

TO: BOARD OF DIRECTORS

FROM: CRAIG A. STEELE
GENERAL COUNSEL

**AGENDA ITEM
D-4
FEBRUARY 8, 2023**

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER 

DATE: FEBRUARY 3, 2023

ANNUAL REVIEW OF BOARD BY-LAWS AND POLICIES

ITEM

Consider District Counsel's Report on Annual Review of Board By-Laws and Policies, Approve Minor Revisions [RECOMMEND ADOPT RESOLUTION TO ADOPT MINOR REVISIONS]

BACKGROUND

Pursuant to Section 16 of the Board By-Laws, the By-Laws and Policies are required to be reviewed annually. The review is to be provided by District Counsel and ratified by Board action.

I have reviewed the Board Bylaws and Policies and, following consultation with staff, recommend that your Board adopt two amendments this year. First, we recommend that the Board change Section 10/1(c) to reflect current standards for reimbursement of Board members' *per diem* expenses when traveling in-State on District business. The outdated Bylaw now allows for reimbursement of meal costs on a low per meal basis, which is likely inadequate in most locations in California. Every year, the IRS establishes a maximum reimbursement rate for travel expenses based on the county to which the individual travels. Currently, the IRS permits reimbursement for *per diem* expenses at \$74 per day, rather than by meal. Since the District already reimburses for mileage at the IRS approved rate, using the IRS *per diem* rate will be consistent, more realistic, and easier to administer.

The proposed changes to Section 14.1 of the Bylaws respond to SB 1439, which took effect on January 1, 2023. Under this new law, local elected officials may now be disqualified from participating in future proceedings where campaign contributors of more than \$250 are "parties" or "participants." Additionally, local elected officials will be prohibited from soliciting or accepting such campaign contributions from involved parties or participants during, and for 12 months after, a local agency decision on contracts, licenses, permits, and use entitlements. This amendment incorporates SB 1439 into the Bylaws as a reminder to Board members.

Otherwise, the Bylaws and Policies remain current and consistent with applicable law.

FISCAL IMPACT

Funds for staff time to support the Board's direction to review and revise By-Laws are included in the FY 2022-23 Budget.

STRATEGIC PLAN

Goal 6 – GOVERNANCE AND ADMINISTRATION – Conduct District activities in an efficient, equitable and cost-effective manner.

6.1– Board carry out an annual self-evaluation seeking to provide better policy guidance, by-laws, and increase efficiency and effectiveness

RECOMMENDATION

Staff recommends that your Honorable Board adopt the attached resolution to approve two revisions to the Board By-Laws.

ATTACHMENT

- A. Resolution 2020-1544, 2020 Board By-laws
- B. Resolution No. 2023-XX

FEBRUARY 8, 2023

ITEM D-4

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2020-1544**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING AMENDED BOARD BY-LAWS**

WHEREAS, the Board of Directors of Nipomo Community Services District (District) is committed to providing excellence in legislative leadership; and

WHEREAS, Section 16 of the Board By-Laws and Policies provides for the annual review of the Board By-Laws and Policies by District Legal Counsel; and

WHEREAS, Government Code §61045 requires the Board of Directors to adopt Rules or By-laws governing its proceedings; and

WHEREAS, as required by the existing Bylaws, District Legal Counsel has reviewed the District's previously adopted Board By-Laws and Policies and recommended that the District Board of Directors adopt certain revisions; and

WHEREAS, the District Board has considered the proposed amendments and provided an opportunity for public comment regarding the proposed revisions to the Board By-Laws.

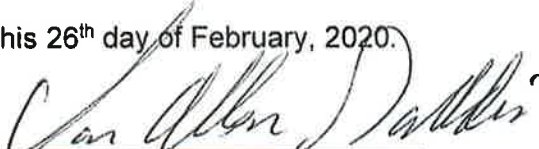
NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Nipomo Community Services District, as follows:

1. The amendment to the Nipomo Community Services District Board By-Laws and Policies attached hereto as Exhibit "A" is hereby approved and adopted.

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

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


the foregoing resolution is hereby passed and adopted this 26th day of February, 2020.



