

TO: BOARD OF DIRECTOR  
FROM: MARIO IGLESIAS  
GENERAL MANAGER  
DATE: AUGUST 11, 2017

**AGENDA ITEM  
E-1  
AUGUST 23, 2017**

**CONSIDER ADOPTING A RESOLUTION FOR PUBLIC ART  
ON NIPOMO COMMUNITY SERVICES DISTRICT FACILITIES**

**ITEM**

Consider adopting a resolution to address public art on Nipomo Community Services District's ("District") facilities [RECOMMEND ADOPT RESOLUTION]

**BACKGROUND**

Communities around the Central Coast have been trending towards street-scape beautification programs that include providing space for art projects on utility structures and facilities. The District has been approached by community service organizations with similar requests. Included in the District's inventory of facilities are hydrants, air-valve enclosures, electrical panel utility enclosures, storage reservoirs, and buildings. The art projects on utility structures that are visible in surrounding communities mainly include painted murals on above-ground electrical enclosures and other non-structural adornments on fences and buildings.

The benefits of these programs are subjective but in general provide for visual interest on an otherwise mono-painted surface. The disadvantage of the program is that once painted, the program coordination is not guaranteed and as the art project ages and ultimately fails, the structure must be attended to by the owner of the facility. Additionally, some of the District's facilities are constructed of materials not intended to be painted as a matter of controlling maintenance costs.

The majority of the District's above-ground facilities serve as public health and safety structures such as fire hydrants and protective enclosures that have color standards and/or are made of materials not intended to be painted. The electrical enclosures are factory painted with a powder coating process that protects the metal structure for the life of the facility thereby eliminating the need for coating maintenance. Painting any of these facilities would increase maintenance cost and disrupt the uniformity of the District's infrastructure.

**FISCAL IMPACT**

If your Honorable Board elects to provide for the community utilization of District above-ground infrastructure for the purpose of displaying public art, it is uncertain how much of a fiscal impact there would be to sustain the District's structures in a manner keeping with current maintenance practices. If your Board adopts the resolution as presented, there will be no fiscal impact to the District.

**STRATEGIC PLAN**

Goal 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT. Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.

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

Goal 5. OPERATIONS. Maintain a proactive program to ensure readiness of systems and cost-effectiveness of operations.

**RECOMMENDATION**

It is recommended that your Board adopt a resolution restricting public art on District facilities.

**ATTACHMENT**

A. RESOLUTION 2017-XXXX

August 23, 2017

ITEM E-1

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2017-\_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT  
ADOPTING A POLICY REGARDING PUBLIC ART  
ON DISTRICT PROPERTY OR EQUIPMENT**

**WHEREAS**, the Board of Directors (“Board”) of the Nipomo Community Services District (“District”) has not previously adopted a policy governing the use of District facilities or property to display public art; and

**WHEREAS**, while the Board supports the arts in general and acknowledges the benefits of displaying art in public, the painting or other display of public art on facilities or property owned by the District would conflict with public health and safety, would present challenges in assuring proper visibility and safety markings, and would require ongoing maintenance; and

**WHEREAS**, the Board desires to establish a policy regarding public art on District property and equipment, as set forth herein.

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

Section 1. The Board finds that the Recitals set forth above are true, correct, and incorporated herein by reference.

Section 2. The term “public art” shall mean art in any media that has been planned and executed by persons not directly employed or retained by the District with the intention of being staged in the physical public domain, usually outside and accessible to all.

Section 3. It is hereby the policy of the District that the display of public art on District property or equipment is not allowed.

Section 4. This Resolution shall take effect immediately.

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

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NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2017-\_\_\_\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT  
ADOPTING A POLICY REGARDING PUBLIC ART  
ON DISTRICT PROPERTY OR EQUIPMENT

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

the foregoing resolution is hereby adopted this 23rd day of August, 2017.

\_\_\_\_\_  
**DAN A. GADDIS**  
President of the Board

ATTEST:

APPROVED AS TO FORM AND  
LEGAL EFFECT:

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

\_\_\_\_\_  
**WHITNEY G. McDONALD**  
District Legal Counsel

TO: BOARD OF DIRECTOR  
REVIEWED: MARIO IGLESIAS  
GENERAL MANAGER  
FROM: WHITNEY G. MCDONALD  
GENERAL COUNSEL  
DATE: AUGUST 17, 2017

**AGENDA ITEM  
E-2  
AUGUST 23, 2017**

**CONSIDER ADOPTING A RESOLUTION TO CONFIRM STAGE IV  
WATER SHORTAGE CONDITIONS, CONTINUE STAGE III RESPONSE  
ACTIONS UNDER THE WATER SHORTAGE RESPONSE AND  
MANAGEMENT PLAN, AND ALLOW CONSTRUCTION AND DUST  
CONTROL WATER FOR CUSTOMERS WITH ACTIVE INTENT-TO-  
SERVE LETTERS**

**ITEM**

Consider adopting a resolution to confirm continuing Stage IV Water Shortage conditions under the adopted Water Shortage Response and Management Plan ("WSRMP"), to continue imposing the response actions listed under Stage III Water Shortage conditions in the WSRMP, and to allow construction and dust control water for District customers with active Intent-to-Serve letters. [RECOMMEND REVIEW WSRMP, DISCUSS LIFTING LIMITATION ON CONSTRUCTION AND DUST CONTROL WATER, AND, BY ROLL-CALL VOTE, ADOPT A RESOLUTION TO CONTINUE STAGE IV WATER SHORTAGE CONDITIONS AND MODIFY RESPONSE ACTIONS PURSUANT TO THE WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN]

**BACKGROUND**

The Nipomo Community Services District ("District") Board of Directors ("Board") adopted a Revised Water Shortage Response and Management Plan ("WSRMP") pursuant to Water Code § 375 on April 22, 2015. Resolution 2015-1374, which adopted the WSRMP, provides that the Board reserves the right to order or not order all of the provisions within the WSRMP based upon the circumstances at the time that the policy is enforced. (Resolution 2015-1374 appears as Attachment A to this staff report.)

On May 20, 2015, the Nipomo Mesa Management Area ("NMMA") Technical Group declared that Severe Water Shortage Conditions existed within the Nipomo Mesa Management Area. In response, your Board declared Stage III Water Shortage conditions had been reached under the WSRMP and directed the General Manager to implement the corresponding Stage III response actions listed in the WSRMP.

