

TO: BOARD OF DIRECTORS  
FROM: MARIO IGLESIAS  
GENERAL MANAGER  
DATE: MAY 5, 2016

**AGENDA ITEM  
C  
MAY 11, 2016**

**PRESENTATIONS AND REPORTS**

The following presentations and reports are scheduled:

- C-1) REPORT ON PREVIOUS MEETING CLOSED SESSION  
Announcement of actions, if any, taken during Closed Session at previous Board Meeting
- 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: MARIO IGLESIAS  
GENERAL MANAGER

DATE: MAY 5, 2016

**AGENDA ITEM**  
**C-1**  
**MAY 11, 2016**

**CLOSED SESSION REPORT**

**ITEM**

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

**BACKGROUND**

The April 27, 2016 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).
  - b) BENING VS. NCSD SAN LUIS OBISPO COUNTY CASE NO 14CV0069
2. INSTRUCTION TO NEGOTIATORS MARIO IGLESIAS, MIKE SEITZ AND LILLIAN JEWELL PURSUANT TO GOVERNMENT CODE SECTION 54956.8 FOR PURCHASE OF EASEMENT INTEREST IN APN 093-291-046 (OWNER: LOS PRIMOS PROPERTIES, LLC, NEGOTIATOR: VINCE MARTINEZ)

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

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER



DATE: MAY 5, 2016

## AGENDA ITEM

# D

MAY 11, 2016

### 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 27 REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVAL]
- D-3) APPROVE LANDSCAPE MAINTENANCE DISTRICT #1 ENGINEER'S LEVY REPORT [RECOMMEND ADOPT RESOLUTIONS]

TO: BOARD OF DIRECTOR

REVIEWED: MARIO IGLESIAS  
GENERAL MANAGER

~~MI~~

FROM: LISA BOGNUDA  
FINANCE DIRECTOR

LSB

DATE: MAY 6, 2016

**AGENDA ITEM  
D-1  
MAY 11, 2016**

**TOTAL COMPUTER CHECKS  
\$149,783.46**

**HAND WRITTEN CHECKS**

None

VOIDS – NONE

**COMPUTER GENERATED CHECKS – SEE ATTACHED**



Nipomo Community Services District

Item D-1 Warrants May 11, 2016

By Payment Number

Payment Dates 5/11/2016 - 5/11/2016

Vendor Name	Description (Payable)	Payable Number	(None)	(None)	Amount
<b>Payment: 1220</b>					
Abalone Coast Analytical, Inc.	Lab tests	APR2016			4,719.60
					<b>Payment 1220 Total:</b>
					<b>4,719.60</b>
<b>Payment: 1221</b>					
Advantage Answering Plus, In	Answering service	741404252016			130.00
					<b>Payment 1221 Total:</b>
					<b>130.00</b>
<b>Payment: 1222</b>					
AECOM USA Inc.	Supplemental Water Project	37733771			1,360.80
AECOM USA Inc.	Engineering during constructi	37738463			4,896.45
					<b>Payment 1222 Total:</b>
					<b>6,257.25</b>
<b>Payment: 1223</b>					
Alexander's Contract Services,	Meter reading	201604280871			3,386.99
					<b>Payment 1223 Total:</b>
					<b>3,386.99</b>
<b>Payment: 1224</b>					
AmeriPride	Uniforms	1501623945			244.35
AmeriPride	Uniforms	1501618788			191.83
					<b>Payment 1224 Total:</b>
					<b>436.18</b>
<b>Payment: 1225</b>					
ASAP Reprographics	Supplemental Water plans	176588			682.39
ASAP Reprographics	Supplemental Water plans	176734			6.43
					<b>Payment 1225 Total:</b>
					<b>688.82</b>
<b>Payment: 1226</b>					
AT&T	Telephone	7978234			207.12
AT&T	Telephone	7978232			26.71
AT&T	Telephone	7978233			157.36
					<b>Payment 1226 Total:</b>
					<b>391.19</b>
<b>Payment: 1227</b>					
Bentley Systems, Inc.	WaterGEMS subscription	47746093			1,784.75
					<b>Payment 1227 Total:</b>
					<b>1,784.75</b>
<b>Payment: 1228</b>					
Brenntag Pacific, Inc.	Sodium Hypochlorite	619243			671.29
Brenntag Pacific, Inc.	Sodium Hypochlorite	619242			237.28
Brenntag Pacific, Inc.	Ammonium Sulfate	617744			3,584.51
					<b>Payment 1228 Total:</b>
					<b>4,493.08</b>
<b>Payment: 1229</b>					
C.M. de Crinis & Co., Inc.	Bond coverage/capacity analy	201605			932.20
					<b>Payment 1229 Total:</b>
					<b>932.20</b>
<b>Payment: 1230</b>					
Cal-Coast Machinery, Inc.	Tractor repairs	317103			299.00
					<b>Payment 1230 Total:</b>
					<b>299.00</b>
<b>Payment: 1231</b>					
Carquest Auto Parts	Vehicle repair/maintenance -	APR2016			149.15
					<b>Payment 1231 Total:</b>
					<b>149.15</b>
<b>Payment: 1232</b>					
Charter Communications	Internet - Shop and/or Office	MAY2016A			225.00
Charter Communications	Internet - Shop and/or Office	MAY2016B			225.00
					<b>Payment 1232 Total:</b>
					<b>450.00</b>
<b>Payment: 1233</b>					
Clever Ducks	Install/set up shop server	21393			3,534.00
Clever Ducks	Install printer/network set up	21800			810.00