DAN ALLEN GADDIS
Board President
Nipomo Community Services District

ATTEST:


MARIO IGLESIAS
General Manager and Secretary to the Board

APPROVED:


CRAIG A. STEELE
District Legal Counsel

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1. OFFICERS OF THE BOARD OF DIRECTORS

- 1.1 The officers of the Board of Directors are President and Vice President.
- 1.2 The President of the Board of Directors shall serve as chairperson at all Board meetings. He/She shall have the same rights as the other Directors of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions.
- 1.3 In the absence of the President, the Vice President of the Board of Directors shall serve as chairperson over all meetings of the Board. If the President and Vice President of the Board are both absent, the remaining Directors present shall select one of themselves to act as chairperson of the meeting.
- 1.4 The President and Vice President of the Board shall be elected annually at the last meeting of each calendar year.
- 1.5 The term of office for the President and Vice President of the Board shall commence on January 1 of the year immediately following their election.

2. MEETINGS

- 2.1 Subject to holiday and scheduling conflicts, regular meetings of the Board of Directors shall commence at 9:00 a.m. on the second and fourth Wednesday of each calendar month in the Board Room at the District Office located at 148 South Wilson, Nipomo, CA. The Board of Directors reserves the right to cancel and/or designate other dates, places, and times for Director Meetings due to scheduling conflicts and holidays.
- 2.2 Special Meetings.

Special meetings may be called by the President or three (3) Directors with a minimum of twenty-four (24) hours public notice. Special meeting agenda shall be prepared and distributed pursuant to the procedures of the Brown Act by the General Manager or the Assistant General Manager in consultation with the President or, in his or her absence, the Vice President or those Directors calling the meeting.
- 2.3 Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.
- 2.4 No action or discussion may be taken on an item not on the posted agenda; provided, however, matters deemed to be emergencies or of an urgent nature may be added to the agenda under the procedures of the Brown Act. Pursuant to the Brown Act:
 - (a) Directors may briefly respond to statements or questions from the public;

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- (b) Directors may, on their own initiative or in response to public questions, ask questions for clarification, provide references to staff or other resources for factual information, or request staff to report back at a subsequent meeting;
 - (c) The Board may take action to direct the General Manager to place a matter on a future agenda;
 - (d) Directors may make brief announcements or make a brief report on his/her own activities under the Director Comment portion of the Agenda.
- 2.5 The President, or in his/her absence the Vice President, shall be the presiding officer at District Board meetings. He/She shall conduct all meetings in a manner consistent with the policies of the District. He/She shall determine the order in which agenda items shall be considered for discussion and/or actions taken by the Board. He/She shall vote on all questions, and on roll call votes his/her name shall be called last.
- 2.6 Three (3) Directors of the Board shall constitute a quorum for the transaction of District business. When a quorum is lacking for a regular, adjourned, or special meeting, the President, Vice President, or any Director shall adjourn such meeting; or, if no Director is present, the District Secretary shall adjourn the meeting.
- 2.7 Except as otherwise specifically provided by law, a majority vote of the total membership of the Board of Directors is required for the Board of Directors to take action.
- 2.8 A roll call vote shall be taken upon the passage of all ordinances and resolutions, and shall be entered in the minutes of the Board, showing those Directors voting aye, those voting no, those temporarily absent because of a conflict of interest, and absent. A roll call vote shall be taken and recorded on any motion not passed unanimously by the Board. Silence shall be recorded as an affirmative vote.
- 2.10 Any person attending a meeting of the Board of Directors may record the proceedings with an audio or video recorder or a still or motion picture camera in the absence of a reasonable finding that the recording cannot continue without disruptive noise, illumination, or obstruction of view that constitutes or would constitute a disruption of the proceedings.
- 2.11 All recording devices, including but not limited to , audio or video recorders, still and/or motion picture cameras shall remain stationary and shall be located and operated in plain public view and from behind the public speaker's podium. The President retains the discretion to alter these guidelines, including the authority to require that all audio or video recorders, still and/or motion picture cameras be located in the back of the room.