On June 23, 2016, the NMMA Technical Group announced that the groundwater basin remained in Severe Water Shortage Conditions. The declaration of a second consecutive year of Severe Water Shortage Conditions triggered Stage IV Water Shortage conditions under the District's adopted WSRMP. Therefore, on July 27, 2016, the District adopted Resolution 2016-1421, declaring Stage IV Severe Water Shortage conditions under the District's WSRMP, and established a target of reducing its groundwater pumping by 50%. (Resolution 2016-1421 appears as Attachment B to this staff report.)

At the time the District declared Stage IV Severe Water Shortage conditions on July 27, 2016, the District had begun importing supplemental water from the City of Santa Maria, thereby reducing its reliance on groundwater to serve District customers. In addition, District customers had reduced consumption by more than 30% compared to 2013 levels. Therefore, the Board directed the

General Manager to implement the response actions listed in the WSRMP under Stage III, rather than Stage IV, in order to reach the 50% target for reduction in groundwater pumping. (Minutes of the July 27, 2016 Board of Directors Meeting appear as Attachment C to this staff report.)

On June 23, 2017, the NMMA Technical Group announced that the groundwater basin remained in a Severe Water Shortage Condition. On July 12, 2017, your Board heard a presentation from the District's Geo-Hydrologist regarding the Key Well Index, by which the NMMA Technical Group determines water shortage conditions. Following the presentation, your Board considered its WSRMP and determined to remain at Stage IV Water Shortage conditions. Your Board also decided to continue to implement the same response actions under the WSRMP, which were previously set at Stage III. (Minutes of the July 12, 2017 Board of Directors Meeting appear as Attachment D to this staff report.)

Since the Board met on July 12, 2017, District staff and Board officers have discussed whether to lift one of the response actions identified for Stage III Water Shortage conditions, namely the limitations on the use of water for construction or dust control. Currently, projects that proceed to construction are required to obtain water for construction purposes and dust control from sources other than the District. Those sources include wells that are drawing additional groundwater from the basin, which is not offset by supplemental water. Because the District continues to import supplemental water and continues to decrease its groundwater pumping, the net draw on the basin would likely decrease if the District began supplying those projects with construction water. Moreover, the District has shown that it can successfully decrease its own groundwater pumping by more than 50%, and thereby meet the targets identified in the WSRMP.

### **FISCAL IMPACT**

The District will receive revenue for construction water sold.

### **STRATEGIC PLAN**

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

1.3 Develop water shortage response and management plan to respond to drought and other supply emergencies.

### **RECOMMENDATION**

Review the WSRMP; discuss whether to lift the restriction on construction and dust control water for projects with active Intent-to-Serve letters; and, by roll-call vote, adopt a Resolution to Continue Stage IV Water Shortage Conditions and Modify the Response Actions Pursuant to the Water Shortage Response and Management Plan.

### **ATTACHMENTS**

- A. Resolution 2015-1374
- B. Resolution 2016-1421
- C. Minutes of the July 27, 2016 Board of Directors Meeting
- D. Minutes of the July 12, 2017 Board of Directors Meeting
- E. Resolution 2017-XXXX - A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT TO CONTINUE STAGE IV WATER SHORTAGE CONDITIONS AND MODIFY RESPONSE ACTIONS PURSUANT TO THE WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN

August 23, 2017

ITEM E-2

ATTACHMENT A



**NIPOMO COMMUNITY SERVICES DISTRICT  
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**

**WHEREAS**, the Nipomo Community Services District ("District") provides water service within the District's water service area pursuant to § 61100 (a) of the Community Services District Law which provides:

“(a) Supply water for any beneficial uses, in the same manner as a municipal water district, formed pursuant to the Municipal Water District Law of 1911, Division 20 (commencing with Section 71000) of the Water Code. In the case of any conflict between that division and this division, the provisions of this division shall prevail”; and

**WHEREAS**, § 61060 (b) of the Community Services District Law provides in relevant part:

“A district shall have and may exercise all rights and powers, expressed and implied, necessary to carry out the purposes and intent of this division, including, but not limited to, the following powers:

(b) To adopt, by ordinance, and enforce rules and regulations for the administration, operation, and use and maintenance of the facilities and services listed in Part 3 (commencing with Section 61100)”; and

**WHEREAS**, California Water Code Section 375 States in pertinent part:

“(a) Notwithstanding any other provision of the law, any public entity which supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity may, by ordinance or resolution adopted by a majority of the members of the governing body after holding a public hearing upon notice and making appropriate findings of necessity for the adoption of a water conservation program, adopt and enforce a water conservation program to reduce the quantity of water used by those persons for the purpose of conserving the water supplies of the public entity; and”

**WHEREAS**, it is essential for the protection of the health, welfare, and safety of the residents of the District and the public benefit of the State of California ("State"), that the groundwater resources of the Nipomo Mesa be conserved; and

**WHEREAS**, Governor Jerry Brown on January 17, 2014 proclaimed that the entire State of California to be in a Drought State of Emergency and made subsequent Executive Orders to address drought on April 25, 2014 and April 1, 2015; and

**WHEREAS**, on March 27, 2015, the State Water Resources Control Board adopted emergency regulation to encourage conservation and respond to drought conditions; and

**NIPOMO COMMUNITY SERVICES DISTRICT  
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**

**WHEREAS**, the District's water supply is reliant on area groundwater extracted from the Nipomo Mesa Management Area (NMMA) (also referred to as the Nipomo Mesa Water Conservation Area (NMWCA) by the County of San Luis Obispo), of the Santa Maria Groundwater Basin; and

**WHEREAS**, the District is a party to groundwater adjudication, Santa Maria Valley Water Conservation District v. City of Santa Maria, etc. et al., Case No. CV 770214 ("Groundwater Litigation"); and

**WHEREAS**, pursuant to Section VI D(1) of the June 2005 Stipulation as incorporated into the January 25, 2008 Final Judgment in the Groundwater Litigation the Nipomo Mesa Management Area Technical Group declared that a Potentially Severe water shortage condition has existed within the Nipomo Mesa Management Area since the spring of 2008 and during the intervening years drought conditions have prevailed; and

**WHEREAS**, the San Luis Obispo County Department of Planning and Building's 2004 Resource Capacity Study for the Water Supply in the Nipomo Mesa Area recommended a Level of Severity III (existing demand equals or exceeds dependable supply) be certified for the Nipomo Mesa Water Conservation Area (NMWCA) and that measures be implemented to lessen adverse impacts of future development (said Study and referenced documents are incorporated herein by reference); and

**WHEREAS**, on June 26, 2007, the San Luis Obispo County Board of Supervisors certified the groundwater resources underlying the NMWCA at a Severity Level III (most severe); and

