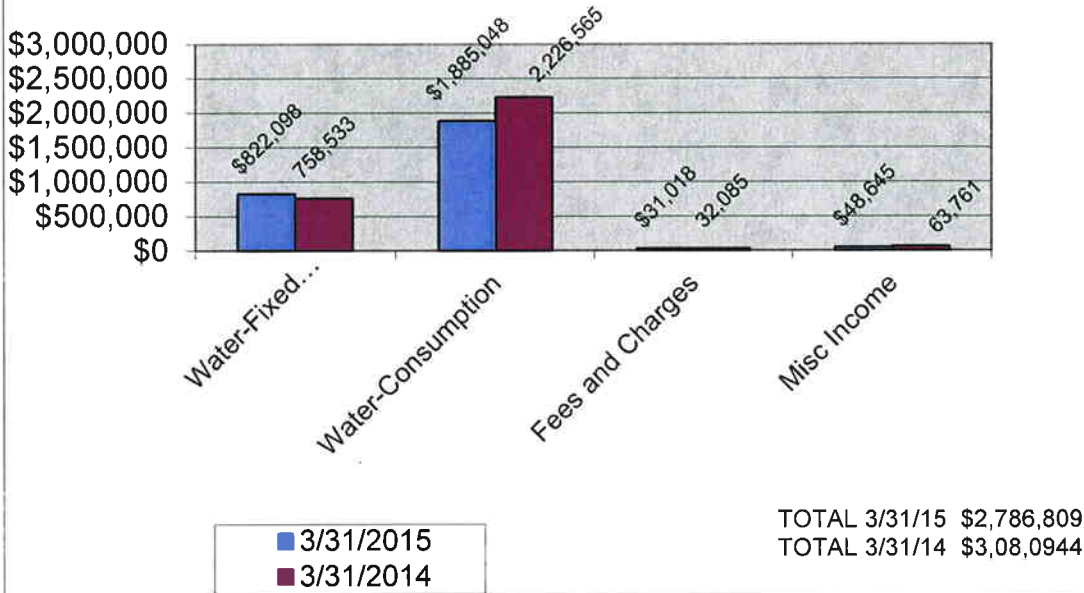
TOTAL 3/31/15 \$6,071,034
 TOTAL 3/31/14 \$6,286,426

■ 3/31/2015 ■ 3/31/2014

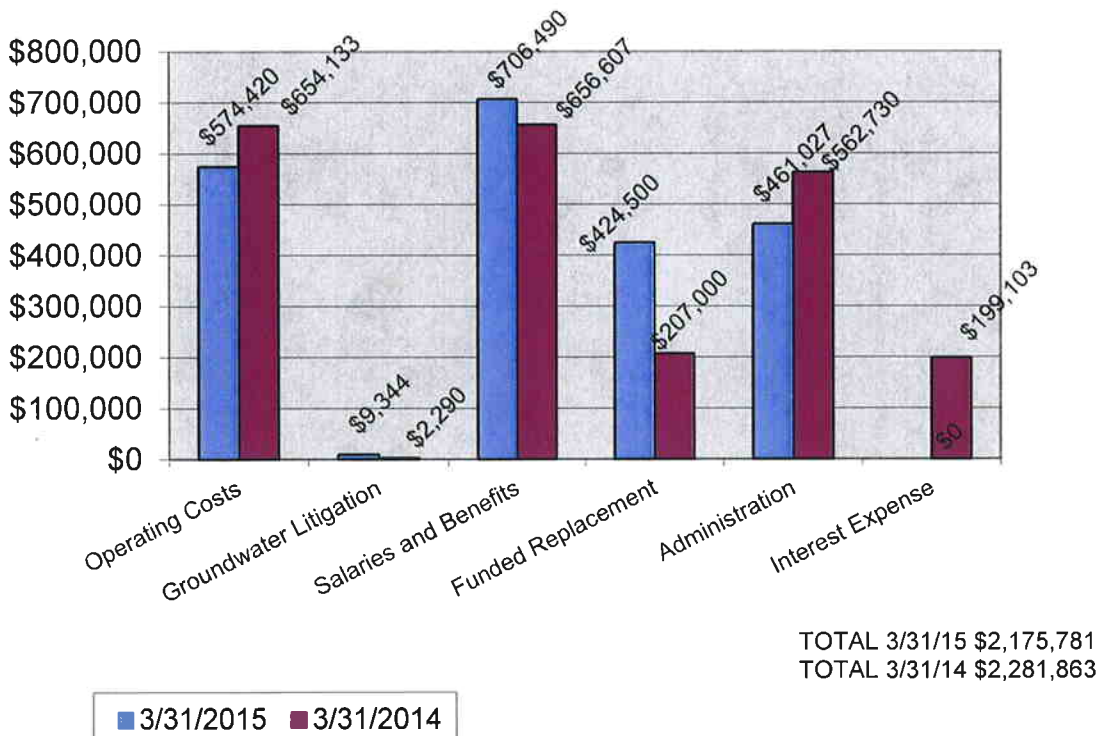
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED EXPENDITURES FOR ALL FUNDS
 NINE MONTHS ENDED
 MARCH 31, 2015 AND MARCH 31, 2014**



