

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER

DATE: MAY 8, 2020

**AGENDA ITEM**

**C**

**MAY 13, 2020**

## **PRESENTATIONS AND REPORTS**

The following presentations and reports are scheduled:

- C-1) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS.  
Receive Announcements and Reports from Directors
  
- C-2) 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 8, 2020

**AGENDA ITEM**

**D**

**MAY 13, 2020**

## **CONSENT AGENDA**

The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item removed. If discussion is desired, the item may be removed from the Consent Agenda by a Board member and will be considered separately at the conclusion of the Administrative Items. Individual items on the Consent Agenda are approved by the same vote that approves the Consent Agenda, unless an item is pulled for separate consideration. The recommendations for each item are noted in bracket. Members of the public may comment on the Consent Agenda items.

**Questions or clarification may be made by the Board members  
without removal from the Consent Agenda.**

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE APRIL 22, 2020, REGULAR BOARD MEETING MINUTES  
[RECOMMEND APPROVE MINUTES]
- D-3) 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 2020-2021 [RECOMMEND  
ADOPT RESOLUTION]

TO: BOARD OF DIRECTORS

REVIEWED: MARIO IGLESIAS  
GENERAL MANAGER 

FROM: LISA BOGNUDA   
FINANCE DIRECTOR

DATE: MAY 8, 2020

**AGENDA ITEM**  
**D-1**  
**MAY 13, 2020**

**WARRANTS**

TOTAL COMPUTER CHECKS  
\$1,483,763.70

HANDWRITTEN CHECKS  
NONE

VOIDS – NONE

**COMPUTER GENERATED CHECKS – SEE ATTACHED**



Nipomo Community Services District

**Item D-1 Warrants MAY 13, 2020**  
By Payment Number

Payment Dates 05/13/2020 - 05/13/2020

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
<b>Payment: 5954</b>				
Abalone Coast Analytical, Inc.	Lab tests	4939	05/13/2020	7,543.10
				<b>Payment 5954 Total:</b> <u>7,543.10</u>
<b>Payment: 5955</b>				
Advantage Answering Plus, In	RV Rentals	APR2020J	05/13/2020	1,030.00
				<b>Payment 5955 Total:</b> <u>1,030.00</u>
<b>Payment: 5956</b>				
AECOM USA Inc.	Construction Management - P	2000355010	05/13/2020	13,596.25
				<b>Payment 5956 Total:</b> <u>13,596.25</u>
<b>Payment: 5957</b>				
Alexander's Contract Services,	Meter reading	202004290871	05/13/2020	3,494.94
Alexander's Contract Services,	Meter reading	202004290873	05/13/2020	189.50
Alexander's Contract Services,	Meter reading	202003300873	05/13/2020	187.75
				<b>Payment 5957 Total:</b> <u>3,872.19</u>
<b>Payment: 5958</b>				
Applied Technology Group, In	SCADA upgrades	19526	05/13/2020	339.59
				<b>Payment 5958 Total:</b> <u>339.59</u>
<b>Payment: 5959</b>				
AT&T	Telephone	14647301	05/13/2020	166.54
AT&T	Telephone	14647300	05/13/2020	33.13
AT&T	Telephone	14647302	05/13/2020	246.88
				<b>Payment 5959 Total:</b> <u>446.55</u>
<b>Payment: 5960</b>				
Baumgarten, Michael	CSM2 renewal reimbursemen	MAY2020	05/13/2020	94.00
				<b>Payment 5960 Total:</b> <u>94.00</u>
<b>Payment: 5961</b>				
Bentley Systems, Inc.	WaterGEMS/SewerGEMS sub	48093846	05/13/2020	2,069.75
				<b>Payment 5961 Total:</b> <u>2,069.75</u>
<b>Payment: 5962</b>				
Brenntag Pacific, Inc.	Sodium hypochlorite	39624	05/13/2020	413.83
Brenntag Pacific, Inc.	Sodium hypochlorite	44437	05/13/2020	596.10
Brenntag Pacific, Inc.	Sodium hypochlorite	39623	05/13/2020	258.37
				<b>Payment 5962 Total:</b> <u>1,268.30</u>
<b>Payment: 5963</b>				
Calleja, Derek	Uniform - Boot reimbursemen	APR2020A	05/13/2020	165.00
Calleja, Derek	Water Quality Analyst 1 rene	APR2020B	05/13/2020	75.00
Calleja, Derek	CWEA and CSM3 renewal rei	APR2020C	05/13/2020	291.00
				<b>Payment 5963 Total:</b> <u>531.00</u>
<b>Payment: 5964</b>				
Cannon Corporation	Construction Management - E	72178	05/13/2020	6,789.00
				<b>Payment 5964 Total:</b> <u>6,789.00</u>
<b>Payment: 5965</b>				
Charter Communications	Internet - Shop and/or Office	0225708042220	05/13/2020	734.20
Charter Communications	Internet - Shop and/or Office	0224495042020	05/13/2020	734.20
Charter Communications	Internet - Shop and/or Office	0123630050320	05/13/2020	214.97
				<b>Payment 5965 Total:</b> <u>1,683.37</u>
<b>Payment: 5966</b>				
City of Santa Maria	Water Purchased 01-01-20 to	82461	05/13/2020	475,713.46
				<b>Payment 5966 Total:</b> <u>475,713.46</u>