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3. AGENDAS

- 3.1. The General Manager, in cooperation with the Board President, shall prepare the agenda for each regular and special meeting of the Board of Directors. Any Director may call the General Manager and request an item to be placed on the regular meeting agenda no later than 4:30 p.m. twelve calendar days prior to the meeting date. Such a request must be also submitted in writing either at the time of communication with the General Manager or delivered to the office within the next working day.
- 3.2. The following applies to reconsideration of prior Board actions.
- (a) After the passage of 9 months from the effective date of the motion, resolution, or ordinance, the matter may be placed on the agenda pursuant to Section 3.1, above, or other provisions of the Brown Act.
 - (b) Prior to the passage of 9 months, any member of the Board of Directors or the General Manager may request the Board of Directors, by motion, to agree to reconsider a prior Board action at a subsequent meeting of the Board.
 - (c) The President of the Board of Directors, upon a determination that there is a need to take immediate action, may place an item on the agenda for reconsideration.
- 3.3. Comments on agendized items should be held until the appropriate item is called.
- 3.4. Those items on the District Agenda which are considered to be of a routine and non-controversial nature are placed on the "Consent Agenda". These items shall be approved, adopted, and accepted, etc. by one motion of the Board of Directors; for example, approval of Minutes, approval of Warrants, various Resolutions accepting developer improvements, minor budgetary items, status reports, and routine District operations.
- (a) Directors may request that any item listed under "Consent Agenda" be removed from the "Consent Agenda", and the Board will then take action separately on that item. Members of the public will be given an opportunity to comment on the "Consent Agenda"; however, only a member of the Board of Directors can remove an item from the "Consent Agenda". Items which are removed ("pulled") by Directors of the Board for discussion will typically be heard after other "Consent Agenda" items are approved unless the President chooses an earlier or later time.

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- (b) A Director may ask questions on any item on the "Consent Agenda". When a Director has a minor question for clarification concerning a consent item which will not involve extended discussion, the item may be discussed for clarification and the questions will be addressed along with the rest of the "Consent Agenda". Directors are encouraged to seek clarifications prior to the meeting if possible.
- (c) When a Director wishes to consider/"pull" an item simply to register a dissenting vote, an abstention or conflict of interest, the Director shall inform the presiding officer that he/she wishes to register a dissenting vote, an abstention or conflict of interest, on a particular item without discussion. The item will be handled along with the rest of the Consent Agenda, and the District Secretary shall register a "no" vote, an abstention or conflict of interest, in the minutes on the item identified by the Director.

4. PREPARATION OF MINUTES AND MAINTENANCE OF RECORDINGS

- 4.1 The minutes of the Board shall be kept by the District Secretary and shall be neatly produced and kept in a file for that purpose, with a record of each particular type of business transacted set off in paragraphs with proper subheads.
- 4.2 The minutes of the Board of Directors shall record the aye and no votes taken by the members of the Board of Directors for the passage or denial of all ordinances, resolutions, or motions.
- 4.3 The District Secretary shall be required to make a record only of such business as was actually considered by a vote of the Board and, except as provided in Sections 4.4 and 4.6 below, shall not be required to record any remarks of Directors or any other person.
- 4.4 The District Secretary shall attempt to record the names and general place of residence of persons addressing the Board during general public comment.
- 4.5 Any Director may request for inclusion into the minutes brief comments pertinent to an agenda item, only at the meeting in which the item is discussed. In addition, the minutes shall include the names of speakers who provided public comment on each agenda item and a summary of the Directors' reports. Materials submitted with such comments shall be

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appended to the minutes at the request of the General Manager, District Counsel, the Board President, or any Director.

- 4.6 Whenever the Board acts in a quasi-judicial proceeding such as in assessment matters, the District Secretary shall compile a summary of the testimony of the witnesses.
 - 4.7 Any recording of a District meeting made for whatever purpose at the direction of the District shall be subject to inspection pursuant to the California Public Records Act. Consistent with Government Code Section 54953.5(b), the District will maintain the recordings for a 30-day period after the recording. During the 30-day period, the District will provide, without charge, the necessary equipment for inspection of said recordings at the District Office during regular business hours. In addition to the 30-day requirement, the District will maintain the recordings- in accordance with its current Records Retention Policy
5. DIRECTORS
- 5.1 Directors shall prepare themselves to discuss agenda items at meetings of the Board of Directors. Directors are encouraged to seek clarification prior to the meeting, if possible.
 - 5.2 Members of the Board of Directors shall exercise their independent judgment on behalf of the interest of the entire District, including the residents, property owners and the public as a whole.
 - 5.3 Information may be requested from staff before meetings, within such limitations as required by the Brown Act. Information that is requested shall be distributed through the General Manager, and all Directors will receive a copy of all information being distributed.
 - 5.4 Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.
 - 5.5 Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disrespectful to others.
 - 5.6 Pursuant to §54952.2 of the Brown Act:
 - (a) Except during an open and public meeting, a majority of the Board of Directors shall not use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter of the District.