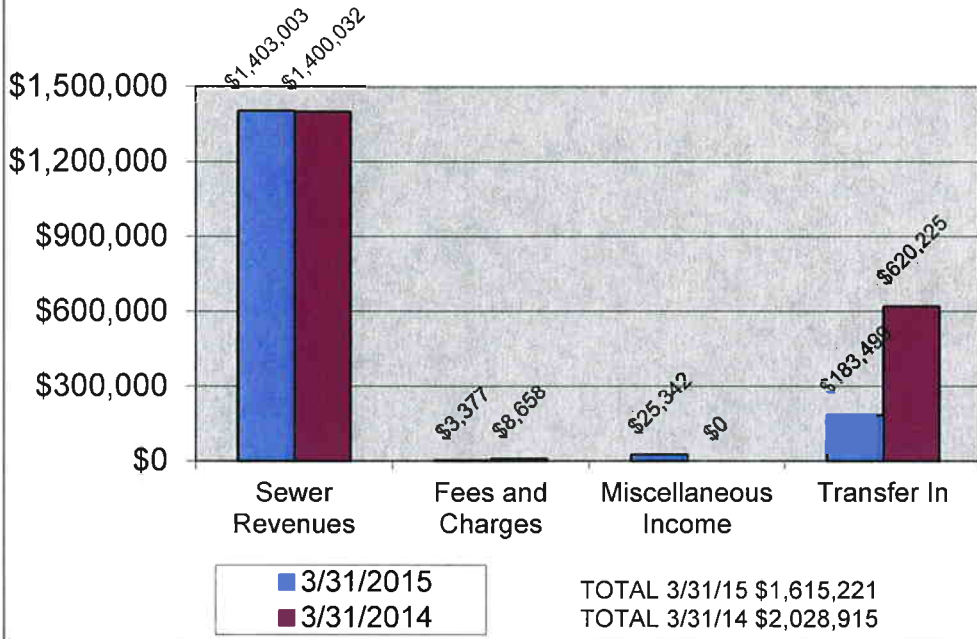
**NIPOMO COMMUNITY SERVICES DISTRICT
WATER FUND #125
REVENUES-MARCH 31 2015 AND MARCH 31, 2014**



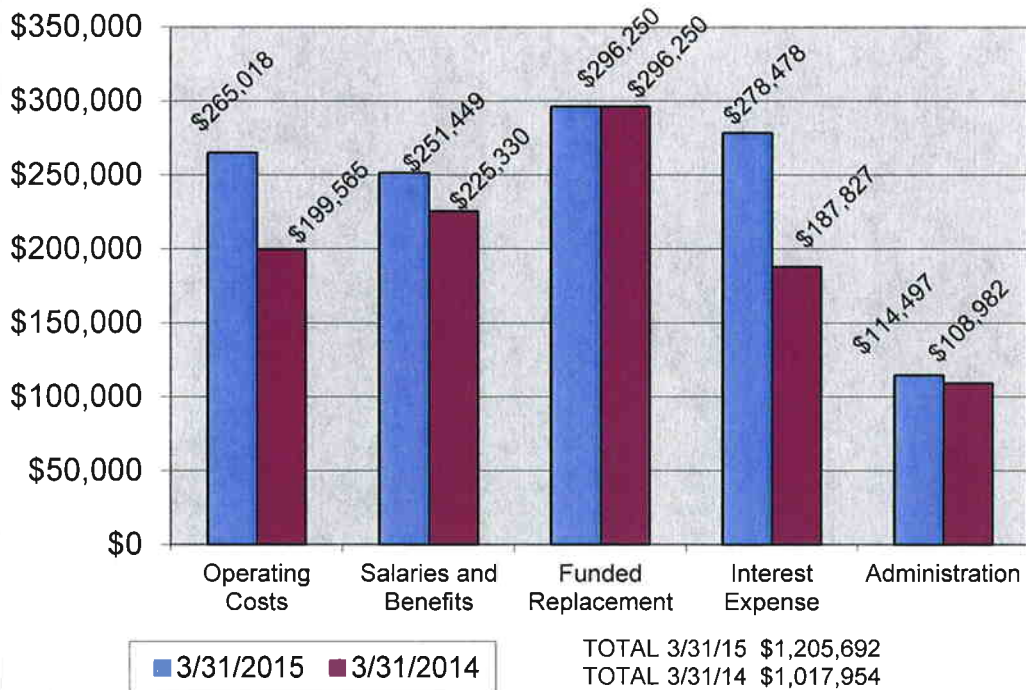
**NIPOMO COMMUNITY SERVICES DISTRICT
WATER FUND #125
EXPENDITURES-MARCH 31, 2015 AND MARCH 31, 2014**



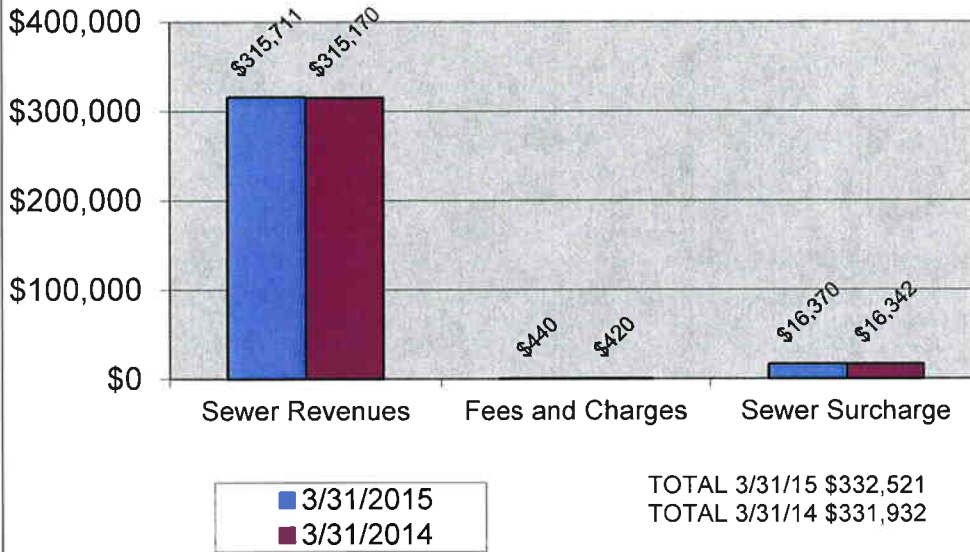
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
REVENUES-MARCH 31, 2015 AND MARCH 31, 2014**