**WHEREAS**, the resource protection goals of the San Luis Obispo County South County Area Plan include the following:

- Balance the capacity for growth allowed by the Land Use Element with the sustained availability of resources.
- Avoid the use of public resources, services and facilities beyond their renewable capacities, and monitor new development to ensure that its resource demands will not exceed existing and planned capacities or service levels; and

**WHEREAS**, District Code §3.28.020 provides:

"...all intent-to-serve letters shall be based on findings that sufficient excess water and sewer capacity exists to serve the project..."; and

**WHEREAS**, Water Code § 71640 of the Municipal Water Service District Law provides:

"A district may restrict the use of district water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the

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PLAN PURSUANT TO WATER CODE § 375**

wastage of district water or the use of district water during such periods for any purpose other than household uses or such other restricted uses as the district determines to be necessary. A district may also prohibit use of district water during such periods for specific uses which it finds to be nonessential"; and

**WHEREAS**, The District Board of Directors wishes to set forth a Water Shortage Response and Management Plan that provides a range of alternative actions that allows for flexibility in responding to a water shortage emergency; and

**WHEREAS**, based on the Staff Report, staff presentation, the reports and studies referenced in this Resolution and public comment, the District Board of Directors finds that:

- (a) That the Nipomo Mesa Management Area Technical Group has declared the Mesa to be in a Potentially Severe water shortage condition for the past six years; and
- (b) That based upon the lack of rainfall during the last three winters and the increase pumping by District and other purveyors in response to drought, it is probable that the Nipomo Mesa Management Area Technical Group may find that the Nipomo Mesa is in a Severe water shortage condition; and
- (c) That it is necessary for the District to adopt a Water Shortage Response and Management Plan to be able to respond to the lack of available groundwater for the purpose of serving District residents.

**WHEREAS**, based on the Staff Report, staff presentation and public comment, the Board further finds:

- A. That the purpose and intent of this Resolution is consistent with the purposes found in the Judgment and Stipulation in the Groundwater Litigation imposing a physical solution to assure long-term sustainability of the groundwater basin and the San Luis Obispo County's certification of a Severity Level III for the waters underlying the NMWCA; and
- B. That adoption of the Water Shortage Response and Management Plan will provide greater assurances that there will be adequate groundwater to meet the present needs of District residents consistent with District Code §3.28.020 and the resource protection goals of the San Luis Obispo County South County Area Plan; and
- C. That adopting this Resolution will further conserve the water supply for the greater public benefit, with particular regards to domestic use, sanitation and fire protection; and
- D. That this Resolution adopts Rules and Regulations for the administration, operation and use of District services; and
- E. The Board of Directors of the District finds that the policies and procedures adopted by this Resolution are exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15378 (b) (2) because such policies and procedures constitute general policy and procedure making. The Board of Directors further finds

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2015-1374**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
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PLAN PURSUANT TO WATER CODE § 375**

that the adoption of the policies and potential actions established by this Resolution is not a project as defined in CEQA Guideline Section 15378, because it can be seen that the adoption of a Water Shortage Response and Management Plan will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The District incorporates by reference the CEQA findings in support of San Luis Obispo County Ordinance 3090, the County of San Luis Obispo's certification of a Severity Level III for the NMWCA; and

**WHEREAS**, by readopting this Resolution, the District does not intend to limit other means of managing, protecting and conserving the groundwater basin by the District. Further, the District intends to work cooperatively with the NMMA Technical Group and other agencies, such as the County of San Luis Obispo, to implement regional solutions such as groundwater management and the importation of Supplemental Water to the NMMA\NMWCA; and

**WHEREAS**, based on the Staff Report, staff presentation and public comment, the District Board of Directors further finds this Resolution is adopted for the protection of the health, safety and welfare of District water customers who depend on the underlying groundwater basin as their source of water supply.

**NOW, THEREFORE BE IT RESOLVED, DETERMINED AND ORDERED** by the Board of Directors of the Nipomo Community Services District, as follows:

1. That the above recitals are true and correct.
2. The Board approves the Water Shortage Response and Management Plan, attached as Exhibit "A" to this Resolution.
3. The Board of Directors reserves the right to order or not order all of the provisions within the Water Shortage Response and Management Plan based upon the circumstances at the time that this policy needs to be enforced.
4. The General Manager is directed to prepare and file an appropriate notice of exemption and file a Certificate of Exemption.
5. The General Manager is directed to publish this Resolution in a newspaper of general circulation in the District within ten (10) days.

**-next page-**


**NIPOMO COMMUNITY SERVICES DISTRICT  
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**


Upon motion by Director Eby, seconded by Director Gaddis, on the following roll call vote, to wit:

**AYES:** Directors Eby, Gaddis, Blair, Woodson, and Armstrong  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None


the foregoing Resolution is hereby passed and adopted this 22<sup>nd</sup> day of April, 2015.

  
**CRAIG ARMSTRONG,**  
President of the Board of Directors

ATTEST:

  
**MICHAEL S. LEBRUN**  
General Manager and Secretary to the Board

APPROVED:

  
**MICHAEL W. SEITZ**  
District Legal Counsel

**NIPOMO COMMUNITY SERVICES DISTRICT  
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**

**EXHIBIT "A"**

**NCSD WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN**

STAGE	GROUNDWATER CONDITION	RESPONSE ACTIONS	RELIEF OF RESTRICTIONS
I	All times	<ul style="list-style-type: none"> <li>• Active outreach and education programs regarding water conservation best management practices and mandates as issued from the State of California from time to time.</li> <li>• Four Tier escalating water rates.</li> <li>• Recommended Customer Measures:               <ul style="list-style-type: none"> <li>○ Fix all plumbing and irrigation leaks immediately.</li> <li>○ Irrigate after 8PM and before 9AM.</li> <li>○ Minimum to no irrigation in winter months.</li> <li>○ Check all irrigation systems monthly.</li> <li>○ Do not allow excessive run off.</li> <li>○ Recirculate water in ornamental water features (fountains)</li> </ul> </li> <li>• New applications for water service are accepted and processed.</li> <li>• Supplemental water is allocated to all new projects</li> <li>• New water service connections are made.</li> </ul>	Not Applicable.
II	Potentially Severe Water Shortage Conditions exists	<ul style="list-style-type: none"> <li>• More aggressive conservation outreach and education efforts.</li> <li>• Four-Tier escalating water rates.</li> <li>• Encourage customers to implement the following practices:               <ul style="list-style-type: none"> <li>○ All Stage I Measures</li> <li>○ Cover Swimming Pools and spas.</li> <li>○ Do not use water to wash down exterior surfaces (e.g. driveway, deck, home)</li> </ul> </li> <li>• New applications for water service are accepted and processed.</li> <li>• Supplemental water is allocated to new</li> </ul>	Potentially Severe Water Shortage no longer exist.

