

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER



DATE: JULY 18, 2019



PRESENTATIONS AND REPORTS

The following presentations and reports are scheduled:

- C-1) RECEIVE 2019 THIRD QUARTER ENGINEER'S REPORT – DIRECTOR OF ENGINEERING AND OPERATIONS REPORT ON DISTRICT PROJECTS SYSTEM-WIDE [RECOMMEND RECEIVE AND FILE]
- C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS.
[RECEIVE ANNOUNCEMENTS AND REPORTS FROM DIRECTORS]
- C-3) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS

TO: BOARD OF DIRECTORS
FROM: MARIO E. IGLESIAS
GENERAL MANAGER
DATE: July 18, 2019



**QUARTERLY ENGINEER'S REPORT
DIRECTOR OF ENGINEERING AND OPERATIONS REPORT
ON DISTRICT PROJECTS SYSTEM-WIDE**

ITEM

Engineering and Operations update for April through June 2019

BACKGROUND

Director of Engineering and Operations, Peter Sevcik will overview his update (Attachment A) and discuss District projects for the April through June 2019 period.

RECOMMENDATION

Staff recommends that your Honorable Board receive the update.

ATTACHMENTS

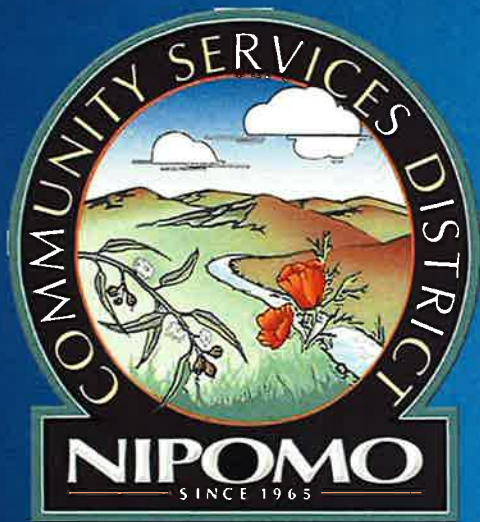
- A. Engineering and Operations Update for April through June 2019

JULY 24, 2019

ITEM C-1

ATTACHMENT A

Engineering and Operations Update – April to June 2019



Peter V. Sevcik, P.E.
Director of Engineering and Operations
Nipomo Community Services District
July 24, 2019

Projects in Construction

Supplemental Water Project Joshua Road Pump Station Pump 4 Improvements

- Completion delayed due to pump availability
- Pump to ship 7/29/2019
- Tentative project completion September 2019
- Contract Cost \$238,800



Projects in Design

Supplemental Water Project Nipomo Area Pipeline Improvements

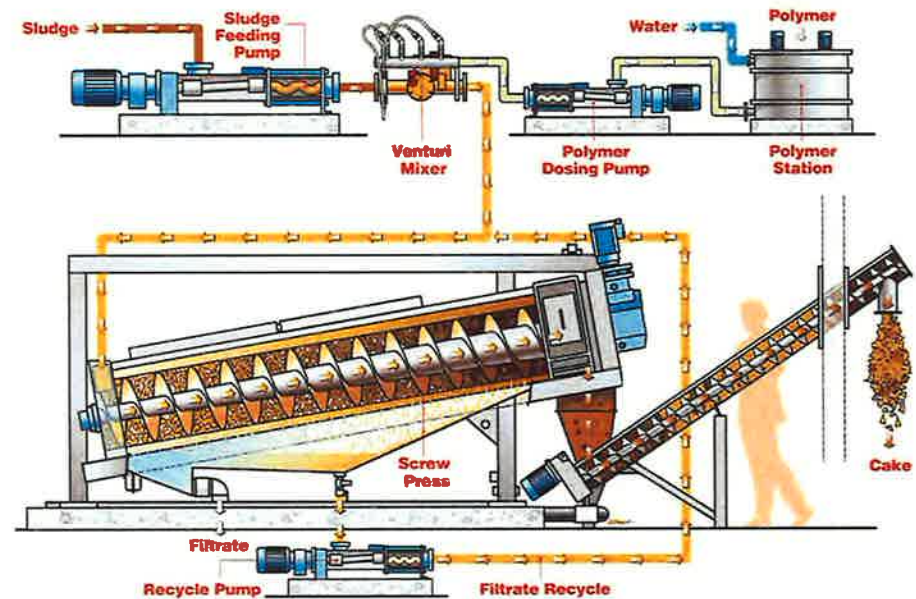
- 100% design plans pending
- Obtained Caltrans permit for Highway 101 crossing
- Obtained San Luis Obispo County encroachment permit
- Updated tree survey
- Tentative Board bid award – October 2019