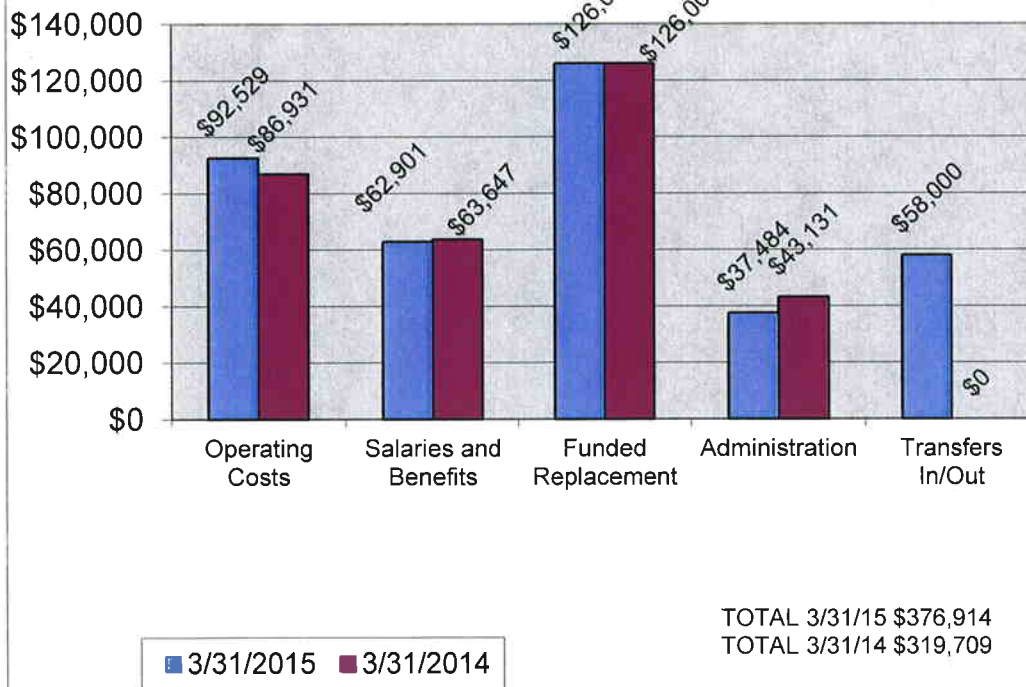
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
EXPENDITURES-MARCH 31, 2015 AND MARCH 31, 2014**



**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
REVENUES-MARCH 31, 2015 AND MARCH 31, 2014**



**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
EXPENDITURES-MARCH 31, 2015 AND MARCH 31, 2014**



TO: BOARD OF DIRECTOR

REVIEWED: MICHAEL S. LEBRUN
GENERAL MANAGER

FROM: PETER V. SEVCIK, P.E.
DIRECTOR OF
ENGINEERING & OPERATIONS

DATE: MAY 6, 2015

**AGENDA ITEM
D-5
MAY 12, 2015**

**APPROVAL OF THE ENGINEER'S LEVY REPORT AND
DECLARATION OF INTENTION TO LEVY ANNUAL ASSESSMENTS
FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR
FISCAL YEAR 2015-2016**

ITEM

Consider adoption of resolutions approving the engineer's levy report and declaration of intention to levy annual assessments for Street Landscape Maintenance District No. 1 for Fiscal Year 2015-2016. [RECOMMEND ADOPT RESOLUTIONS]

BACKGROUND

On April 8, 2015, the Board of Directors adopted Resolution 2015-1369 entitled:

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 2015-2016 PURSUANT TO THE PROVISIONS OF PART 2 OF THE DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

Peter Sevcik, P.E., District Engineer, was directed to prepare the annual levy report (attached). Pursuant to Proposition 218 and the Petition Requesting Formation of the Street Landscape Maintenance District, the annual levy may be increased by a percentage equal to or less than the Consumer Price Index (CPI) without conducting a Protest Vote. The actual amount to be assessed is based on the annual budget and may be less or more than the CPI. Property owners within the assessment district must approve any proposed assessment that exceeds the adjusted maximum rate based on the CPI (via a Proposition 218 Protest Vote).

It is recommended that the assessment be increased to \$360.00 for fiscal year 2015-2016 (See Page 4 of Engineer's Levy Report). The computed Maximum Assessment Allowable is \$450.59. The increase is necessary as expenditures in recent years have exceeded the anticipated budget while the assessment has not increased in 2 years.