**NIPOMO COMMUNITY SERVICES DISTRICT  
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**

STAGE	GROUNDWATER CONDITION	RESPONSE ACTIONS	RELIEF OF RESTRICTIONS
		<ul style="list-style-type: none"> <li>projects.</li> <li>• New water service connections are made.</li> </ul>	
III	Severe Water Shortage conditions exists	<ul style="list-style-type: none"> <li>• District targets a 30% reduction in production (Equating to a 736 acre foot or 240 million gallons of reduction in production on an annual basis).</li> <li>• Implement Stage III Drought Rates to encourage reduction in customer water demand.</li> <li>• Encourage customers to implement the following practices.               <ul style="list-style-type: none"> <li>○ All Stage I and II measures.</li> <li>○ Turn off all automated irrigation systems.</li> <li>○ Provide minimum necessary irrigation to preserve trees and high-value landscape.</li> <li>○ Do not drain or fill swimming pools or spas.</li> <li>○ Do not use water for dust control or construction.</li> <li>○ Do not use hoses to wash cars or equipment.</li> <li>○ Turn off and drain ornamental fountains and water features</li> </ul> </li> <li>• Suspend accepting applications for new water service.</li> <li>• Existing applications for new water service continue to be processed with allocations of supplemental water.</li> <li>• New water service connections are made.</li> </ul>	Severe Water Shortage no longer exist.**
IV	Severe Water Shortage conditions exists for >1YEAR or is triggered by both the Key Wells Index and the	<ul style="list-style-type: none"> <li>• District targets a 50% reduction in production (Equating to a 1,227 acre foot reduction in production on an annual basis).</li> <li>• Implement Stage IV Drought Rates to encourage reduction in customer water demand.</li> </ul>	Severe Water Shortage conditions no longer exist.

**NIPOMO COMMUNITY SERVICES DISTRICT  
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**

<b>STAGE</b>	<b>GROUNDWATER CONDITION</b>	<b>RESPONSE ACTIONS</b>	<b>RELIEF OF RESTRICTIONS</b>
	Coastal Criterion.	<ul style="list-style-type: none"> <li>• Encourage customers to implement the following practices:               <ul style="list-style-type: none"> <li>○ All Stage I, II, and III measures.</li> <li>○ Do not use District water for irrigation/outdoor uses of any sort.</li> </ul> </li> <li>• New applications for water service are NOT accepted (Stage III)</li> <li>• Cease processing existing applications for new water service. No allocation of supplemental water is made.</li> <li>• New water service connections are made only to projects with preexisting service commitments.</li> </ul>	
V	Severe Water Shortage conditions for >2 years with BOTH triggers (Key Wells Index and Coastal Area Criterion).	<ul style="list-style-type: none"> <li>• District targets a 60% reduction in production. (Equating to a 1,473 acre foot reduction in production on an annual basis).</li> <li>• Implement Stage V Drought Rates to encourage additional reduction in customer water demand.</li> <li>• Declaration of a Water Shortage Emergency in accordance with CA Water Code Section 350.</li> <li>• Suspend all new water service connections.</li> <li>• Encourage customers to implement all Stage I-IV measures and to use only the absolute minimum water necessary for health and sanitation purposes.               <ul style="list-style-type: none"> <li>○ All Stage I, II, and III measures.</li> <li>○ Do not use District water for irrigation/outdoor uses of any sort.</li> <li>○ Do not drain or fill swimming pools or spas.</li> <li>○ All measures possible to reduce water use.</li> </ul> </li> <li>• New applications for water service are NOT accepted (Stage III)</li> <li>• Existing applications for new water</li> </ul>	Severe Water Shortage conditions no longer exist.



**NIPOMO COMMUNITY SERVICES DISTRICT  
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**

STAGE	GROUNDWATER CONDITION	RESPONSE ACTIONS	RELIEF OF RESTRICTIONS
		service are not processed (Stage IV)	

\*\* The Nipomo Mesa Management Area (NMMA) Technical Group may determine Severe Water Shortage Conditions no longer exist when groundwater quality criteria threshold are no longer exceeded in a single measurement.

General Notes

1. The implementation of all rate increases and changes in the acceptance and processing of new services applications are subject to approval by the Board of Directors at the time each stage is triggered.
2. Potentially Severe and Severe Water Shortage conditions, Key Wells Index, and Coastal Criterion are as defined in the NMMA Technical Group, Water Shortage Conditions Response Plan, dated April 2009. Key criterion are as follows:

<u>Potentially Severe Water Shortage Conditions</u>	<u>Severe Water Shortage Conditions</u>
<ul style="list-style-type: none"> <li>• Key Wells Index less than 31.5 ft msl</li> <li>• Greater than 250 mg/l chloride in any NMMA coastal monitoring well</li> </ul>	<ul style="list-style-type: none"> <li>• Key Wells Index is less than 16.5 ft. msl</li> <li>• Greater than 500 mg/l chloride in any NMMA coastal monitoring well</li> </ul>

3. Reduction goals are a percentage of average annual production volumes for the five calendar years prior to the first year Nipomo Supplemental Water is delivered. NCS D's 2010-2014 average (2455 AFY) is used in the table above.

August 23, 2017

ITEM E-2

ATTACHMENT B

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2016-1421**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT DECLARING  
STAGE IV WATER SHORTAGE CONDITIONS**

**WHEREAS**, the Nipomo Community Services District ("District") is formed under the Community Services District Law (Govt. Code §61100 et seq.); and

**WHEREAS**, one of the powers of the District is to provide water service within the District's water service area pursuant to Govt. Code §61100(a) of the Community Services District Law; and

**WHEREAS**, at the April 9, 2014, meeting of the District, the Board adopted a Water Shortage Response and Management Plan pursuant to Water Code § 375; and

**WHEREAS**, on April 23, 2014, the Board adopted environmental findings related to the adoption of the Water Shortage Response and Management Plan; and

**WHEREAS**, the District is a party to groundwater adjudication, *Santa Maria's Valley Water Conservation District v. City of Santa Maria, et al., Case No. CV770219* ("Groundwater Litigation"); and