## Item D-1 Warrants MAY 13, 2020

Payment Dates: 05/13/2020 - 05/13/2020

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
<b>Payment: 5967</b>				
Electricraft, Inc.	Electrical repair - Various well	16297	05/13/2020	12,208.00
Electricraft, Inc.	Electrical repair - Via Concha	16295	05/13/2020	8,400.00
<b>Payment 5967 Total:</b>				<b>20,608.00</b>
<b>Payment: 5968</b>				
EMCOR Services Mesa Energy	HVAC service call - office	013551426	05/13/2020	413.00
<b>Payment 5968 Total:</b>				<b>413.00</b>
<b>Payment: 5969</b>				
Environmental Resource Asso	Lab tests	934438	05/13/2020	728.00
<b>Payment 5969 Total:</b>				<b>728.00</b>
<b>Payment: 5970</b>				
Executive Janitorial	Janitorial services	77752	05/13/2020	780.00
<b>Payment 5970 Total:</b>				<b>780.00</b>
<b>Payment: 5971</b>				
Famcon Pipe and Supply, Inc.	Washers, o-rings, cover bolts	S100025552.001	05/13/2020	486.92
<b>Payment 5971 Total:</b>				<b>486.92</b>
<b>Payment: 5972</b>				
Farm Supply Company	Weed abatement	70105	05/13/2020	173.98
Farm Supply Company	Camlocks, male adapters	70151	05/13/2020	62.15
<b>Payment 5972 Total:</b>				<b>236.13</b>
<b>Payment: 5973</b>				
FGL Environmental	Lab tests	080595	05/13/2020	521.00
FGL Environmental	Lab tests	080600	05/13/2020	87.00
FGL Environmental	Lab tests	081045	05/13/2020	116.00
<b>Payment 5973 Total:</b>				<b>724.00</b>
<b>Payment: 5974</b>				
GLM Landscape Management	Landscape maintenance	APR2020	05/13/2020	405.00
<b>Payment 5974 Total:</b>				<b>405.00</b>
<b>Payment: 5975</b>				
Great Western Alarm and Co	Alarm monitoring service	200402062101	05/13/2020	70.00
Great Western Alarm and Co	Alarm monitoring service	200400640101	05/13/2020	37.00
Great Western Alarm and Co	Alarm monitoring service	200402107101	05/13/2020	70.00
<b>Payment 5975 Total:</b>				<b>177.00</b>
<b>Payment: 5976</b>				
Iconix Waterworks (US) Inc.	Valves	U2016016971	05/13/2020	4,118.40
<b>Payment 5976 Total:</b>				<b>4,118.40</b>
<b>Payment: 5977</b>				
Integrated Industrial Supply, I	Disposable gloves	68349	05/13/2020	384.71
Integrated Industrial Supply, I	Marking paint	68655	05/13/2020	179.92
Integrated Industrial Supply, I	Disposable coveralls, safety gl	68654	05/13/2020	290.26
<b>Payment 5977 Total:</b>				<b>854.89</b>
<b>Payment: 5978</b>				
Left Coast T-Shirt Company	Uniforms	31690	05/13/2020	2,631.50
<b>Payment 5978 Total:</b>				<b>2,631.50</b>
<b>Payment: 5979</b>				
Miner's Ace Hardware	Supplies	APR2020	05/13/2020	639.42
<b>Payment 5979 Total:</b>				<b>639.42</b>
<b>Payment: 5980</b>				
Mission Uniform Service	Uniforms	512336918	05/13/2020	170.94
Mission Uniform Service	Uniforms	512291543	05/13/2020	203.89
Mission Uniform Service	Uniforms	512381646	05/13/2020	170.94
<b>Payment 5980 Total:</b>				<b>545.77</b>
<b>Payment: 5981</b>				
MNS Engineers, Inc.	Construction Management - P	74898	05/13/2020	42,093.03
<b>Payment 5981 Total:</b>				<b>42,093.03</b>