## Item D-1 Warrants May 11, 2016

Payment Dates: 5/11/2016 - 5/11/2016

Vendor Name	Description (Payable)	Payable Number	(None)	(None)	Amount	
<b>Payment: 1233</b>					<b>Payment 1233 Total:</b>	<b>4,344.00</b>
Corbin Willits Sys's Inc.	Computer expense	604151			755.83	
<b>Payment: 1234</b>					<b>Payment 1234 Total:</b>	<b>755.83</b>
Corix Water Products (US) Inc	Check valve, gasket, reducer	17613009554			482.69	
Corix Water Products (US) Inc	Sewer covers, 4" frames	17613009721			1,591.00	
Corix Water Products (US) Inc	Matco swing check valve	176150793			-286.86	
<b>Payment: 1235</b>					<b>Payment 1235 Total:</b>	<b>1,786.83</b>
Crystal Springs	Distilled water	050216			22.55	
<b>Payment: 1236</b>					<b>Payment 1236 Total:</b>	<b>22.55</b>
Environmental Resource Asso	Lab supplies	788840			529.60	
<b>Payment: 1237</b>					<b>Payment 1237 Total:</b>	<b>529.60</b>
Far West Express	Delivery service	043016			23.00	
<b>Payment: 1238</b>					<b>Payment 1238 Total:</b>	<b>23.00</b>
Farm Supply Company	Round-up	34871			86.59	
<b>Payment: 1239</b>					<b>Payment 1239 Total:</b>	<b>86.59</b>
FGL Environmental	Lab tests	680787			501.00	
FGL Environmental	Lab tests	680786			83.00	
FGL Environmental	Lab tests	681045			420.00	
<b>Payment: 1240</b>					<b>Payment 1240 Total:</b>	<b>1,004.00</b>
Frontier Communications	BL phone	APR2016			52.07	
<b>Payment: 1241</b>					<b>Payment 1241 Total:</b>	<b>52.07</b>
GLM Landscape Management	Landscape maintenance	APR2016			360.00	
<b>Payment: 1242</b>					<b>Payment 1242 Total:</b>	<b>360.00</b>
Great Western Alarm and Co	Alarm monitoring service	160402062101			67.00	
Great Western Alarm and Co	Alarm monitoring service	160400640101			35.00	
Great Western Alarm and Co	Alarm monitoring service	160402107201			585.00	
Great Western Alarm and Co	Alarm monitoring service	160402107101			67.00	
<b>Payment: 1243</b>					<b>Payment 1243 Total:</b>	<b>754.00</b>
Home Depot Credit Services D	Supplies, storage shed	APR2016			949.13	
<b>Payment: 1244</b>					<b>Payment 1244 Total:</b>	<b>949.13</b>
HotAirColdAir	Repair to air conditioning unit	09336			1,190.00	
<b>Payment: 1245</b>					<b>Payment 1245 Total:</b>	<b>1,190.00</b>
J.B. Dewar, Inc.	Chevron Rando oil	138262			76.84	
<b>Payment: 1246</b>					<b>Payment 1246 Total:</b>	<b>76.84</b>
Landmark Landscape Compan	LMD	67456			214.00	
<b>Payment: 1247</b>					<b>Payment 1247 Total:</b>	<b>214.00</b>
Lee Central Coast Newspaper	Conservation ads	043016			1,170.00	
<b>Payment: 1248</b>					<b>Payment 1248 Total:</b>	<b>1,170.00</b>
Miner's Ace Hardware	Supplies	APR2016			250.96	