**WHEREAS**, on May 20, 2015, pursuant to § VI D(1) of the 2005 Stipulation as incorporated into the January 25, 2008 Final Judgment in the Groundwater Litigation, the Nipomo Mesa Management Area Technical Group declared that Severe Water Shortage conditions existed within the Nipomo Mesa Management Area;

**WHEREAS**, the Nipomo Mesa Management Area Technical Group publicly announced on June 23, 2016, that the groundwater basin was in a Severe Water Shortage Condition; and

**WHEREAS**, a Severe Water Shortage condition for a second consecutive year triggers Stage IV under the District's Water Shortage Response and Management Plan; and

**WHEREAS**, by declaring Stage IV under the District's Water Shortage Response and Management Plan, the District will be in compliance with the Nipomo Mesa Management Area Technical Group Plan in making it a target to reach a fifty percent (50%) reduction in groundwater pumping by the District.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the Board of Directors of the Nipomo Community Services District, does resolve as follows:

1. The above recitation of facts and findings is true and correct and incorporated herein.
2. The Board finds that the condition of the groundwater basin based upon the last report of the Nipomo Mesa Management Area Technical Group is in Stage IV Water Shortage under the District Water Shortage Response and Management Plan.
3. The General Manager is directed to implement Stage IV response actions as directed by the Board in accordance with the Water Shortage Response and Management Plan.

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2016-1421**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT DECLARING  
STAGE IV WATER SHORTAGE CONDITIONS**

4. The General Manager is directed to bring the review of Stage IV and the District's compliance with the fifty percent (50%) reduction in groundwater pumping to the first meeting in January, 2017.

Upon motion by Director Blair, seconded by Director Woodson, on the following roll call vote, to wit:

**AYES:** Directors Blair, Woodson, Eby, Gaddis, and Armstrong  
**NOES:** None  
**ABSENT:** None  
**CONFLICTS:** None


the foregoing resolution is hereby passed and adopted this 27th day of July, 2016.

  
**CRAIG ARMSTRONG**  
President of the Board

ATTEST:

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

APPROVED:

  
**MICHAEL W. SEITZ**  
District Legal Counsel

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION 2016-1421  
Exhibit A**

**NCS D WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN**

**Key Features of the Plan**

	<b>Stage I</b>	<b>Stage II</b>	<b>Stage III</b>	<b>Stage IV</b>	<b>Stage V</b>
<b>TRIGGER ON</b>	No trigger	Potentially Severe Water Shortage exists	Severe Water Shortage declared	Severe Water Shortage for more than 1 year or is triggered by both Key Wells Index and Coastal Criterion	Severe Water Shortage for more than 2 years AND is triggered by both Key Wells Index and Coastal Criterion
<b>TRIGGER OFF</b>	<b>Normal usage</b>	Potentially Severe Water Shortage ends	Severe Water Shortage ends	Severe Water Shortage ends	Severe Water Shortage ends
<b>TARGET REDUCTIONS</b>					
<b>CONSERVATION OBJECTIVE</b>	Ongoing conservation education	More intensive education	Target 30% reduction in District ground water production	Target 50% reduction in District ground water production	Target 60% reduction in District ground water production
<b>IF TARGET REDUCTIONS NOT MET (POSSIBLE ACTIONS TO REACH CONSERVATION OBJECTIVE)</b>					
<b>WATER RATES</b>	Four Tier escalating	Four Tier escalating	Stage III Drought rates	Stage IV Drought rates	Stage V drought rates
<b>CUSTOMER CONSERVATION MEASURES</b>	<ul style="list-style-type: none"> <li>• Fix plumbing and irrigation leaks</li> <li>• Irrigate 8PM to 9AM only.</li> <li>• Check irrigation systems monthly</li> <li>• Avoid excessive run off</li> <li>• Recirculate water in water features</li> <li>• Mandates issued by State of CA</li> </ul>	<ul style="list-style-type: none"> <li>• All Stage I Measures</li> <li>• Cover Swimming Pools and spas</li> <li>• Do not use water on exterior surfaces</li> </ul>	<ul style="list-style-type: none"> <li>• All Stage I and II measures</li> <li>• Turn off irrigation systems. Minimum irrigation to preserve high-value landscape.</li> <li>• Do not fill swimming pools or spas. Drain ornamental water features</li> <li>• No water for dust control, construction.</li> <li>• No water to wash cars or equipment</li> </ul>	<ul style="list-style-type: none"> <li>• All Stage I, II, and III measures.</li> <li>• No District water for irrigation or any outdoor uses.</li> <li>• All customers are asked to use the minimum amount of water necessary.</li> </ul>	<ul style="list-style-type: none"> <li>• All Stage I, II, and III measures.</li> <li>• No District water for irrigation or any outdoor uses.</li> <li>• All customers are asked to use the minimum amount of water necessary.</li> </ul>
<b>APPLICATIONS FOR WATER SERVICE</b>	Applications are accepted and processed	Applications are accepted and processed	New applications NOT accepted.  Existing applications processed with supplemental water	New applications NOT accepted.  Suspend processing existing applications	New applications NOT accepted.  Suspend processing existing applications
<b>SUPPLEMENTAL WATER</b>	Allocated to All New Projects	Allocated to All New Projects	Allocated to All New Projects	No Water Allocated to Projects in the application process.	No Water Allocated to Projects in the application process.
<b>NEW SERVICE CONNECTIONS</b>	New service connections are made	New service connections are made	New service connections are made	New connections Only to completed commitments	No new service connections are made

August 23, 2017

ITEM E-2

ATTACHMENT C

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## REGULAR MINUTES

**JULY 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.

**00:00:00** A. CALL TO ORDER AND FLAG SALUTE

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

**00:00:34** 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

**00:00:48** C-1) DIRECTOR OF ENGINEERING AND OPERATIONS SUMMARY OF ACTIVITIES – JOSHUA ROAD PUMP STATION CONSTRUCTION

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

*There were no public comments.*

**00:07:16** 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

- ◇ *July 25, Attended the South County Advisory Council (SCAC) meeting where they discussed the District's current water savings and today's Agenda. Director Woodson also mentioned that Stephanie Fuhs is our area's new County Planning Representative.*

Director Blair

- ◇ *July 26, Attended the County Board of Supervisors Meeting.*

Director Gaddis

- ◇ *July 18, Attended the NCSO officer's meeting.*

Director Eby

- ◇ *July 21, Attended the Local Area Formation Commission (LAFCO) meeting.*

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 Dan Allen Gaddis and seconded, the Board unanimously approved to receive and file the presentations and reports as submitted.  
Vote 5-0.*