With the proposed assessment amount, the Maintenance District is projected to have an approximate deficit of \$490 in 2015-2016 and reserve balance at the end of FY 2015-2016 of \$17,510. The Cash Reserve Goal is \$20,000. As the history of the Maintenance District's annual levy (below) shows, the levy can be lowered in the future when reserves are adequate.

Period Covered	Amount Assessed per Parcel
Fiscal Year 2003-2004(first year of assessment)	\$345.00
Fiscal Year 2004-2005	\$346.96
Fiscal Year 2005-2006	\$354.94
Fiscal Year 2006-2007	\$365.34
Fiscal Year 2007-2008	\$365.34
Fiscal Year 2008-2009	\$387.74
Fiscal Year 2009-2010	\$301.78
Fiscal Year 2010-2011	\$303.57
Fiscal Year 2011-2012	\$303.57
Fiscal Year 2012-2013	\$315.00
Fiscal Year 2013-2014	\$330.00
Fiscal Year 2014-2015	\$330.00

FISCAL IMPACT

Budgeted staff time was used to prepare this staff report.

RECOMMENDATION

Staff recommends your Honorable Board, by motion and roll call vote, approve two resolutions.

ATTACHMENTS

- A. Resolution 2015-XXXX Declaring Intention to Levy Annual Assessment
- B. Resolution 2015-XXXX Approving Engineer's Report
- C. FY 2015-2016 LMD No 1. Engineer's Report

May 12, 2015

D-5

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT DECLARING ITS INTENTION TO
LEVY ANNUAL ASSESSMENTS FOR THE STREET LANDSCAPE AND
MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2015-2016**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("NCSD") has, by previous Petition and Resolutions, formed the Nipomo Community Services District Street Landscape Maintenance District No. 1 (hereinafter referred to as "Street Landscape Maintenance District No. 1") and initiated proceedings for Fiscal Year 2015-2016 pursuant to the provisions of the Landscaping and Lighting Act of 1972, Streets and Highways Code of California, beginning with Section 22500 (hereinafter referred to as "Act") that provides for the levy and collection of assessments by the County of San Luis Obispo for the Nipomo Community Services District to pay for the maintenance and services of all improvements and facilities related thereto; and

WHEREAS, the Street Landscape Maintenance District No. 1 and the associated assessments are in compliance with the provisions of California Constitution Article XIID; and

WHEREAS, the NCSD has appointed Peter Sevcik, District Engineer, for the purpose of assisting with the Annual Levy of the District and to prepare and file a Report in accordance with the Act, and that said Report has been prepared, filed, and presented to the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT, FOR THE STREET LANDSCAPE AND MAINTENANCE DISTRICT NO. 1 PURSUANT TO CHAPTER 3, SECTION 22624 OF THE ACT AS FOLLOWS:

SECTION 1 Intention: The NCSD hereby declares that it intends to seek the Annual Levy of the District pursuant to the Act, over and including the land within the Street Landscape Maintenance District No. 1 boundary, and to levy and collect assessments on all such land to pay the costs of the following: the operation, maintenance, and servicing of landscaping and all appurtenant facilities and operations related thereto.

SECTION 2 Description of Improvements and Any Substantial Changes Proposed: The improvements within the Street Landscape Maintenance District No. 1 include: the maintenance and operation of and the furnishing of services and materials for landscaping which includes trees, shrubs, grass, and other ornamental vegetation, and appurtenant facilities, including irrigation systems within the Street Landscape Maintenance District No. 1. The Engineer's Annual Levy Report describes all new improvements or substantial changes in existing improvements.

SECTION 3 Boundaries and Designation: The boundaries of the Street Landscape Maintenance District No. 1 are described as the boundaries previously defined in the formation documents of the original Street Landscape Maintenance District No. 1.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT
DECLARING ITS INTENTION TO LEVY ANNUAL ASSESSMENTS FOR THE STREET LANDSCAPE AND
MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2015-2016

SECTION 4 Increase in Assessments: The assessment is proposed to increase to \$430.00.

SECTION 5 Engineers Report: The Report is on file with the Secretary of NCSD Board of Directors and contains a full and detailed description of the improvements, the boundaries of Street Landscape Maintenance District No. 1, and the proposed assessments upon assessable lots and parcels of land within Street Landscape Maintenance District No. 1.

SECTION 6 Notice: Pursuant to Section 22626 of the 1972 Act and 6061 of the Government Code, the NCSD shall give notice of the time and place of the Public Hearing to all property owners within Street Landscape Maintenance District No. 1 by causing the publishing of this Resolution once in the Santa Maria Times not less than ten (10) days before the date of the public hearing and by posting a copy of this Resolution on the official bulletin board customarily used by the NCSD for the posting of notices.

SECTION 7 Time of Public Hearing: Notice is hereby given that a public hearing will be held by the Board of Directors of the Nipomo Community Services District on June 10, 2015, at 9:00 a.m. in the Regular Meeting Room located within the District Offices located at 148 South Wilson Street, Nipomo. California 93444.

SECTION 8 Incorporation of Recitals: The above Recitals are true and correct and incorporated herein by reference.

SECTION 9 Other Actions: The Board of Directors and such employees of the NCSD as are appropriate are authorized and directed to execute such other documents and take such further action as shall be consistent with the intent and purpose of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services District this 12th day of May 2015.