## Item D-1 Warrants May 11, 2016

Payment Dates: 5/11/2016 - 5/11/2016

Vendor Name	Description (Payable)	Payable Number	(None)	(None)	Amount	
<b>Payment: 1249</b>					<b>Payment 1249 Total:</b>	<b>250.96</b>
<b>Payment: 1250</b>						
MNS Engineers, Inc.	Supplemental Water Project	66891			39,814.93	
					<b>Payment 1250 Total:</b>	<b>39,814.93</b>
<b>Payment: 1251</b>						
More Office Solutions	Color/B&W copies	1205478			53.63	
More Office Solutions	New multi-function printer fo	1205804			9,347.13	
More Office Solutions	Final bill for Canon C2880	1206208			373.58	
					<b>Payment 1251 Total:</b>	<b>9,774.34</b>
<b>Payment: 1252</b>						
Municipal Maintenance Equip	Cleaning nozzle, 3/4" hose	0109458			1,382.52	
Municipal Maintenance Equip	Debris tank safety arm	0109609			199.16	
					<b>Payment 1252 Total:</b>	<b>1,581.68</b>
<b>Payment: 1253</b>						
Newton Geo-Hydrology Cons	Litigation support	APR2016			11,378.95	
					<b>Payment 1253 Total:</b>	<b>11,378.95</b>
<b>Payment: 1254</b>						
NexTraq	GPS subscription	1275523			399.50	
					<b>Payment 1254 Total:</b>	<b>399.50</b>
<b>Payment: 1255</b>						
Nipomo Chamber of Commer	Chamber clean-up grant disbu	1604			165.00	
Nipomo Chamber of Commer	Chamber clean-up grant disbu	62830			1,619.20	
					<b>Payment 1255 Total:</b>	<b>1,784.20</b>
<b>Payment: 1256</b>						
Office Depot	Office supplies	INV0000566			169.99	
					<b>Payment 1256 Total:</b>	<b>169.99</b>
<b>Payment: 1257</b>						
Parkson Corporation	20' of 1" Goodyear hose	AR1/51015254			86.00	
					<b>Payment 1257 Total:</b>	<b>86.00</b>
<b>Payment: 1258</b>						
Poor Richard's Press	Postage - UWMP postcards	270649B			1,363.65	
Poor Richard's Press	UWMP postcards	270649A			825.30	
					<b>Payment 1258 Total:</b>	<b>2,188.95</b>
<b>Payment: 1259</b>						
Precision Janitorial	Janitorial services	271			700.00	
					<b>Payment 1259 Total:</b>	<b>700.00</b>
<b>Payment: 1260</b>						
SLO County Clerk-Recorder	Tract 2494 recording fee	APR2016B			7.00	
					<b>Payment 1260 Total:</b>	<b>7.00</b>
<b>Payment: 1261</b>						
SoCalGas	Heat - office	MAY2016B			22.46	
SoCalGas	Heat - shop	MAY2016			14.74	
					<b>Payment 1261 Total:</b>	<b>37.20</b>
<b>Payment: 1262</b>						
South County Sanitary Service	Solid waste tax liens	MAY2016			626.17	
					<b>Payment 1262 Total:</b>	<b>626.17</b>
<b>Payment: 1263</b>						
State of California - Departme	Certificate renewal - Sevcik	APR2016			115.00	
					<b>Payment 1263 Total:</b>	<b>115.00</b>
<b>Payment: 1264</b>						
State Water Resources Contr	D2 certification	Brewer0416			80.00	
					<b>Payment 1264 Total:</b>	<b>80.00</b>
<b>Payment: 1265</b>						
Sterling Communications	Installation of vehicle radio	29722			960.72	
					<b>Payment 1265 Total:</b>	<b>960.72</b>