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

00:12:33

D. CONSENT AGENDA

D-1) WARRANTS

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

D-3) REVIEW INVESTMENT POLICY SECOND QUARTER REPORT

*President Armstrong directed staff to discuss items in the Investment Policy with District water purveyor partners.*

*Directors Gaddis and Blair requested clarification on warrants. Mario Iglesias, General Manager, responded.*

*There were no public comments.*

*Upon the motion of Director Ed Eby and seconded, the Board unanimously approved the Consent Items.  
Vote 5-0.*

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

E. ADMINISTRATIVE ITEMS

00:16:08

E-1) CONDUCT A HEARING TO ADOPT AN ORDINANCE REPEALING CHAPTER 3.05 SUBSECTION .070.B.1 AND RENUMBER SUBSECTIONS .070.B.2 AND 070.B.3 OF DISTRICT CODE

**PRESIDENT ARMSTRONG OPENED THE PUBLIC HEARING**

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

*Mike Seitz, District Legal Counsel, reminded the Board that any changes to the Ordinance today would start the process over.*



Nipomo Community Services District  
REGULAR MEETING  
MINUTES

The following members of the public spoke:

Noel Heal, Blacklake resident, questioned the severity of removing language in the Ordinance and suggested a more moderate approach be considered.

Upon the motion of Director Bob Blair and seconded, the Board unanimously agreed to authorize staff to adopt the Ordinance by Title.  
Vote 5-0.

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

**PRESIDENT ARMSTRONG CLOSED THE PUBLIC HEARING**

Mike Seitz, District Legal Counsel, read the Ordinance by Title.

Upon the motion of Director Bob Blair and seconded, the Board unanimously adopted the Ordinance repealing subsection .070.B.1 in Chapter 3.05 of District Code.  
Vote 5-0.

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

**ORDINANCE NO. 2016-123**  
**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT**  
**REPEALING SECTION 3.05.070.B.1. AND RENUMBERING SECTION 3.05.070.B.2. TO 3.05.070.B.1. AND 3.05.070.B.3.**  
**TO 3.05.070.B.2. OF THE DISTRICT CODE**

00:21:48

E-2) ADOPT A RESOLUTION DECLARING STAGE IV OF DISTRICT'S WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN PURSUENT TO NIPOMO MESA MANAGEMENT AREA TECHNICAL GROUP'S JUNE 23, 2016 DECLARATION OF A STAGE IV WATER SHORTAGE CONDITION

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

Director Eby requested non-substantive changes to the Resolution. Director Eby also requested clarification on the review period for the targeted 50% reduction. Mr. Iglesias responded that the review period would be from July – December 2016.

Director Gaddis clarified for the public that 50% reduction is a target and the District is already achieving a 46% reduction in groundwater pumping.

The following members of the public spoke:

Craig Losey, Cal Williams San Luis Obispo, commented on the projects and clients he represents and requested the Board not halt processing current applications.

Dale Torrey, Developer, commented on his Town Square project and the benefit it will have to the community.

Noel Heal, Blacklake resident, asked a question regarding the 50% reduction target and the possibility of moving into Stage V. Mike Seitz, District Legal Counsel, clarified the stages. Mr. Iglesias clarified the 50% reduction criteria.

**Nipomo Community Services District  
REGULAR MEETING  
MINUTES**

*Upon the motion of Director Bob Blair and seconded, the Board unanimously adopted the Resolution as edited.*

*Vote 5-0.*

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

**RESOLUTION NO. 2016-1421  
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
DECLARING STAGE IV WATER SHORTAGE CONDITIONS**

**00:40:00 NCSD PUBLIC FACILITIES CORPORATION ANNUAL MEETING**

President Armstrong adjourned to the NCSD Public Facilities Corporation Annual Meeting.

**ROLL**

At roll call, all Board members were present.

**A. APPROVE MINUTES OF THE JULY 22, 2015 MEETING**

There were no public comments.

*Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously approved the minutes of July 22, 2015.*

*Vote 5-0.*

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

President Armstrong adjourned to NCSD Regular Board Meeting.

**00:41:30 F. GENERAL MANAGER'S REPORT**

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

*There were no public comments.*

**G. COMMITTEE REPORTS**

*None.*

**00:51:46 H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS**

Director Woodson

- *Stated there is public concern regarding where the Nipomo Oaks construction crew is receiving their construction water. Mario Iglesias, General Manager, responded that they are getting water outside of the District.*
- *Asked if there is a change in water quality test results now that we are receiving water from Santa Maria. Mr. Iglesias responded that Santa Maria water quality is included in the District's current Consumer Confidence Report (CCR) (water quality report).*

Director Eby

- *Asked for clarification on the reporting of Santa Maria water in the District's CCR. Mr. Iglesias responded.*

00:57:16

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 SUPERIOR COURT CASE NO 14CV0069)

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

*There were no public comments.*

K. ADJOURN TO CLOSED SESSION

*President Armstrong adjourned to closed session at 9:57 a.m.*

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

*The Board came back into Open Session at 10:51 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.*

ADJOURN

*President Armstrong adjourned the meeting at 10:52 a.m.*

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	58 minutes
Closed Session	54 minutes
TOTAL HOURS	1 hour 52 minutes

Respectfully submitted,

  
Mario Iglesias, General Manager and Secretary to the Board

8-11-16  
Date

August 23, 2017

ITEM E-2

ATTACHMENT D

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## REGULAR MINUTES

**JULY 12, 2017 AT 9:00 A.M.**

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

### BOARD of DIRECTORS

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

### PRINCIPAL STAFF

MARIO IGLESIAS, GENERAL MANAGER  
LISA BOGNUDA, FINANCE DIRECTOR  
WHITNEY MCDONALD, 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 Gaddis called the Regular Meeting of July 12, 2017 to order at 9:00 a.m. and led the flag salute.*

**00:00:32** B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

*At Roll Call, all Directors were present.*

*There were no public comments.*

**00:00:41** C. PRESENTATIONS AND REPORTS

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

Receive Announcements and Reports from Directors

Director Woodson

- July 10, Attended the Integrated Regional Water Management (IRWM) meeting.

Director Eby

- July 4, Attended Nipomo's Fourth of July Parade.
- July 7, Attended the Nipomo Mesa Management Area Technical Group (NMMA) meeting.
- July 10, Attended the IRWM meeting.

Director Gaddis

- July 5, Attended the District Board Officer's meeting.

Director Blair

- July 4, Participated in Nipomo's Fourth of July Parade.