## Item D-1 Warrants MAY 13, 2020

Payment Dates: 05/13/2020 - 05/13/2020

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
<b>Payment: 5982</b>				
Newton Geo-Hydrology Cons	Litigation support through 04-	APR2020	05/13/2020	8,232.50
<b>Payment 5982 Total:</b>				<b>8,232.50</b>
<b>Payment: 5983</b>				
Nunley & Associates, Inc.	PCIA - 115 Sparks	6918	05/13/2020	406.85
Nunley & Associates, Inc.	PCIA - 115 Sparks	6854	05/13/2020	875.18
Nunley & Associates, Inc.	GIS Implementation	6899	05/13/2020	1,483.41
Nunley & Associates, Inc.	JRPS Pump Selection and Desi	6839	05/13/2020	190.55
Nunley & Associates, Inc.	Southland WWTP Screw Press	6906	05/13/2020	1,541.00
Nunley & Associates, Inc.	PCIA - Rocky PI	6917	05/13/2020	888.99
Nunley & Associates, Inc.	PCIA - Tract 2441 Blume St.	6916	05/13/2020	1,823.00
Nunley & Associates, Inc.	Southland WWTP Screw Press	6867	05/13/2020	2,124.00
Nunley & Associates, Inc.	GIS Implementation Services	6793	05/13/2020	877.56
Nunley & Associates, Inc.	PCIA - Tract 2441 Blume St	6851	05/13/2020	1,231.50
<b>Payment 5983 Total:</b>				<b>11,442.04</b>
<b>Payment: 5984</b>				
Nu-Tech Pest Management	Pest control	0150331	05/13/2020	274.00
Nu-Tech Pest Management	Rodent control	0150332	05/13/2020	75.00
<b>Payment 5984 Total:</b>				<b>349.00</b>
<b>Payment: 5985</b>				
Office Depot	Office supplies	476526526001	05/13/2020	118.66
Office Depot	Office supplies	477956059001	05/13/2020	285.35
Office Depot	Office supplies	477960021001	05/13/2020	31.95
Office Depot	Office supplies	477960020001	05/13/2020	24.54
<b>Payment 5985 Total:</b>				<b>460.50</b>
<b>Payment: 5986</b>				
PG&E	Contract # 50025191 V1	115764519	05/13/2020	10,104.43
<b>Payment 5986 Total:</b>				<b>10,104.43</b>
<b>Payment: 5987</b>				
Pollard Water	DCHLR tablets	WP009219	05/13/2020	2,123.55
<b>Payment 5987 Total:</b>				<b>2,123.55</b>
<b>Payment: 5988</b>				
Praxair Distribution, Inc.	CO2 cylinders	96196465	05/13/2020	52.38
<b>Payment 5988 Total:</b>				<b>52.38</b>
<b>Payment: 5989</b>				
Protective Weather Structure	Progress Payment #1	1	05/13/2020	97,945.00
<b>Payment 5989 Total:</b>				<b>97,945.00</b>
<b>Payment: 5990</b>				
Quinn Company	Hydraulic fluid	PC030316599	05/13/2020	88.92
<b>Payment 5990 Total:</b>				<b>88.92</b>
<b>Payment: 5991</b>				
R. Baker, Inc.	Progress payment #3	1502-3	05/13/2020	724,934.79
<b>Payment 5991 Total:</b>				<b>724,934.79</b>
<b>Payment: 5992</b>				
ReadyRefresh by Nestle	Distilled water	00D0900023136	05/13/2020	54.55
<b>Payment 5992 Total:</b>				<b>54.55</b>
<b>Payment: 5993</b>				
Richards, Watson & Gershon	Legal services through 03-31-	226403	05/13/2020	12,195.19
<b>Payment 5993 Total:</b>				<b>12,195.19</b>
<b>Payment: 5994</b>				
Richards, Watson & Gershon	Water Rights Adjudication	226404	05/13/2020	4,005.30
<b>Payment 5994 Total:</b>				<b>4,005.30</b>
<b>Payment: 5995</b>				
Santa Maria Ford Lincoln	Vehicle repair/maintenance	191375	05/13/2020	339.27
Santa Maria Ford Lincoln	Vehicle repair/maintenance	191418	05/13/2020	50.45
Santa Maria Ford Lincoln	Vehicle repair/maintenance	191318	05/13/2020	800.13