**Item D-1 Warrants May 11, 2016**

**Payment Dates: 5/11/2016 - 5/11/2016**

<b>Vendor Name</b>	<b>Description (Payable)</b>	<b>Payable Number</b>	<b>(None)</b>	<b>(None)</b>	<b>Amount</b>
<b>Payment: 1266</b>					
Tesco Controls, Inc.	Analyzer panels	0059291			37,050.00
<b>Payment 1266 Total:</b>					<b>37,050.00</b>
<b>Payment: 1267</b>					
US Bank National Association	Computer expense	APR2016A			83.88
US Bank National Association	Conservation promotional ite	APR2016F			284.38
US Bank National Association	Office supplies	APR2016E			281.87
US Bank National Association	Vehicle repair/maintenance	APR2016C			500.00
US Bank National Association	Miscellaneous	APR2016B			267.00
US Bank National Association	Conservation outreach event	APR2016G			26.40
<b>Payment 1267 Total:</b>					<b>1,443.53</b>
<b>Payment: 1268</b>					
US Bank National Association	CSDA conference registration	APR2016D			175.00
<b>Payment 1268 Total:</b>					<b>175.00</b>
<b>Payment: 1269</b>					
USA BlueBook	Adjustable pressure snubbers	934007			756.29
USA BlueBook	D-Chlor tablets	932178			208.77
USA BlueBook	D-Chlor tablets	932179			409.09
<b>Payment 1269 Total:</b>					<b>1,374.15</b>
<b>Payment: 1270</b>					
Verizon Wireless	Cell service	9764269454			410.22
<b>Payment 1270 Total:</b>					<b>410.22</b>
<b>Payment: 1271</b>					
Waste Connections	Waste collection - Office	5247326			40.18
Waste Connections	Waste collection - Southland	5248923			185.06
Waste Connections	Waste collection - Olde Town	5248443			213.08
<b>Payment 1271 Total:</b>					<b>438.32</b>
<b>Payment: 1272</b>					
Your People Professionals	Employment agency deposit	May2016			1,500.00
<b>Payment 1272 Total:</b>					<b>1,500.00</b>



TO: BOARD OF DIRECTORS  
FROM: MARIO IGLESIAS  
GENERAL MANAGER  
DATE: MAY 5, 2016



**AGENDA ITEM  
D-2  
MAY 11, 2016**

**APPROVE APRIL 27, 2016  
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 27, 2016 draft Regular Board Meeting Minutes

May 11, 2016

ITEM D-2

ATTACHMENT A

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## DRAFT REGULAR MINUTES

APRIL 27, 2016 AT 9:00 A.M.

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

### **BOARD of DIRECTORS**

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

### **PRINCIPAL STAFF**

MARIO IGLESIAS, **GENERAL MANAGER**  
LISA BOGNUDA, **FINANCE DIRECTOR**  
MICHAEL W. SEITZ, **GENERAL COUNSEL**  
PETER SEVCIK, **DIRECTOR OF ENG. & OPS.**  
JESSICA MATSON, **BOARD CLERK**

Mission Statement: The Nipomo Community Services District's mission is to provide its customers with reliable, quality, and cost-effective services now and in the future.
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00:00:00 A. CALL TO ORDER AND FLAG SALUTE

*President Armstrong called the Regular Meeting of April 27, 2016 to order at 9:00 a.m. and led the flag salute.*