AYES:
NOES:
ABSTAIN:
ABSENT:

CRAIG ARMSTRONG
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
Secretary to the Board

MICHAEL W. SEITZ
District Legal Counsel

May 12, 2015

D-5

ATTACHMENT B

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
GRANTING APPROVAL OF THE ANNUAL ENGINEER'S LEVY REPORT FOR THE STREET
LANDSCAPE AND MAINTENANCE DISTRICT NO. 1
FOR FISCAL YEAR 2015-2016**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("NCSD") has, by Resolution, ordered the preparation of an Engineer's Annual Levy Report by Peter Sevcik, District Engineer (hereinafter referred to as "Report") for the Nipomo Community Services District Street Landscape Maintenance District No. 1 (hereinafter referred to as "Street Landscape Maintenance District No. 1") pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division of the Streets and Highways Code of California, beginning with Section 22500 (hereinafter referred to as the "Act"); and

WHEREAS, the District and the associated assessments are in compliance with the provisions of California Constitution Article XIID; and

WHEREAS, the NCSD has now been presented with the Report as required by Section 22566 of said Act; and

WHEREAS, the NCSD has carefully examined and reviewed the Report as presented and is satisfied with the budget items and documents as set forth therein and is satisfied that the proposed assessments have been spread in accordance with the Petition for Street Landscape Maintenance District No. 1 and with benefits received from the improvements, operation, maintenance, and services to be performed within Street Landscape Maintenance District No. 1 as set forth in said Report.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT, NIPOMO, CALIFORNIA FOR THE LANDSCAPE MAINTENANCE DISTRICT NO. 1 AS FOLLOWS:

SECTION 1: That the above recitals are all true and correct and incorporated herein by reference.

SECTION 2: That the presented Report consists of the following:

- a. A Description of the Improvements
- b. The Annual Budget (Costs and Expenses of Services, Operation, and Maintenance)
- c. The Method of Apportionment that details the method of calculating each parcel's proportional special benefits and annual assessment.
- d. The District Roll containing the proposed assessment for each parcel within the District for fiscal year 2015-2016.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
GRANTING APPROVAL OF THE ANNUAL ENGINEER'S
LEVY REPORT FOR THE STREET LANDSCAPE AND
MAINTENANCE DISTRICT NO. 1
FOR FISCAL YEAR 2015-2016

PAGE TWO

SECTION 3: The Report is hereby approved and ordered to be filed in the Nipomo Community Services District Offices as a permanent record and to remain open to public inspection.

SECTION 4: That the NCSD General Manager shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's Annual Levy Report.

PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services this 12th day of May, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CRAIG ARMSTRONG
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
General Manager and
Secretary to the Board

MICHAEL W. SEITZ
District Legal Counsel

May 12, 2015

D-5

ATTACHMENT C

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2015-2016

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Introduction

Nipomo Community Services District ("NCSD") annually levies and collects special assessments to maintain improvements within Street Landscape Maintenance District No. 1 ("District"). The District was formed and annual assessments are established pursuant to the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "1972 Act").

This Engineer's Annual Report ("Report") describes the District and the proposed assessments for the fiscal year 2015-2016. The assessments are based on the historical and estimated future costs to maintain the improvements that provide a direct and special benefit to properties within the District.

For the purposes of this Report, the word "parcel" refers to an individual property assigned its own Assessor Parcel Number by the San Luis Obispo County Assessor's Office. The San Luis Obispo County Auditor/Controller uses Assessor Parcel Numbers and specific Fund Numbers to identify properties assessed for special district benefit assessments on the tax roll.

Effect of Proposition 218

In November 1996, California voters approved Proposition 218 that established specific requirements for the on-going imposition of taxes, assessments and fees. The provisions of the Proposition are now contained in the California Constitutional Articles XIIC and XIID.

All assessments described in this Report and approved by the Board of Directors are prepared in accordance with the 1972 Act and are in compliance with the provisions of the California Constitution Article XIID.

The assessments adopted include the District's annual inflationary adjustment to the maximum assessment rate. This annual inflationary adjustment to the maximum assessment rate is provided in this Report.

Description of the District and Services

The District (formed on April 9, 2003) provides and ensures the continued maintenance, servicing, administration and operation of landscaping located within a portion of the public rights-of-way and dedicated landscape easements in Tract 2409, a 28 lot subdivision commonly known as Vista Verde Estates, located off of West Tefft across from Dana Elementary School.

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2015-2016

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Improvements within the District include the maintenance and operation and the furnishing of services and materials for landscaping which include trees, shrubs, grasses and other ornamental vegetation, and appurtenant facilities, including irrigation systems.

The landscape maintenance obligation is limited to the following:

- Landscaping bordering the frontage of lots 1 through 6 on Tefft Street
- Landscaping bordering the frontage of lots 1, 15, 16, and 28 on Tejas Place
- Landscaping bordering the southwest and northwest sides of lot 29 (drainage basin) on Tejas Place
- The pathway between lots 4 and 5 between Tefft Street and Vista Verde

Method of Apportionment

General

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The formula used for calculating assessments of the District therefore reflect the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on the benefits to each parcel.

Benefit Analysis

The associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the California Constitution and 1972 Act. The improvements associated with the District have been identified as necessary, required and/or desired for the orderly development of the properties within the District to their full potential, consistent with the proposed development plans. As such, these improvements would be necessary and required of individual property owners for the development of such properties, and the ongoing operation, servicing and maintenance of these improvements would be the financial obligation of those properties. Therefore,

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2015-2016

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the improvements and the annual costs of ensuring the maintenance and operation of the improvements are of direct and special benefit to the properties.