Item D-1 Warrants MAY 13, 2020

Payment Dates: 05/13/2020 - 05/13/2020

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount	
<b>Payment: 5995</b>				<b>Payment 5995 Total:</b>	<b>1,189.85</b>
SGS Guadalupe	CAN 17	780134447	05/13/2020	738.42	
<b>Payment: 5996</b>				<b>Payment 5996 Total:</b>	<b>738.42</b>
SLO County Office of Emergen	Cost-Share for Hazard Mitigati	INV012	05/13/2020	2,000.00	
<b>Payment: 5997</b>				<b>Payment 5997 Total:</b>	<b>2,000.00</b>
South County Sanitary Service	Solid waste tax liens	APR2020	05/13/2020	510.10	
<b>Payment: 5998</b>				<b>Payment 5998 Total:</b>	<b>510.10</b>
State of California - Departme	Certificate renewal - Sevcik	APR2020	05/13/2020	115.00	
<b>Payment: 5999</b>				<b>Payment 5999 Total:</b>	<b>115.00</b>
State Water Resources Contro	Certificate renewal - German	GERMAN2020	05/13/2020	110.00	
<b>Payment: 6000</b>				<b>Payment 6000 Total:</b>	<b>110.00</b>
Statewide Traffic Safety & Sign	Survey marking paint, mesh v	03015655	05/13/2020	75.19	
<b>Payment: 6001</b>				<b>Payment 6001 Total:</b>	<b>75.19</b>
Sterling Communications	2 way radio equipment and lic	7860	05/13/2020	7,334.67	
<b>Payment: 6002</b>				<b>Payment 6002 Total:</b>	<b>7,334.67</b>
Tyler Technologies, Inc.	Annual software maintenance	025-293834	05/13/2020	480.00	
<b>Payment: 6003</b>				<b>Payment 6003 Total:</b>	<b>480.00</b>
US Bank National Association	Zoom conference calls	APR2020I	05/13/2020	161.13	
US Bank National Association	Office supplies	APR2020A	05/13/2020	499.67	
US Bank National Association	Travel and meals	APR2020H	05/13/2020	21.91	
US Bank National Association	Hand sanitizer	APR2020L	05/13/2020	387.85	
US Bank National Association	Face Masks	APR2020J	05/13/2020	397.95	
US Bank National Association	Domain renewal	APR2020D	05/13/2020	95.88	
US Bank National Association	Recording fees	APR2020G	05/13/2020	51.49	
US Bank National Association	Software subscription	APR2020C	05/13/2020	50.97	
US Bank National Association	CSDA conference refund	APR2020F	05/13/2020	-275.00	
US Bank National Association	Operating supplies	APR2020B	05/13/2020	816.71	
US Bank National Association	RV Rentals	APR2020K	05/13/2020	1,030.00	
US Bank National Association	Storage unit	APR2020E	05/13/2020	199.50	
US Bank National Association	Cameras for conference calls	APR2020M	05/13/2020	285.09	
<b>Payment: 6004</b>				<b>Payment 6004 Total:</b>	<b>3,723.15</b>
USA Bluebook	Stenner variable speed pump	203781	05/13/2020	2,400.44	
USA Bluebook	Hand sanitizer	209621	05/13/2020	257.83	
USA Bluebook	Deionized water	222190	05/13/2020	68.55	
USA Bluebook	Calibration gas, settleometer	213390	05/13/2020	292.17	
USA Bluebook	Electrode cleaning solution	206499	05/13/2020	464.42	
<b>Payment: 6005</b>				<b>Payment 6005 Total:</b>	<b>3,483.41</b>
Verizon Wireless	Cell service	9853164706	05/13/2020	662.77	
<b>Payment: 6006</b>				<b>Payment 6006 Total:</b>	<b>662.77</b>
Wallace Group	FOG program	50805	05/13/2020	405.00	
<b>Payment: 6007</b>				<b>Payment 6007 Total:</b>	<b>405.00</b>
Waste Connections	Waste collection - Office	6854040	05/13/2020	48.26	
Waste Connections	Waste collection - Olde Towne	6854974	05/13/2020	255.91	