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

*At Roll Call, all Directors were present.*

*There were no public comments.*

C. PRESENTATIONS AND REPORTS

00:00:46 C-1) REPORT ON PREVIOUS MEETING CLOSED SESSION

Announcement of actions, if any, taken during Closed Session at previous Board Meeting

*Mike Seitz, District Legal Counsel, announced that the Board discussed Item 1.1(a) from the April 13, 2016 Regular Meeting (Conference with District Legal Counsel re: pending litigation pursuant to GC §54956.9 SMVWCD VS. NCSO) in closed session, heard a report from Special Counsel, but took no reportable action.*

*Mr. Seitz reported that the Board discussed Item 1.1(b), heard a report but took no reportable action.*

*Mr. Seitz also reported that the Board discussed Item 1.2, gave instruction, but took no reportable action.*

00:01:38 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

Director Woodson

- ◇ *April 25, Attended the South County Advisory Council (SCAC) meeting and reviewed data from past Manager's Report.*

Director Gaddis

- ◇ *April 20, Attended the District's Finance & Audit Committee meeting.*

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District  
REGULAR MEETING  
MINUTES**

Director Eby

- ◇ April 15, Attended the Nipomo Mesa Management Area (NMMA) Technical Group meeting.
- ◇ April 21, Attended the Local Area Formation Commission (LAFCo) meeting and, as Alternate, sat in place of the Representative. There will be no meeting in May.

C-3) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE and FILE PRESENTATIONS AND REPORTS

*There were no public comments.*

*Upon the motion of Director Ed Eby and seconded, the Board unanimously approved to receive and file the presentations and reports as submitted.  
Vote 5-0.*

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

00:03:03 D. CONSENT AGENDA

D-1) WARRANTS

- D-2) APPROVE MINUTES OF PREVIOUS BOARD MEETINGS
- APRIL 13, 2016 REGULAR MEETING

D-3) REVIEW INVESTMENT POLICY FIRST QUARTER REPORT

*Director Gaddis asked questions regarding the warrants and the Accounts Payable process. Mario Iglesias, General Manager, responded.*

*President Armstrong directed staff to add the invoice date to future reports.*

*There were no public comments.*

*Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously approved the Consent Items.  
Vote 5-0.*

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

00:14:56 E. ADMINISTRATIVE ITEMS

E-1) MKN & ASSOCIATES, INC. SCOPE AMENDMENT #3 FOR BLACKLAKE SEWER MASTER PLAN

*Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet and noted a correction to the amount listed on the Agenda.*

*Mr. Iglesias and Peter Sevcik, Director of Engineering & Operations, answered questions from the Board.*

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District  
REGULAR MEETING  
MINUTES**

*The following members of the public spoke:*

*Noel Heal, Blacklake resident, commented on Dan Hall's letter to the Board presented at the April 13<sup>th</sup> Regular Board Meeting. Mr. Heal also asked which customers would be responsible for paying for the plan. Mr. Iglesias and President Armstrong responded.*

*Kit Carter, Blacklake resident, introduced Blacklake Facilities Committee member, Bob True. Mr. Carter also thanked the Board and staff for considering the committee's requests. Mr. Carter expressed his support of the Master Plan.*

*Upon the motion of Director Bob Blair and seconded, the Board unanimously adopted the Resolution approving Scope Amendment #3 with MKN & Associates, Inc. in the amount of \$12,450, and authorized staff to execute a Task Order.*

*Vote 5-0.*

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

**RESOLUTION NO. 2016-1409  
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
AUTHORIZING A TASK ORDER WITH MKN & ASSOCIATES INC. FOR REVISED SCOPE AMENDMENT #3 FOR  
ENGINEERING SERVICES FOR BLACKLAKE SEWER MASTER PLAN IN THE AMOUNT OF \$12,450**

**00:25:18 F. GENERAL MANAGER'S REPORT**

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

- The District issued a Notice to Proceed for the Supplemental Water Project Joshua Road Pump Station Reservoir.*
- The District will be attending the St. Joseph Church Festival on May 1<sup>st</sup> from 9AM – 4PM.*
- NMMA Technical Group is conducting monthly meetings.*