Projects in Design

Southland WWTF Screw Press

- 90% design plans pending
- Tentative Board authorization to bid – September 2019
- Tentative Board bid award – November 2019





Projects in Design

Eureka Well Replacement

- Easement acquisition for development water disposal
 - Obtained right of entry agreement for design investigation
 - Temporary construction easement pending
- 90% design review in progress
- Temporary power activated
- Tentative Board authorization to bid – September 2019
- Tentative Board bid award – November 2019



Projects in Design

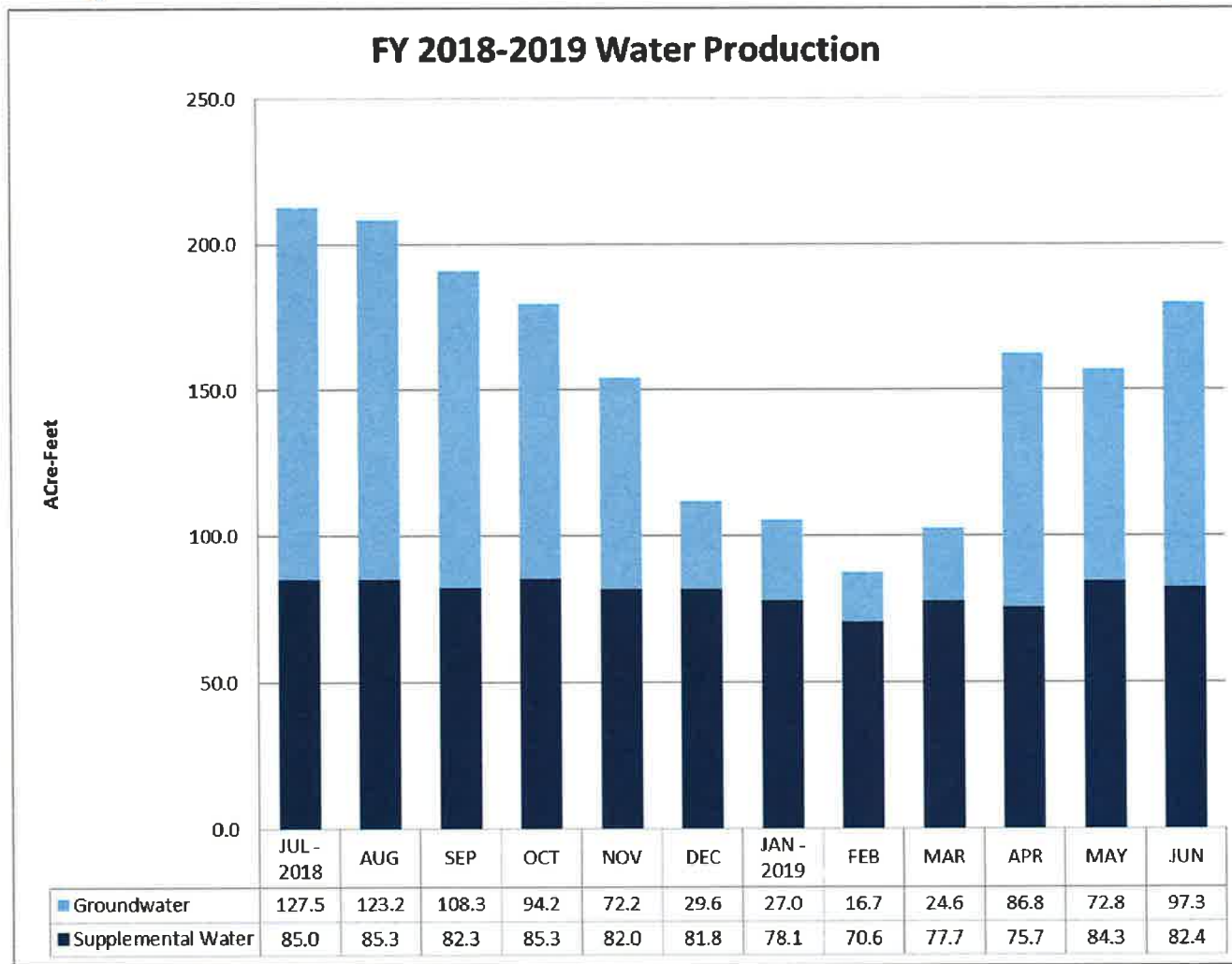
Nipomo Palms Lift Station Replacement

- 90% design plan review in progress
- Tentative Board authorization to bid – November 2019
- Tentative Board bid award – January 2020

Woodgreen Lift Station Replacement

- 50% design plans pending
- Tentative Board authorization to bid– February 2020
- Tentative Board bid award – April 2020

Operations – Water System



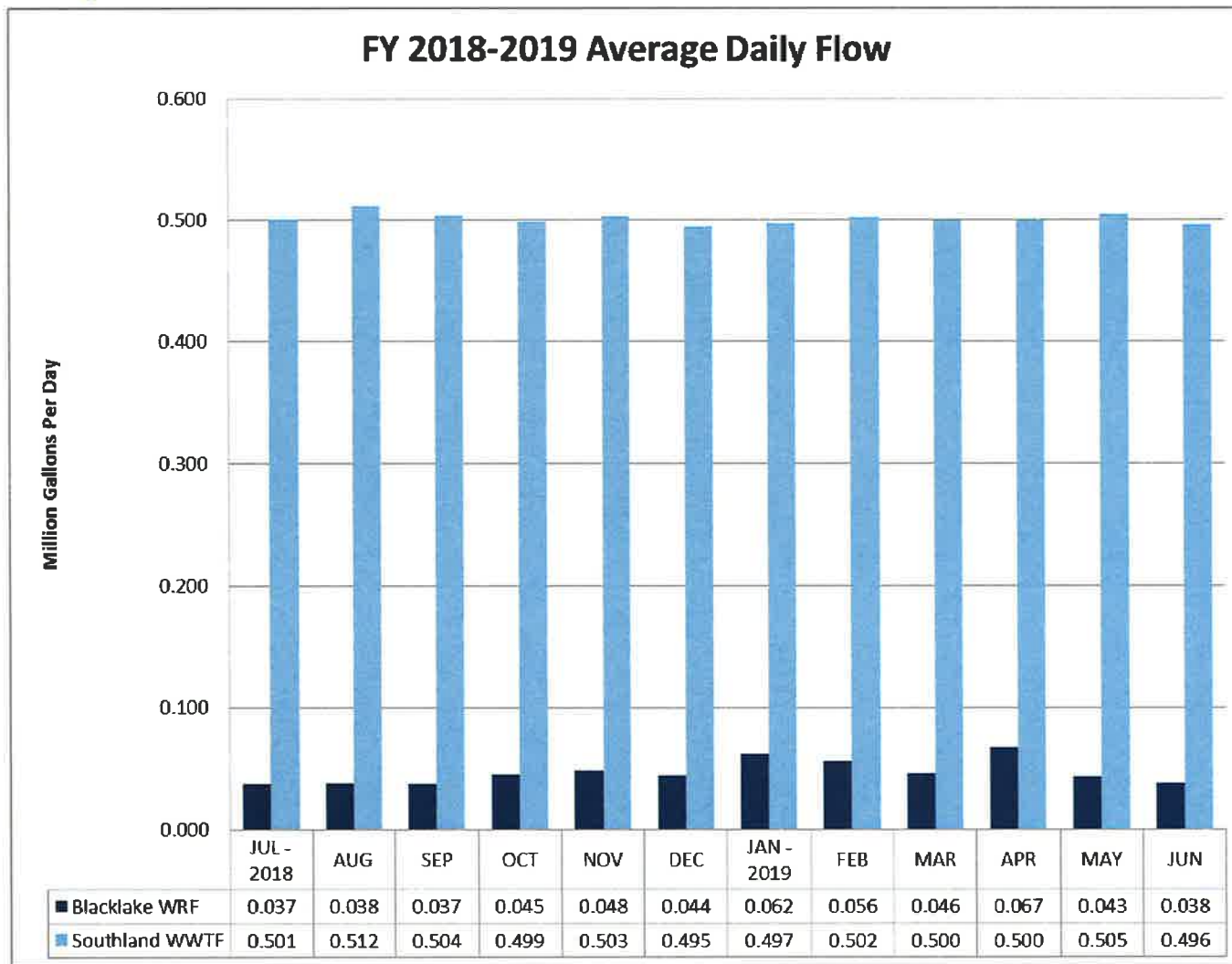
Supplemental Water	970.5 AF
Groundwater	880.1 AF
FY 18-19 Total Production	1850.6 AF