Item D-1 Warrants MAY 13, 2020

Payment Dates: 05/13/2020 - 05/13/2020

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Waste Connections	Waste collection - Southland	6855350	05/13/2020	226.20
<b>Payment 6008 Total:</b>				<u>530.37</u>

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER



DATE: MAY 8, 2020

**AGENDA ITEM**

**D-2**

**MAY 13, 2020**

**APPROVE APRIL 22, 2020  
REGULAR BOARD MEETING MINUTES**

**ITEM**

Approve action minutes from previous Board meetings. [RECOMMEND APPROVE MINUTES]

**BACKGROUND**

The draft minutes are a written record of the previous Board Meeting action.

**RECOMMENDATION**

Approve Minutes

**ATTACHMENT**

- A. April 22, 2020 draft Regular Board Meeting Minutes

MAY 13, 2020

ITEM D-2

ATTACHMENT A

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community since 1965*

## DRAFT REGULAR MINUTES

**APRIL 22, 2020 AT 9:00 A.M.**

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

### BOARD of DIRECTORS

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

### PRINCIPAL STAFF

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

Mission Statement:

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

***Pursuant to Governor Newsom's Executive Order N-25-20, members of the Nipomo Community Services District or staff may participate in this meeting via teleconference. Members of the public may participate in the meeting telephonically by calling (800) 567-5900 (code 242-2614#). Members of the public may also comment on items on this agenda via email sent to [info@ncsd.ca.gov](mailto:info@ncsd.ca.gov) prior to the meeting start time.***

#### A. CALL TO ORDER AND FLAG SALUTE

*President Gaddis called the Regular Meeting of April 22, 2020, to order at 9:02 a.m. and led the flag salute.*

#### B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

*At Roll Call, Directors Gaddis, Eby and Blair were present in the Board Room. Director Armstrong, and Woodson were present telephonically.*

*There were no public comments. (There were no members of the public present at the meeting and there were no members of the public participating telephonically). No emails were received at [info@ncsd.ca.gov](mailto:info@ncsd.ca.gov) address prior to the time the meeting started.*

#### C. PRESENTATIONS AND REPORTS

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

Receive Announcements and Reports from Directors

*Director Eby*

- *April 16, attended LAFCO meeting via Zoom..*

*Director Gaddis*

- *April 13, attended Board Officers' meeting.*

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District  
DRAFT REGULAR MEETING  
MINUTES

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

*There were no public comments.*

*Upon the motion of Director Eby and seconded, the Board unanimously approved receiving and filing presentations and reports.  
Vote 5-0.*

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

D. CONSENT AGENDA

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE APRIL 8, 2020, SPECIAL BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]
- D-3) INVESTMENT POLICY – FIRST QUARTER REPORT [RECOMMEND ACCEPT AND FILE REPORT]

*Director Woodson requested a correction to Item D-3 – change name from Rabobank to Mechanics Bank.*

*There were no public comments.*

*Upon the motion of Director Blair and seconded, the Board unanimously approved Consent Agenda, with correction to Item D-3..  
Vote 5-0.*

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

D. ADMINISTRATIVE AGENDA

- E-1) CONSIDER NORMALIZING FUTURE WATER RATE STRUCTURE TO ACCOUNT FOR THE SCHEDULED PURCHASE OF SUPPLEMENTAL WATER [RECOMMEND REVIEW, DISCUSS, AND DIRECT STAFF]

*Mario Iglesias, General Manager, presented the item and answered questions from the Board. Clayton Tuckfield, rate consultant, answered questions from the Board via phone conference.*