*Mr. Iglesias answered questions from the Board.*

*Director Gaddis asked for a summary of the last NMMA Technical Group meeting. Mr. Iglesias clarified this would be discussed in Closed Session.*

*There were no public comments.*

**00:27:03 G. COMMITTEE REPORTS**

*Director Gaddis reviewed the April 20, 2016 Finance & Audit Committee minutes as presented in the Board Packet.*

**00:28:05 H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS**

Director Blair

- Commented on Mads Place incident and asked about a special rate structure. Mike Seitz, District Legal Counsel, responded that rate discussions can take place during a rate study.*

Director Gaddis

- Asked if the groundwater study had been received from the County. Brad Newton, Geohydrologist, responded that it had not been received. Mr. Seitz commented that this would be discussed more in Closed Session.*

Nipomo Community Services District  
REGULAR MEETING  
MINUTES

00:34:31

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).
  - b) BENING VS. NCSD SAN LUIS OBISPO COUNTY CASE NO 14CV0069
- 2. INSTRUCTION TO NEGOTIATORS MARIO IGLESIAS, MIKE SEITZ AND LILLIAN JEWELL PURSUANT TO GOVERNMENT CODE SECTION 54956.8 FOR PURCHASE OF EASEMENT INTEREST IN APN 093-291-046 (OWNER: LOS PRIMOS PROPERTIES, LLC, NEGOTIATOR: VINCE MARTINEZ)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

*There were no public comments.*

K. ADJOURN TO CLOSED SESSION

*President Armstrong adjourned to closed session at 9:35 a.m.*

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

*The Board came back into Open Session at 10:55 a.m.*

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

*Mr. Seitz also reported that the Board discussed Item I.2, heard a presentation from staff, but took no reportable action.*

ADJOURN



*President Armstrong adjourned the meeting at 10:57 a.m.*

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	37 minutes
Closed Session	1 hour 20 minutes
TOTAL HOURS	1 hour 57 minutes

Respectfully submitted,

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

\_\_\_\_\_  
Date

TO: BOARD OF DIRECTOR  
REVIEWED: MARIO IGLESIAS  
GENERAL MANAGER   
FROM: PETER V. SEVCIK, P.E.   
DIRECTOR OF  
ENGINEERING & OPERATIONS  
DATE: MAY 6, 2016

**AGENDA ITEM  
D-3  
MAY 11, 2016**

**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 2016-2017**

**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 2016-2017. [RECOMMEND ADOPT RESOLUTIONS]

**BACKGROUND**

On April 13, 2016, the Board of Directors adopted Resolution 2016-1407 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 2016-2017 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 \$380.00 for fiscal year 2016-2017 (See Page 4 of Engineer's Levy Report). The computed Maximum Assessment Allowable is \$463.84. The increase is necessary as landscape maintenance contract costs are expected to increase and some plant material needs to be replaced due to loss as a result of the drought.

With the proposed assessment amount, the Maintenance District is projected to have an approximate deficit of \$3310 in 2016-2017 and reserve balance at the end of FY 2016-2017 of \$19,190. 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 Year 2015-2016	\$360.00

**FISCAL IMPACT**

Budgeted staff time was used to prepare this staff report.

**RECOMMENDATION**

Staff recommends that the Board, by motion and roll call vote, approve Resolution 2016-XXXX Declaring Intention to Levy Annual Assessment and approve Resolution 2016-XXXX Approving Engineer's Report.

**ATTACHMENTS**

- A. Resolution 2016-XXXX Declaring Intention to Levy Annual Assessment
- B. Resolution 2016-XXXX Approving Engineer's Report
- C. FY 2016-2017 LMD No 1. Engineer's Report



May 11, 2016

ITEM D-3

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2016-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 2016-2017**

**WHEREAS**, the Board of Directors of the Nipomo Community Services District (“NCS D”) 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 2016-2017 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 NCS D 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 NCS D 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. 2016-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 2016-2017**

**SECTION 4** Increase in Assessments: The assessment is proposed to increase to \$380.00.

**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 8, 2016, 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 11<sup>th</sup> day of May 2016.