The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives special benefit from the improvements provided by the District. The desirability of properties is enhanced by the presence of local improvements in close proximity to those properties.

The special benefits associated with landscaped improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, dust and debris control.
- Increased sense of pride in ownership of property within the District resulting in well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings.

Based on the preceding special benefits, it has been determined that the improvements provided through the District and for which parcels are assessed, contribute to aesthetic value and desirability of those properties. It has further been determined that these improvements, either individually or collectively are provided for the special benefit and enhancement of properties within the District and provide no measurable general benefit to properties outside the District or to the public at large.

Assessment Methodology

The maximum annual assessment that may be levied each fiscal year includes an annual inflationary adjustment to the maximum assessment rate based on the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers in San Francisco/San Jose for February 28 of the current year over the previous year's index on the same date. Although the maximum rate for the District may increase each year, the actual amount to be assessed is based on the annual budget and may be less than the maximum rate. The property owners must approve any proposed assessment that exceeds the adjusted maximum rate before it can be imposed.

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2015-2016

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The maximum assessment that may be levied in a fiscal year is increased annually by the following formula

$$\begin{array}{r}
 \text{(Prior Year's Annual Maximum Assessment x CPI)} \\
 \text{Plus} \\
 \text{Prior Year's Annual Maximum Assessment}
 \end{array}
 \left. \vphantom{\begin{array}{r} \text{(Prior Year's Annual Maximum Assessment x CPI)} \\ \text{Plus} \\ \text{Prior Year's Annual Maximum Assessment} \end{array}} \right\} = \begin{array}{l} \text{Current Year's} \\ \text{Annual} \\ \text{Maximum} \\ \text{Assessment} \end{array}$$

The percentage change used is the annual change for the preceding 12 months. The annual inflation factor applied for the fiscal year 2015-2016 is based on the percentage change from February 2014 to February 2015 and has been identified as 1.90% (annual percentage change currently available).

MAXIMUM ALLOWABLE ASSESSMENT PER PARCEL (APPLYING INFLATIONARY ADJUSTMENT)	
2014-2015 Maximum Assessment	(A) \$442.19
X CPI (1.90%)	(B) \$8.40

Maximum Assessment Allowable 2015-2016	(A) + (B) \$450.59 =====
Proposed 2015-2016 Annual Assessment	\$360.00 =====

Fiscal Year 2015-2016 District Budget

DESCRIPTION		2015-2016 BUDGET
Beginning Estimated Fund Balance (July 1, 2015)		\$18,000
Proposed Assessment Levy		\$10,080
Estimated Interest Income		\$30
Estimated Expenditures		
Contract Landscape Maintenance	(\$4,600)	
Plant attrition and normal loss	(\$1,000)	
Water	(\$3,600)	
Electricity	(\$150)	
Public Notifications	(\$750)	
Administration	(\$500)	
Total Estimated Expenditures		(\$10,600)
Estimated Ending Fund Balance (1) (June 30, 2016)		\$17,510

NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2015-2016

- (1) In accordance with the Reserve Policy adopted by the Nipomo Community Services District Board in 2012, the target fund balance reserve for Street Landscape Maintenance District No. 1 is \$20,000. Reserve is for landscaping repair/replacement and irrigation system repair/replacement.

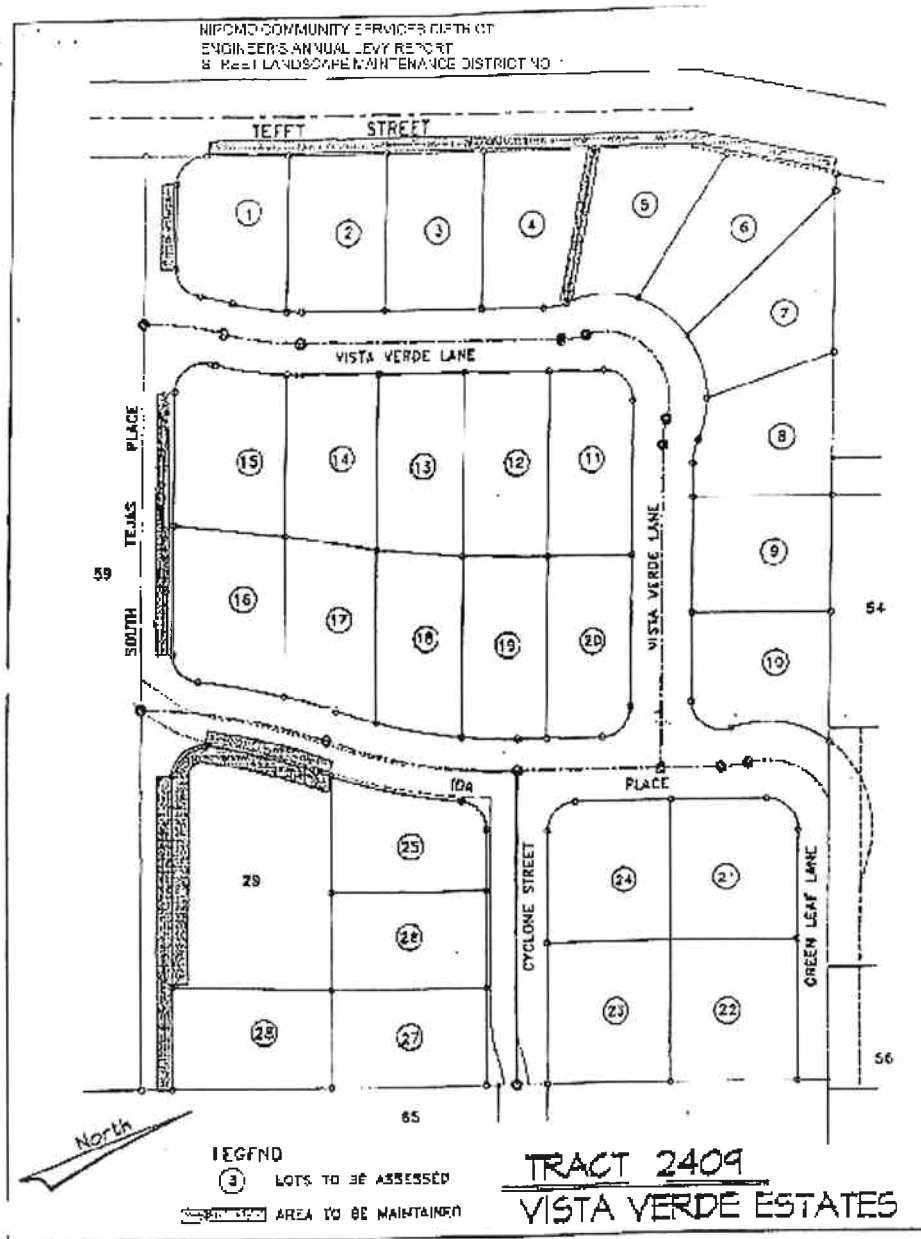
NIPOMO COMMUNITY SERVICES DISTRICT
ENGINEER'S ANNUAL LEVY REPORT
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FISCAL YEAR 2015-2016