Operations – Water System

- **State Water Resources Control Board Division of Drinking Water**
 - Routine monthly and quarterly reports submitted
 - UCMR₄ third round completed June 2019
 - 2018 Consumer Confidence Report prepared and submitted
- **Other Water Operations**
 - Hit hydrant – 2
 - Service line leaks – 1
 - Watermain breaks - 1

Operations – Wastewater



Blacklake WRF	16 MG
Southland WWTF	183 MG
FY 18-19 Total Wastewater Flow Treated	199 MG



Operations – Wastewater System

- **State Water Resources Control Board**
 - Routine monthly and quarterly reports submitted
 - Successfully passed laboratory proficiency tests
- **Other Wastewater Operations**
 - Blowers serviced at Southland WWTF
 - Completed annual compliance certification for Southland WWTF and Blacklake WRF flow meters
 - Replaced tracks on skid steer used for biosolids mixing

Other Engineering and Operations

- **Other**

- Blacklake Sewer Consolidation Study
- Replacement Truck Ordered and received

- **Personnel**

- Wastewater Operator 1 Recruitment – Completed
 - New operator starts 7/22
- Operator in Training obtained Wastewater Operator 1 Certificate

Other Engineering and Operations

- **New Development**

- 164 Mallagh – Multifamily - Finalized
- CO 17-0131 – Frank Court – Single Family Residential – In construction
- Tract 2441 – Blume – Single Family Residential – In construction
- Tract 2558 – Magenta – Single Family Residential – In construction
- Tract 2650 – Via Concha – Single Family Residential – Finalized



Engineering and Operations

Questions

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER



DATE: JULY 18, 2019

AGENDA ITEM

D

JULY 24, 2019

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 JULY 10, 2019, REGULAR BOARD MEETING MINUTES
[RECOMMEND APPROVE MINUTES]
- D-3) REVIEW INVESTMENT POLICY – SECOND QUARTER REPORT [RECOMMEND
ACCEPT AND FILE REPORT]
- D-4) AUTHORIZE PURCHASE OF REPLACEMENT TRACTOR IN ACCORDANCE WITH
APPROVED FY 19-20 BUDGET [RECOMMEND AUTHORIZE STAFF TO
PURCHASE REPLACEMENT TRACTOR FROM CAL-COAST MACHINERY AT A
COST OF \$56,619]
- D-5) CONSIDER UPDATE/REVISIONS TO EMPLOYEE HANDBOOK [RECOMMEND
REVIEW, EDIT IF NEEDED, AND DIRECT STAFF TO PROVIDE TO EMPLOYEES
FOR REVIEW AND COMMENT]

TO: BOARD OF DIRECTOR

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER



FROM: LISA BOGNUDA
FINANCE DIRECTOR



DATE: JULY 19, 2019

AGENDA ITEM
D-1
JULY 24, 2019

WARRANTS WILL BE DISTRIBUTED ON TUESDAY, JULY 23, 2019

TO: BOARD OF DIRECTORS
FROM: MARIO IGLESIAS
GENERAL MANAGER
DATE: JULY 19, 2019



**APPROVE JULY 10, 2019
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. July 10, 2019 draft Regular Board Meeting Minutes

JULY 24, 2019

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

DRAFT REGULAR MINUTES

JULY 10, 2019 AT 9:00 A.M.