**AYES:  
NOES:  
ABSTAIN:  
ABSENT:**

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**CRAIG ARMSTRONG**  
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

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**MARIO IGLESIAS**  
Secretary to the Board

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**MICHAEL W. SEITZ**  
District Legal Counsel

May 11, 2016

ITEM D-3

ATTACHMENT B

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2016-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 2016-2017**

**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 2016-2017.

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2016-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 2016-2017**

**PAGE TWO**

**SECTION 3:** The Report (Attached as Exhibit "A") 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 11<sup>th</sup> day of May, 2016, by the following vote:

**AYES:  
NOES:  
ABSTAIN:  
ABSENT:**

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**CRAIG ARMSTRONG**  
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

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**MARIO IGLESIAS**  
General Manager and  
Secretary to the Board

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**MICHAEL W. SEITZ**  
District Legal Counsel

May 11, 2016

ITEM D-3

ATTACHMENT C

NIPOMO COMMUNITY SERVICES DISTRICT  
ENGINEER'S ANNUAL LEVY REPORT  
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FISCAL YEAR 2016-2017

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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 2016-2017. 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 2016-2017

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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  
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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.

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STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FISCAL YEAR 2016-2017

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

(Prior Year's Annual Maximum Assessment x CPI) Plus Prior Year's Annual Maximum Assessment	)	= Current Year's Annual Maximum Assessment
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The percentage change used is the annual change for the preceding 12 months. The annual inflation factor applied for the fiscal year 2016-2017 is based on the percentage change from February 2015 to February 2016 and has been identified as 2.94% (annual percentage change currently available).

MAXIMUM ALLOWABLE ASSESSMENT PER PARCEL (APPLYING INFLATIONARY ADJUSTMENT)	
2015-2016 Maximum Assessment	(A) \$450.59
X CPI (2.94%)	(B) \$13.25
	-----
Maximum Assessment Allowable 2016-2017	(A) + (B) \$463.84 =====
Proposed 2016-2017 Annual Assessment	\$380.000 =====

Fiscal Year 2016-2017 District Budget

DESCRIPTION		2016-2017 BUDGET
Beginning Estimated Fund Balance (July 1, 2016)		\$22,500
<b>Proposed Assessment Levy</b>		\$10,640
<b>Estimated Interest Income</b>		\$50
<b>Estimated Expenditures</b>		
Contract Landscape Maintenance	(\$6,600)	
Plant attrition and normal loss	(\$3,000)	
Water	(\$2,000)	
Electricity	(\$150)	
Public Notifications	(\$750)	
Administration	(\$1,500)	
<b>Total Estimated Expenditures</b>		(\$14,000)
Estimated Ending Fund Balance (1) (June 30, 2017)		\$19,190

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ENGINEER'S ANNUAL LEVY REPORT  
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FISCAL YEAR 2016-2017

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- (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  
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STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
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Lot Number	Assessor Parcel Number	Annual Assessment
1	092-512-001	\$380.00
2	092-512-002	\$380.00
3	092-512-003	\$380.00
4	092-512-004	\$380.00
5	092-512-005	\$380.00
6	092-512-006	\$380.00
7	092-512-007	\$380.00
8	092-512-008	\$380.00
9	092-512-009	\$380.00
10	092-512-010	\$380.00
11	092-512-011	\$380.00
12	092-512-012	\$380.00
13	092-512-013	\$380.00
14	092-512-014	\$380.00
15	092-512-015	\$380.00
16	092-512-016	\$380.00
17	092-512-017	\$380.00
18	092-512-018	\$380.00
19	092-512-019	\$380.00
20	092-512-020	\$380.00
21	092-512-021	\$380.00
22	092-512-022	\$380.00
23	092-512-023	\$380.00
24	092-512-024	\$380.00
25	092-512-025	\$380.00
26	092-512-026	\$380.00
27	092-512-027	\$380.00
28	092-512-028	\$380.00
TOTAL		\$10,640.00



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

*May 6, 2016*  
DATE

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**FISCAL YEAR 2016-2017**