C-2) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE and FILE PRESENTATIONS AND REPORTS

*There were no public comments.*

**Nipomo Community Services District  
REGULAR MEETING  
MINUTES**

*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, Woodson, Blair, Armstrong and Gaddis	None	None

00:02:15

**D. CONSENT AGENDA**

**D-1) WARRANTS**

**D-2) APPROVE JUNE 28, REGULAR BOARD MEETING MINUTES**

*Directors Woodson and Gaddis requested clarification on warrants. Mario Iglesias, General Manager, and Peter Sevcik, Director of Engineering & Operations, responded.*

*There were no public comments.*

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

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

**E. ADMINISTRATIVE ITEMS**

00:05:16

**E-1) CONSIDER ACCEPTING DRAFT 2017 WATER FUND RATE STUDY AND RATE ADOPTION SCHEDULE**

*Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet and introduced the District's rate consultant, Clayton Tuckfield of Tuckfield & Associates.*

*Mr. Tuckfield gave a presentation on the Draft 2017 Water Fund Rate Study. Mr. Tuckfield reported that a water rate study was necessary to sustain a water system on a sound financial basis. Mr. Tuckfield also reported that, even with the proposed water rate increase, District water rates are among the lowest in the County.*

*Mr. Iglesias identified a correction to the presentation. Rates would go into effect December 1, 2017.*

00:24:50

*The following members of the public spoke:*

*Kent Makofsky, NCSD Customer, commented on the purpose of the Rate Study as well as taxes. Mr. Makofsky also stated there should be a note in the report stating customers are the first and last resort for recovering funds.*

*Director Eby responded to the public comment stating that water rates are not a tax but rather a cost of service.*

*The Board discussed. Mr. Tuckfield and Mr. Iglesias answered questions from the Board.*

**Nipomo Community Services District  
REGULAR MEETING  
MINUTES**

*Upon the motion of Director Craig Armstrong and seconded, the Board unanimously accepted the Draft 2017 Water Fund Rate Study and rate adoption schedule.  
Vote 5-0.*

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

00:30:46

**E-2) CONSIDER APPROVING CONTRACT AMENDMENT WITH MKN & ASSOCIATES TO AMEND BLACKLAKE SEWER MASTER PLAN TO INCLUDE A COMPREHENSIVE EVALUATION OF THE SEWER REGIONALIZATION STRATEGY**

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

*Director Eby asked if District staff worked with the Blacklake Facilities Committee regarding this proposed change. Mr. Iglesias responded that the District has held meetings with the Committee and attended Master Association Meetings regarding this option.*

*The following members of the public spoke:*

*Kent Macofsky, NCSO Customer, commented on the cost to maintain the Blacklake facility. Mr. Macofsky asked about timeframe for this additional evaluation. Mr. Iglesias responded that it would take approximately 4-6 weeks.*

*Jim Babcock, NCSO Customer, commented on purple pipe being used if regionalizing the system and is interested in the District's idea on recycled water. Mr. Iglesias and Director Eby responded.*

*Mark Randall, Blacklake resident and member of the Blacklake Facilities Committee, asked about where the additional \$16,000 would come from. Mr. Iglesias commented that it would come out of the Blacklake Sewer Fund. Mr. Iglesias also commented that he will be meeting with the Blacklake Facilities Committee.*

*The Board discussed.*

*Upon the motion of Director Craig Armstrong and seconded, the Board unanimously Agreed to amend the contract with MKN & Associates by \$16,640 to expand the Blacklake Sewer Master Plan to include the evaluation of a regionalization strategy.  
Vote 5-0.*

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

00:45:54

**E-3) RECEIVE AND DISCUSS REPORT ON KEY WELLS INDEX FROM DISTRICT'S GEO-HYDROLOGIST AND CONSIDER POSSIBLE ACTIONS UNDER STAGE IV OF THE DISTRICT'S WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN**

*Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet and introduced the District's Geo-Hydrologist, Dr. Brad Newton of Newton Geo-Hydrology Consulting Services.*

*Dr. Newton gave a presentation on the 2017 Key Wells Index which shows the Nipomo area remains in Severe Criterion and Stage IV of the Water Shortage Response and*

*Management Plan.*

*Director Eby asked about seawater contamination. Dr. Newton responded that it has not happened here yet, but it is possible if the water table drops below sea level. If that happens, it could contaminate the water supply.*

*The Board discussed. Dr. Newton answered questions from the Board.*

*Mario Iglesias, General Manager, discussed the District's Water Shortage Response and Management Plan, current actions in place by the District and options available to the Board.*

01:23:29

*The following members of the public spoke:*

*Kent Makofsky, NCSO Customer, asked about the period of measurement. Dr. Newton responded that measurements are based on the water year which runs from October 1 through September 30. Mr. Makofsky also asked about percolation rates. Dr. Newton responded.*

*Director Woodson commented that the District should not move beyond Stage IV due to supplemental water.*

*Director Blair commented that the District should have some discretionary water from the supplemental water project that can be used to build homes.*

*Directors Eby, Armstrong and Gaddis commented that District should remain in Stage IV and not enforce additional actions.*

01:33:55

*The following members of the public spoke:*

*Debra Musch, NCSO customer, commented on water service to a portion of their property and requested an exception to the rule so they could continue developing their property.*

*Patrick Bainbridge, Nipomo resident, requested the Board consider allowing new construction that will have net zero consumption due to conservation measures.*

*Director Blair made a motion to remain in Stage IV of the Water Shortage Response Management Plan but build in exceptions for single family homes with water consumption up to 50 Acre Feet per Year. The motion was not seconded.*

*The Board consensus was to remain in Stage IV of the District's Water Shortage Response and Management Plan, not impose additional actions, and not remove any actions.*

01:42:23

**F. MANAGER'S REPORT**

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

- Overall reduction in groundwater pumping for the July 2016-June 2017 period was 51%. June saw a reduction of 56.7%.*
- The District received the Transparency Certificate of Excellence for a third time and commended staff.*
- Willow Market completed their lift station and will assess community perception. A sampling report is scheduled to take place prior to July 26.*



*Mr. Iglesias answered questions from the Board.*

*Director Armstrong requested an update on the smell at the Southland Wastewater Treatment Facility. Mr. Iglesias responded that the issue should be resolved by the end of July.*

*The following members of the public spoke:*

*Mark Randall, Blacklake resident, asked when testing at Willow Market will be completed. Mr. Iglesias commented that it is scheduled to be completed by July 26.*