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

BOARD of DIRECTORS

ED EBY, PRESIDENT
DAN ALLEN GADDIS, 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.

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.

A. CALL TO ORDER AND FLAG SALUTE

President Eby called the Regular Meeting of July 10, 2019, to order at 9:00 a.m. and led the flag salute.

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

At Roll Call, all Board Members were present.

C. PRESENTATIONS AND REPORTS

C-1) RECEIVE GOVERNMENT FINANCE OFFICERS ASSOCIATION AWARD AND RECOGNIZE DISTRICT AND STAFF [RECOMMEND RECEIVE AND FILE]

President Eby accepted the award on behalf of the District and presented the plaque to Lisa Bognuda, Finance Director. This is the sixth consecutive year the District has received the award for Financial Accounting excellence.

C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS [RECEIVE ANNOUNCEMENTS AND REPORTS FROM DIRECTORS]

Director Blair

- July 4, attended 4th of July parade.

Director Gaddis

- July 1, attended Board Officers' meeting.

Director Eby

- June 27, attended NMMA meeting.
- July 1, attended Board Officers' meeting.
- July 2, attended Blacklake Management Association meeting.
- July 4, attended 4th of July parade.

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

Pam Wilson, NCSD customer, congratulated Lisa Bognuda on receiving award.

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District
DRAFT REGULAR MEETING
MINUTES**

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

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

D. CONSENT AGENDA

D-1) WARRANTS [RECOMMEND APPROVAL]

D-2) APPROVE JUNE 12, 2019, REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]

D-3) ADOPT REVISIONS TO STANDARD SPECIFICATIONS FOR WATER AND SEWER SYSTEM IMPROVEMENTS [RECOMMEND ADOPT RESOLUTION]

D-4) ACCEPT OFFER OF WATER IMPROVEMENTS AND EASEMENTS FOR TRACT 2650 [RECOMMEND ADOPT RESOLUTION ACCEPTING OFFER OF IMPROVEMENTS AND EASEMENT]

D-5) AUTHORIZE PURCHASE OF REPLACEMENT TRUCK IN ACCORDANCE WITH APPROVED FY 19-20 BUDGET [RECOMMEND AUTHORIZE STAFF TO PURCHASE REPLACEMENT TRUCK FROM PERRY FORD AT A COST OF \$30,292]

D-6) DECLARE 2010 FORD PICKUP TRUCK AND JOHN DEERE 110 TRACTOR SURPLUS AND AUTHORIZE SALE [RECOMMEND DECLARE 2010 FORD PICKUP AND JOHN DEERE 110 SURPLUS AND AUTHORIZE STAFF TO DISPOSE OF BY SALE]

Director Woodson requested Item D-3 be pulled from the Consent Agenda.

Peter Sevcik, Director of Engineering and Operations, answered questions from the Board.

There was no public comment.

*Upon the motion of Director Armstrong and seconded, the Board unanimously approved Consent Agenda, Items D-1, D-2, D-4, D-5 and D-6.
Vote 5-0.*

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

RESOLUTION NO. 2019-1514

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING TRACT 2650 EASEMENT AND WATER IMPROVEMENTS**

President Eby directed Staff to bring back Item D-3 at a future meeting after meeting with Director Woodson.

E. ADMINISTRATIVE ITEMS

- E-1) MURPHY PROPERTY RIGHT-OF-ENTRY AGREEMENT [RECOMMEND AUTHORIZE GENERAL MANAGER TO EXECUTE RIGHT-OF-ENTRY AGREEMENT]

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

There were no public comments.