Lot Number	Assessor Parcel Number	Annual Assessment
1	092-512-001	\$360.00
2	092-512-002	\$360.00
3	092-512-003	\$360.00
4	092-512-004	\$360.00
5	092-512-005	\$360.00
6	092-512-006	\$360.00
7	092-512-007	\$360.00
8	092-512-008	\$360.00
9	092-512-009	\$360.00
10	092-512-010	\$360.00
11	092-512-011	\$360.00
12	092-512-012	\$360.00
13	092-512-013	\$360.00
14	092-512-014	\$360.00
15	092-512-015	\$360.00
16	092-512-016	\$360.00
17	092-512-017	\$360.00
18	092-512-018	\$360.00
19	092-512-019	\$360.00
20	092-512-020	\$360.00
21	092-512-021	\$360.00
22	092-512-022	\$360.00
23	092-512-023	\$360.00
24	092-512-024	\$360.00
25	092-512-025	\$360.00
26	092-512-026	\$360.00
27	092-512-027	\$360.00
28	092-512-028	\$360.00
	TOTAL	\$10,080.00



Peter V. Sevcik
PETER V. SEVCIK, P.E.
DISTRICT ENGINEER

NIPOMO COMMUNITY SERVICES DISTRICT
 ENGINEER'S ANNUAL LEVY REPORT
 STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
 FISCAL YEAR 2015-2016



TO: BOARD OF DIRECTOR
REVIEWED: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
FROM: PETER V. SEVCIK, P.E. *P.V.S.*
DIRECTOR OF
ENGINEERING & OPERATIONS

**AGENDA ITEM
D-6
MAY 12, 2015**

DATE: May 6, 2015

**ADOPT RESOLUTION ACCEPTING DEED RESTRICTION
FOR 298 SOUTH THOMPSON AVENUE, APN 090-111-008**

ITEM

Consider adoption of resolution accepting deed restriction for 298 South Thompson Avenue, APN 090-111-008, Nipomo, CA [RECOMMEND ADOPT RESOLUTION].

BACKGROUND

A deed restriction is required for St. Joseph's Church, 298 South Thompson Avenue, APN 090-111-008, Nipomo CA as a condition of connecting the property to the District's sanitary sewer system, in accordance with the District's standard conditions. The deed restriction prohibits the use of self-regenerating water softeners within the property. In accordance with the District's requirements, the property owner is required to provide the deed restriction to the District before a Will-Serve letter can be issued. The property owner has offered the attached deed restriction to the District. The deed restriction needs to be formally accepted by the Board before it can be recorded.

FISCAL IMPACT

Budgeted staff time was used to prepare this staff report.

RECOMMENDATION

Staff recommends that the Board adopt Resolution 2015-XXXX 298 South Thompson Road Deed Restriction.

ATTACHMENTS

- A. Resolution 2015-XXXX 298 South Thompson Deed Restriction
- B. Deed Restriction – Resolution Exhibit A

May 12, 2015

D-6

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING DEED RESTRICTION FROM ROMAN CATHOLIC BISHOP OF MONTEREY
FOR 298 SOUTH THOMPSON AVENUE APN 090-111-008**

WHEREAS, the Roman Catholic Church of Monterey (herein the "Owner") is the owner of certain real property identified as Assessor Parcel Number 090-111-008 (herein the "Property"). The Property is situated within the Nipomo Community Services District (the "District") and is located at 298 South Thompson Avenue, Nipomo, California; and

WHEREAS, Owner is requesting District sewer service for the parcel; and

WHEREAS, as a condition of District sewer service, Owner has offered to the District deed restriction for 298 South Thompson Avenue, Nipomo, that prohibits the use of self-regenerating water softeners within the Property (EXHIBIT A).