*There were no public comments.*

*The Board agreed that Scenario 4 would provide some rate relief to customers by lowering the adopted water rate increase of 14.7% to 4.5% on December 1, 2020. A new water rate study will need to be completed and a Prop 218 protest vote will be required. The study will also look to normalize or smooth the rates in future years to avoid a large rate increase anticipated in fiscal year 2025-2026 when the District will shift from primarily groundwater to import water as required by the Court Stipulation and Judgement. The Board directed staff to advance the water rate study process*

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District  
DRAFT REGULAR MEETING  
MINUTES

Upon the motion of Director Blair and seconded, the Board unanimously agreed upon Scenario 4.  
Vote 5-0.

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

E. GENERAL MANAGER’S REPORT

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

There were no public comments.

F. COMMITTEE REPORTS

None

G. DIRECTORS’ REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

None

H. CLOSED SESSION ANNOUNCEMENTS

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9
  - a. SMVWCD V. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750, AND ALL CONSOLIDATED CASES
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(D)(2) ONE (1) POTENTIAL CASE

Craig Steele, District Legal Counsel, announced the Board discussed Item 1 and 2 in Closed Session and took no reportable action.

ADJOURN MEETING

President Gaddis adjourned the meeting at 10:55 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	0 hour 52 minutes
Closed Session	1 hour 03 minutes
TOTAL HOURS	1 hour 55 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, 2020

**AGENDA ITEM  
D-3  
MAY 13, 2020**

**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 2020-2021**

**ITEM**

Consider adoption of resolution approving the engineer's levy report and declaration of intention to levy annual assessments for Street Landscape Maintenance District No. 1 for Fiscal Year 2020-2021. [RECOMMEND ADOPT RESOLUTION]

**BACKGROUND**

On April 8, 2020, the Board of Directors adopted Resolution 2020-1551 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 2020-2021 PURSUANT TO THE PROVISIONS OF PART 2 OF THE DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

Peter Sevcik, P.E., Director of Engineering and Operations, 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 Maintenance District must approve any proposed assessment that exceeds the adjusted maximum rate based on the CPI (via a Proposition 218 Protest Vote).

Installation of drought tolerant landscaping is planned along Lot 1 in FY 2020-2021 at an estimated cost of \$5,000.

It is recommended that the assessment remain \$435 for FY 2020-2021 (See Page 4 of Engineer's Levy Report). The County of San Luis Obispo adds a \$2.00 per parcel handling fee for processing special district benefit assessments on the tax roll. Total amount of \$437 per parcel will be billed on the tax roll. The computed Maximum Assessment Allowable is \$528.61.

With the proposed assessment amount, the Maintenance District is projected to have an approximate deficit of \$3290 in 2020-2021 and reserve balance at the end of FY 2020-2021 of \$14,920 (See Page 5 of Engineer's Levy Report). The Cash Reserve Goal is \$20,000. As the history of the Maintenance District's annual levy and maximum allowable levy below shows, the levy can be lowered in the future when reserves are adequate.

**History of Annual Levy and Maximum Allowable Levy**

Period Covered	Amount Assessed per Parcel	Maximum Assessment Allowable
Fiscal Year 2003-2004 (first year)	\$345.00	\$345.00
Fiscal Year 2004-2005	\$346.96	\$346.96
Fiscal Year 2005-2006	\$354.94	\$354.94
Fiscal Year 2006-2007	\$365.34	\$365.34
Fiscal Year 2007-2008	\$365.34	\$376.75
Fiscal Year 2008-2009	\$387.74	\$387.74
Fiscal Year 2009-2010	\$301.78	\$391.14
Fiscal Year 2010-2011	\$303.57	\$400.60
Fiscal Year 2011-2012	\$303.57	\$408.85
Fiscal Year 2012-2013	\$315.00	\$423.29
Fiscal Year 2013-2014	\$330.00	\$433.40
Fiscal Year 2014-2015	\$330.00	\$442.19
Fiscal Year 2015-2016	\$360.00	\$450.59
Fiscal Year 2016-2017	\$380.00	\$463.84
Fiscal Year 2017-2018	\$380.00	\$479.05
Fiscal Year 2018-2019	\$435.00	\$497.30
Fiscal Year 2019-2020	\$435.00	\$513.71

**Proposed Annual Levy and Maximum Allowable Levy for FY 2019-2020**

Proposed FY 2020-2021	\$435.00	\$528.61
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**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 2020-XXXX Approving the Engineer’s Report and Declaring the Intention to Levy the Annual Assessment.