*Upon the motion of Director Blair and seconded, the Board unanimously approved the Right-Of Entry Agreement and directed the General Manager to execute the agreement.
Vote 5-0.*

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

- E-2) AUTHORIZE STAFF TO EXECUTE AGREEMENT FOR DEWATERING OF BLACKLAKE WASTEWATER RECLAMATION FACILITY SLUDGE WITH KARL NEEDHAM ENTERPRISES IN THE AMOUNT OF \$252,880 [RECOMMEND ADOPT RESOLUTION AUTHORIZING STAFF TO EXECUTE AGREEMENT FOR DEWATERING SLUDGE

Peter Sevcik, Director of Engineering and Operations, presented the item and answered questions from the Board.

Ken Pacofsky, NCSD customer, asked questions about the sludge removal process.

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

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

RESOLUTION NO. 2019-1515

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING STAFF TO EXECUTE AGREEMENT FOR DEWATERING BLACKLAKE WASTEWATER RECLAMATION FACILITY SLUDGE WITH KARL NEEDHAM ENTERPRISES IN THE AMOUNT OF \$252,880

- E-3) CONSIDER REQUEST FOR WATER, SEWER AND SOLID WASTE SERVICE (INTENT-TO-SERVE LETTER) FOR A MIXED USE (COMMERCIAL AND RESIDENTIAL) DEVELOPMENT LOCATED AT 115 SPARKS STREET, APN 090-143-005 [RECOMMEND CONSIDER INTENT-TO-SERVE LETTER AND APPROVE WITH CONDITIONS]

Peter Sevcik, Director of Engineering and Operations, presented the item and answered questions from the Board.

There were no public comments.

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
DRAFT REGULAR MEETING
MINUTES

*Upon the motion of Director Blair and seconded, the Board unanimously approved the Intent-To-Serve Letter with conditions outlined in Staff Report.
Vote 5-0.*

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

- E-4) CONSIDER REQUEST FOR WATER AND SOLID WASTE SERVICE (INTENT-TO-SERVE LETTER) FOR CO 18-0042, A 4 PARCEL RESIDENTIAL DEVELOPMENT AT 750 SANDYDALE DRIVE, APN 091-325-059 [RECOMMEND CONSIDER INTENT-TO-SERVE LETTER AND APPROVE WITH CONDITIONS]

Peter Sevcik, Director of Engineering and Operations, presented the item and answered questions from the Board.

There were no public comments.

*Upon the motion of Director Blair, and seconded, the Board unanimously approved the Intent-To-Serve Letter with conditions outlined in Staff Report.
Vote 5-0.*

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

- E-5) CONSIDER REQUEST FOR WATER, SEWER AND SOLID WASTE SERVICE (INTENT-TO-SERVE LETTER) FOR TRACT 3056, A 39 UNIT RESIDENTIAL DEVELOPMENT ON FLINT PLACE, APNS 092-575-001 AND 092-576-005 [RECOMMEND CONSIDER INTENT-TO-SERVE LETTER AND APPROVE WITH CONDITIONS]

Peter Sevcik, Director of Engineering and Operations, presented the item and answered questions from the Board.

James Bednar, owner of the project, answered questions from the Board and stated that commercial zoning allows for multi-family residential units to be built without triggering a re-zoning or general plan amendment.

Ken Pacofsky, NCSD customer, asked if new developments were being supplied from the Nipomo Supplemental Water project and in lieu of groundwater pumping.

President Eby expressed concern that the project's water demand was greater than the District's demand calculations for the parcel and, if so, may have a negative impact on the District's ability to fully serve all parcels in its boundaries. He directed staff to re-examine the demand analysis for various types of lots based on zoning and report back to the Board at a future Board meeting.

Director Gaddis expressed concerns about the adequacy of fire safety for the area, questioning applicant on access for public safety personnel and hydrant location. Applicant responded that these matters were under review by the local fire authority and hydrants will be set to District specifications.

**Nipomo Community Services District
DRAFT REGULAR MEETING
MINUTES**

*Upon the motion of Director Blair, and seconded, the Board approved the Intent-To-Serve Letter with conditions outlined in Staff Report.
Vote 3-2.*

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

F. GENERAL MANAGERS REPORT

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

There were no public comments.

G. COMMITTEE REPORTS

None

H. DIRECTORS' REQUEST TO STAFF AND SUPPLEMENTAL REPORTS

Director Woodson requested instructions for access to guest wi-fi be posted in the Board Room.