#### G. COMMITTEE REPORTS

*None.*

01:48:49

#### H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

##### Director Woodson

- *Requested the status of the District's development of a public art policy. Mario Iglesias, General Manager, responded that staff have investigated other agency programs and will look at developing a policy for Board review in August.*
- *Requested an update on the data presented in the Consumer Confidence Report. Peter Sevcik, Director of Engineering & Operations, responded that the data presented what the State requested and what was provided by the City of Santa Maria. Mr. Sevcik will follow-up.*

##### Director Blair

- *Stated that he will bring some photos of public art displays for the Board to review.*

##### Director Eby

- *Requested staff agendaize an adjustment to the Board meeting schedule.*

01:55:10

#### 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) *NCSD VS. LOS PRIMOS PROPERTIES LLC, SAN LUIS OBISPO COUNTY CASE NO. 16CV0512*

#### J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

*There were no public comments.*

#### K. ADJOURN TO CLOSED SESSION

*President Gaddis adjourned to closed session at 11:10 a.m.*

Nipomo Community Services District  
REGULAR MEETING  
MINUTES

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

*The Board came back into Open Session at 11:18 a.m.*

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

ADJOURN

*President Gaddis adjourned the meeting at 11:19 a.m.*

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	2 hours 11 minutes
Closed Session	8 minutes
TOTAL HOURS	2 hours 19 minutes

Respectfully submitted,

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

7-31-17  
 \_\_\_\_\_  
 Date

August 23, 2017

ITEM E-2

ATTACHMENT E

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2017-\_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT TO CONTINUE  
STAGE IV WATER SHORTAGE CONDITIONS  
AND MODIFY RESPONSE ACTIONS PURSUANT TO THE  
WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN**

**WHEREAS**, the Nipomo Community Services District ("District") is formed under the Community Services District Law (Govt. Code §61100 et seq.) and provides water service within its water service area pursuant to Govt. Code §61100(a) of the Community Services District Law; and

**WHEREAS**, at the April 22, 2015 meeting of the District Board of Directors ("Board"), the Board adopted a Revised Water Shortage Response and Management Plan ("WSRMP") pursuant to Water Code § 375; and

**WHEREAS**, Resolution 2015-1374 adopting the WSRMP provides that the Board reserves the right to order or not order all of the provisions within the WSRMP based upon the circumstances at the time that the policy is enforced; and

**WHEREAS**, the District is a party to groundwater adjudication, *Santa Maria's Valley Water Conservation District v. City of Santa Maria, et al., Case No. CV770219* ("Groundwater Litigation"); and

**WHEREAS**, on May 20, 2015, pursuant to § VI D(1) of the 2005 Stipulation as incorporated into the January 25, 2008 Final Judgment in the Groundwater Litigation, the Nipomo Mesa Management Area Technical Group declared that Severe Water Shortage conditions existed within the Nipomo Mesa Management Area; and

**WHEREAS**, on May 21, 2015, the Board declared Stage III Water Shortage conditions under its WSRMP; and

**WHEREAS**, the Nipomo Mesa Management Area Technical Group publicly announced on June 23, 2016, that the groundwater basin remained in a Severe Water Shortage Condition; and

**WHEREAS**, on July 27, 2016, the District adopted Resolution 2016-1421, declaring a Stage IV Severe Water Shortage condition under the District's WSRMP and establishing a target of fifty percent (50%) reduction in groundwater pumping by the District over the next year; and

**WHEREAS**, at the time the District declared Stage IV Severe Water Shortage conditions on July 27, 2016, the Board ordered that the response actions listed under Stage III in the WSRMP be implemented to reach the 50% target for reduction in groundwater pumping in light of the successful delivery of supplemental water to the District and continued conservation efforts by District customers; and

**WHEREAS**, the District has met its targeted 50% reduction in groundwater pumping on an annual basis since the Stage IV Severe Water Shortage conditions were declared;

**WHEREAS**, the Nipomo Mesa Management Area Technical Group publicly announced on June 23, 2017, that the groundwater basin remained in a Severe Water Shortage Condition; and

**WHEREAS**, the District has determined to remain at Stage IV Water Shortage conditions under its WSRMP and will continue to target a 50% reduction in its groundwater pumping; and

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2017-\_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT TO CONTINUE  
STAGE IV WATER SHORTAGE CONDITIONS  
AND MODIFY RESPONSE ACTIONS PURSUANT TO THE  
WATER SHORTAGE RESPONSE AND MANAGEMENT PLAN**

**WHEREAS**, given the District's success in reducing its groundwater pumping by more than 50% since Stage IV Water Shortage conditions were declared, the Board wishes to continue to order the response actions listed in the WSRMP for Stage III Severe Water Shortage conditions but to lift the limitations on use of water for dust control or construction for projects with active intent-to-serve letters from the District, which will have a de minimus effect, if any, on overall extraction of groundwater within the basin.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the Board of Directors of the Nipomo Community Services District, does resolve as follows:

1. The above recitation of facts and findings is true and correct and incorporated herein.
2. The Board declares that the condition of the groundwater basin, based upon the last report of the Nipomo Mesa Management Area Technical Group, continues to be in Stage IV Severe Water Shortage conditions pursuant to the District's WSRMP.
3. The Board declares that the District shall continue to target a fifty percent (50%) reduction in its groundwater pumping on an annual basis compared to the average pumped during the years 2009-2013.
4. The Board directs that the General Manager continue to implement the response actions listed under Stage III Severe Water Shortage conditions in the District's WSRMP, with the exception of the limitations on the use of water for dust control or construction, which shall be allowed only for projects with active intent to serve letters from the District and which shall be closely metered and monitored by District staff.
5. The Board finds that this action is not subject to and is exempt from the California Environmental Quality Act, Public Resources Code section 21000, et seq., because it is not a project undertaken or authorized by the District that will have a reasonably foreseeable impact on the environment and it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (Pub. Res. Code § 21065 ; 14 Cal. Code Regs. § 15061(b)(3).)

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**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2017-\_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
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STAGE IV WATER SHORTAGE CONDITIONS  
AND MODIFY RESPONSE ACTIONS PURSUANT TO THE  
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Upon motion by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, on the following roll call vote, to wit:

**AYES:  
NOES:  
ABSENT:  
CONFLICTS:**

the foregoing resolution is hereby passed and adopted this 23<sup>rd</sup> day of August, 2017.

\_\_\_\_\_  
**DAN GADDIS**  
President of the Board

ATTEST:

APPROVED:

\_\_\_\_\_  
**MARIO E. IGLESIAS**  
General Manager and Secretary to the Board

\_\_\_\_\_  
**WHITNEY G. McDONALD**  
District Legal Counsel