**ATTACHMENTS**

- A. Resolution 2020-XXXX Approving Engineer’s Report and Declaring Intention to Levy
- B. FY 2020-2021 LMD No 1. Engineer’s Report

MAY 13, 2020

ITEM D-3

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2020-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
APPROVING THE ANNUAL ENGINEER'S LEVY REPORT,  
DECLARING ITS INTENTION TO LEVY ANNUAL ASSESSMENTS  
FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FOR FISCAL YEAR 2020-2021,  
AND SETTING A PUBLIC HEARING THEREON**

**WHEREAS**, the Board of Directors of the Nipomo Community Services District ("NCSD") has, by previous Petition and Resolutions, formed the Nipomo Community Services District Street Landscape Maintenance District No. 1 (hereinafter referred to as "Street Landscape Maintenance District No. 1") and initiated proceedings for the annual assessments for Fiscal Year 2020-2021 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"), which provides for the levy and collection of assessments by the County of San Luis Obispo for the NCSD 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 XIII D; and

**WHEREAS**, by previous Resolution, the Board of Directors initiated proceedings for the annual levy of assessments for Street Landscape Maintenance District No. 1 for fiscal year 2020-2021 and appointed Peter Sevcik, P.E., Director of Engineering and Operations, as assessment engineer for the purpose of assisting with the annual levy and to prepare and file a Report in accordance with Chapter 1, Article 4 of the Act, and

**WHEREAS**, said Report has been prepared, filed, and presented to the Board of Directors, as required by Chapters 1 and 3 of said Act; and

**WHEREAS**, the Board of Directors has carefully examined and reviewed the Report as presented, 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, and

**WHEREAS**, the NCSD intends to levy and collect the annual assessments for Street Landscape Maintenance District No. 1 as set forth in said Report, pursuant to the Act.

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

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

NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2020-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
APPROVING THE ANNUAL ENGINEER'S LEVY REPORT,  
DECLARING ITS INTENTION TO LEVY ANNUAL ASSESSMENTS  
FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FOR FISCAL YEAR 2020-2021,  
AND SETTING A PUBLIC HEARING THEREON

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 2020-2021.

SECTION 3: That the Report (Attached as Exhibit "A") is hereby approved and ordered to be filed in the NCSO Offices as a permanent record and remain open to public inspection.

SECTION 4: That the NCSO 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.

**BE IT FURTHER RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT, PURSUANT TO SECTION 22624 OF THE ACT, AS FOLLOWS:**

SECTION 5: Intention: The NCSO hereby declares that it intends to levy and collect annual assessments pursuant to the Act over and including the land within the Street Landscape Maintenance District No. 1 boundary, and to levy and collect the assessments on all such land to pay the costs of the operation, maintenance, and servicing of landscaping and all appurtenant facilities and operations related thereto.

SECTION 6: 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 any new improvements or substantial changes in existing improvements.

SECTION 7: Boundaries and Designation: The boundaries of the Street Landscape Maintenance District No. 1 are generally described as Lots 1 through 29 of Tract 2409 located in the County of San Luis Obispo and more particularly described in the Report.

SECTION 8: Increase in Assessments: The assessment is proposed to remain the same as in the previous year (\$435.00).

SECTION 9: Engineer's Report: The Report is attached hereto as Exhibit "A" and is on file with the Secretary of NCSO Board of Directors. The Report contains a full and detailed description of the improvements, the boundaries of Street Landscape

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RESOLUTION NO. 2020-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
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DECLARING ITS INTENTION TO LEVY ANNUAL ASSESSMENTS  
FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FOR FISCAL YEAR 2020-2021,  
AND SETTING A PUBLIC HEARING THEREON

Maintenance District No. 1, and the proposed assessments upon assessable lots and parcels of land within Street Landscape Maintenance District No. 1.