I. CLOSED SESSION ANNOUNCEMENTS

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

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There were no public comments.

Whitney McDonald, District Legal Counsel, announced that there was no need for Closed Session.

ADJOURN

President Eby adjourned the meeting at 10:27 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hour 27 minutes
Closed Session	0 hour 00 minutes
TOTAL HOURS	0 hour 27 minutes

Respectfully submitted,

Mario Iglesias, General Manager and Secretary to the Board Date

TO: BOARD OF DIRECTOR

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: JULY 19, 2019



REVIEW INVESTMENT POLICY SECOND QUARTER REPORT

ITEM

Review Investment Policy Second Quarter Report [RECOMMEND ACCEPT AND FILE REPORT]

BACKGROUND

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

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

INVESTMENT POLICY-SECOND QUARTER REPORT 6/30/19

Investment	Institution	Amount of Deposit 6/30/19	Rate of Interest at 6/30/19	Quarterly Interest Earned or Accrued 6/30/19	Amount of Deposit 6/30/18	Rate of Interest at 6/30/18	Quarterly Interest Earned or Accrued 6/30/18
Public Checking(1)	Rabobank	\$210,087.80	(1)	(1)	\$175,797.90	0.00%(1)	\$0.00
Pooled Money Investment	Local Agency Investment Fund (LAIF)	\$19,440,101.71	2.57%	\$123,522.00	\$16,574,476.83	1.90%	\$78,370.27
Savings-NSWP Funded Replacement (2)	Five Star/Rabobank	\$792,352.07	2.48%	\$4,656.59	\$570,456.91	0.20%	\$265.38
Savings-Performance Bonds (3)	Five Star/Rabobank	\$206,758.67	2.48%	\$1,252.74	\$202,296.50	0.20%	\$100.83
Savings-Improvement Bonds (3)	Rabobank	\$29,266.48	0.08%	\$5.83	\$29,263.14	0.20%	\$5.83

(1) Analyzed Account

(2) Nipomo Supplemental Water (NSWP) Funded Replacement Fund (Held at Rabobank until 7/3/18 then transferred to Five Star Bank)

(3) Held in Trust – to be returned to developer upon completion of project (Held at Rabobank until 7/3/18 then transferred to Five Star Bank)

RECOMMENDATION

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

ATTACHMENTS

None

TO: BOARD OF DIRECTORS
REVIEWED: MARIO IGLESIAS
GENERAL MANAGER
FROM: PETER V. SEVCIK, P.E.
DIRECTOR OF
ENGINEERING & OPERATIONS
DATE: JULY 12, 2019



AUTHORIZE PURCHASE OF REPLACEMENT TRACTOR IN ACCORDANCE WITH APPROVED FY 19-20 BUDGET

ITEM

Authorize staff to purchase replacement tractor in accordance with approved FY 19-20 Budget [RECOMMEND AUTHORIZE STAFF TO PURCHASE REPLACEMENT TRACTOR FROM CAL-COAST MACHINERY AT A COST OF \$56,619].

BACKGROUND

The District's FY 2019-2020 budget allocated funding for the purchase of one replacement tractor. The tractor will replace a 2008 tractor that is no longer cost effective to service.

The District is a member of Sourcewell (Formerly the National Joint Powers Alliance), a national government purchasing cooperative, which provides the District the opportunity to purchase through nationally bid contracts. The District has purchased several generators and other equipment over the last few years through Sourcewell vendors at a considerable cost savings to the District. A current Sourcewell equipment vendor is John Deere Corporation and the local representative is the Cal-Coast Machinery. District staff solicited a proposal from Cal-Coast machinery for a tractor. Cal-Coast Machinery provided a Sourcewell quote of \$56,619 for a John Deere Model 5075E tractor.

FISCAL IMPACT

Funding in the amount of \$60,000 was allocated in the FY 2019-2020 District budget for the purchase of one replacement tractor.

RECOMMENDATION

Staff recommends that the Board, by motion and roll call vote, authorize staff to purchase one replacement tractor from Cal-Coast Machinery in the amount of \$56,619.

ATTACHMENTS

None.