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE NIPOMO COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

1. The above recitals and findings are true and correct and incorporated herein by reference.
2. That the attached deed restriction dated January 30, 2015 is hereby accepted and staff is ordered to record the attached deed restriction (Exhibit A).

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICT:

the foregoing resolution is hereby adopted this 12th day of May 2015.

CRAIG AMSTRONG
President of the Board

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
General Manager and Secretary to the Board

MICHAEL W. SEITZ
District Legal Counsel

May 12, 2015

D-6

ATTACHMENT B

RECORDING REQUESTED BY:
NIPOMO COMMUNITY SERVICES DISTRICT

WHEN RECORDED RETURN TO:
Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444

APN #: 090-111-008

DEED RESTRICTION AND AGREEMENT AFFECTING REAL PROPERTY

Exhibits Incorporated by Reference:

Exhibit "A" – Real Property Legal Description

THIS DEED RESTRICTION AND AGREEMENT AFFECTING REAL PROPERTY (herein "Agreement") is entered into JANUARY 30, 2015 ~~2014~~ by BHW

and between Roman Catholic Bishop of Monterey, (herein "Grantor") and the Nipomo Community Services District, a political subdivision of the State of California, (herein "Grantee" or "District") with reference to the following Recitals:

A. Grantor owns certain real property (herein "Real Property") located within the Nipomo Community Services District, County of San Luis Obispo, more particularly described in Exhibit "A".

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. **DEED RESTRICTIONS**

A. Grantor agrees and acknowledges that the use of self-regenerating water softeners is not allowed for this parcel.

2. **MISCELLANEOUS**

A. This Agreement contains the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect excepting a subsequent modification in writing, signed by the party to be charged.

B. In the event of any controversy, claim, or dispute relating to this Agreement or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

C. The obligations of Grantor shall be considered for all purposes to be both covenants and conditions that shall run with the land and be binding on the successors and assigns of the Grantor and shall inure to the benefit of District and its successors and assigns.

D. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

E. This Deed Restriction and Agreement Affecting Real Property shall be recorded in the Official Records in the County Recorder's Office, San Luis Obispo County.

F. Recital A is incorporated herein by reference as though set forth at length.

G. The Agreement shall be governed by the laws of the State of California. Any litigation regarding the Agreement or its contents shall be filed in the County of San Luis Obispo, if in state court, or in the federal court nearest to San Luis Obispo County, if in federal court.

3. **AUTHORITY TO EXECUTE.**

All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms

represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, Grantor(s) hereby warrants that Grantor(s) shall not have breached the terms or conditions of any other contract or Agreement to which Grantor(s) is obligated, which breach would have a material effect hereon.

////

////

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective the date the District executes the Certificate of Acceptance.

GRANTOR(S):



[Signature must be Notarized]

[Signature must be Notarized]

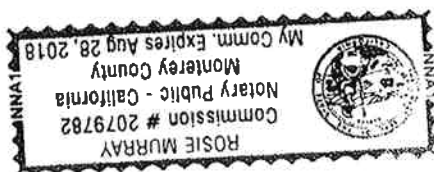
Thomas H. Riordan

[Type or print name]

Finance Officer

[Type or print name]

Date: 1/30/15



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Monterey)
On 1-30-15 before me, Rosie Murray
Date Here Insert Name and Title of the Officer
personally appeared Thomas H. Riordan
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.
Signature Rosie Murray
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____
 Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____
 Partner — Limited General Partner — Limited General
 Individual Attorney in Fact Individual Attorney in Fact
 Trustee Guardian or Conservator Trustee Guardian or Conservator
 Other: _____ Other: _____
Signer Is Representing: _____ Signer Is Representing: _____

**CERTIFICATE OF ACCEPTANCE
GOVERNMENT CODE §2781**

This is to certify that the Nipomo Community Services District, Grantee, herein, by Board action on _____, 2014, accepts the foregoing Deed Restriction and Agreement, dated __, 2014, from Grantors, and consents to the recordation thereof.

Nipomo Community Services District

By: _____
Name: Craig Armstrong
Title: President

ATTEST:

Michael S. LeBrun, General Manager and Secretary
Nipomo Community Services District

CONSENT AND SUBORDINATION OF TRUST DEED BENEFICIARY

NOTICE: THIS CONSENT AND SUBORDINATION OF TRUST DEED BENEFICIARY RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO THE TERMS, COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE FOREGOING INSTRUMENT.

The undersigned, beneficiary under that certain deed of trust recorded _____, 20____, as Document No. _____, in Book _____ Page _____, Official Records of the County of San Luis Obispo, does hereby join in, and consent to, each and all of the terms and provisions of the within instrument, and does hereby subordinate its interests to the entire effect of this instrument. In this regard, the undersigned does hereby agree upon request of any insuring title company to direct the trustee under said deed of trust to execute and deliver to County in recordable form acceptable to such insuring title company partial reconveyances as to any rights granted and to be granted to County pursuant to this instrument.

Dated: _____

TRUST DEED BENEFICIARIES
AND/OR MORTGAGES

Exhibit A

BEING A PORTION OF LAND LOCATED IN THE TOWN OF NIPOMO,
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA BEING MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1 OF PARCEL MAP NO CO6748 RECORDED IN BOOK 4, PAGE 33
OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF
SAID COUNTY, STATE OF CALIFORNIA.

APN 090-111-008