SECTION 10: Time of Public Hearing: Notice is hereby given that a public hearing will be held by the Board of Directors of the Nipomo Community Services District on June 10, 2020, 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 11: Notice: Pursuant to Sections 22552, 22553, and 22626 of the Act, notice of the Public Hearing shall be provided in accordance with Section 6061 of the Government Code, including publication 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 12: Incorporation of Recitals: The above Recitals are true and correct and incorporated herein by reference.

SECTION 13: 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 13<sup>th</sup> day of May, 2020.

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

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**DAN ALLEN GADDIS**  
President of the Board

ATTEST:  
EFFECT:

APPROVED AS TO FORM AND LEGAL

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

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**CRAIG A. STEELE**  
District Legal Counsel

MAY 13, 2020

ITEM D-3

ATTACHMENT B

NIPOMO COMMUNITY SERVICES DISTRICT  
ENGINEER'S ANNUAL LEVY REPORT  
STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FISCAL YEAR 2020-2021

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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 2020-2021. 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 2020-2021

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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

Installation of drought tolerant landscaping is planned along Lot 1 in FY 2020-2021 at an estimated cost of \$5000. The installation was originally planned for FY 2019-2020 but was not completed.

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

NIPOMO COMMUNITY SERVICES DISTRICT  
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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, 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.

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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.

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

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

The percentage change used is the annual change for the preceding 12 months. The annual inflation factor applied for the fiscal year 2020-2021 is based on the percentage change from February 2019 to February 2020 and has been identified as 2.9% (annual percentage change currently available).

MAXIMUM ALLOWABLE ASSESSMENT PER PARCEL (APPLYING INFLATIONARY ADJUSTMENT)	
2019-2020 Maximum Assessment	(A) \$513.71
X CPI (2.9%)	(B) \$14.90
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Maximum Assessment Allowable 2020-2021	(A) + (B) \$528.61 =====
Proposed 2020-2021 Annual Assessment	\$435.00 =====

The County of San Luis Obispo adds a \$2.00 per parcel handling fee for processing special district benefit assessments on the tax roll. Total amount of \$437 per parcel will be billed on tax roll.

NIPOMO COMMUNITY SERVICES DISTRICT  
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STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FISCAL YEAR 2020-2021

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Fiscal Year 2020-2021 District Budget

DESCRIPTION		2020-2021 BUDGET
Beginning Estimated Fund Balance (July 1, 2020)		\$18,210
<b>Proposed Assessment Levy</b>		<b>\$12,180</b>
<b>Estimated Interest Income</b>		<b>\$180</b>
<b>Estimated Expenditures</b>		
Contract Landscape Maintenance	(\$10,000)	
Water	(\$3,500)	
Electricity	(\$150)	
Public Notifications	(\$500)	
Administration	(\$1,500)	
<b>Total Estimated Expenditures</b>		<b>(\$15,650)</b>
Estimated Ending Fund Balance (1) (June 30, 2021)		\$14,920

- (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.

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Lot Number	Assessor Parcel Number	Annual Assessment
1	092-512-001	\$435.00
2	092-512-002	\$435.00
3	092-512-003	\$435.00
4	092-512-004	\$435.00
5	092-512-005	\$435.00
6	092-512-006	\$435.00
7	092-512-007	\$435.00
8	092-512-008	\$435.00
9	092-512-009	\$435.00
10	092-512-010	\$435.00
11	092-512-011	\$435.00
12	092-512-012	\$435.00
13	092-512-013	\$435.00
14	092-512-014	\$435.00
15	092-512-015	\$435.00
16	092-512-016	\$435.00
17	092-512-017	\$435.00
18	092-512-018	\$435.00
19	092-512-019	\$435.00
20	092-512-020	\$435.00
21	092-512-021	\$435.00
22	092-512-022	\$435.00
23	092-512-023	\$435.00
24	092-512-024	\$435.00
25	092-512-025	\$435.00
26	092-512-026	\$435.00
27	092-512-027	\$435.00
28	092-512-028	\$435.00
	TOTAL	\$12,180.00

Annual assessment amount does not include the County of San Luis Obispo \$2.00 per parcel handling fee for processing special district benefit assessments on the tax roll.

\_\_\_\_\_  
PETER V. SEVCIK, P.E.  
DISTRICT ENGINEER

\_\_\_\_\_  
DATE

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