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(b) Subsection (a) above shall not be construed as preventing District management staff from engaging in separate conversations or communications with members of the District Board of Directors in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the District, provided that District Staff does not communicate to members of the Board of Directors the comments or positions of any other member or members of the Board of Directors.

5.7 Directors shall not be prohibited by action of the Board of Directors from citing his or her District affiliation or title in any endorsement or publication, so long as no misrepresentation is made, or implied, about the District's position on an issue.

6. AUTHORITY OF DIRECTORS

6.1 The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, a Director has no individual authority. As individuals, Directors may not commit the District to any policy, act, or expenditure.

6.2 Directors do not represent any fractional segment of the District but are, rather, a part of the body which represents and acts for the District as a whole.

6.3 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.

7. AUTHORITY OF THE GENERAL MANAGER

Pursuant to Government Code §61051, the General Manager shall be responsible for the following:

7.1. The implementation of the policies established by the Board of Directors for the operation of the District;

7.2 The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board of Directors;

7.3 The supervision of the District's facilities and services;

7.4 The supervision of the District's finances.

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8. DIRECTOR GUIDELINES

- 8.1 Directors, by making a request to the General Manager or Assistant General Manager, shall have access to information relative to the operation of the District, including but not limited to statistical information, information serving as the basis for certain actions of Staff, justification for Staff recommendations, etc. If the General Manager or the Assistant General Manager cannot timely provide the requested information by reason of information deficiency, or major interruption in work schedules, workloads, and priorities, then the General Manager or Assistant General Manager shall inform the individual Director why the information is not or cannot be made available.
- 8.2 In handling complaints from residents or property owners within the District, or other members of the public, Directors are encouraged to listen carefully to the concerns, but the complaint should be referred to the General Manager for processing and the District's response, if any.
- 8.3 Directors, when seeking clarification of policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, should refer said concerns directly to the General Manager.
- 8.4 When approached by District personnel concerning a specific District policy, Directors should direct inquiries to the General Manager or Assistant General Manager. The chain of command should be followed. If a Director concludes that a personnel issue is not being adequately addressed in this manner, he/she should refer it to the Board's standing Administration Committee for further consideration, in accordance with District Personnel Policy.
- 8.5 Directors and General Manager should develop a working relationship so that current issues, concerns, and District projects can be discussed comfortably and openly.
- 8.6 When responding to constituent requests and concerns, Directors should respond to individuals in a positive manner and route their questions to the General Manager, or in his/her absence, to the Assistant General Manager.
- 8.7 Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

9. DIRECTOR COMPENSATION

- 9.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular adjourned or special meeting of the Board of Directors attended by him/her.

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- 9.2 Each Director appointed to a committee is authorized to receive one hundred dollars (\$100) as compensation for each public meeting of a standing committee attended by him/her.
- 9.3 Each Director appointed to an ad hoc committee is authorized to receive seventy-five dollars (\$75.00) as compensation for each ad hoc committee meeting attended by him/her.
- 9.4 In no event shall Director compensation exceed \$100 per day.
- 9.5 Director compensation shall not exceed six full days in any one calendar month.
10. DIRECTOR REIMBURSEMENT
- 10.1 Subject to the following rules and budgetary limitations, each Director is entitled to reimbursement for their actual and necessary expenses (including the cost of programs and seminars), for his/her attendance at programs, conferences, and seminars that are related to District functions and/or Director development.
- (a) It is the policy of the District to exercise prudence with respect to hotel/motel accommodations. It is also the policy of the District for Directors and staff to stay at the main hotel/motel location of a conference, seminar, or class to gain maximum participation and advantage of interaction with others whenever possible.
- If lodging is in connection with a conference or organized education activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board of Directors at the time of booking. If the group rate is not available, the Director shall use lodging that is comparable with the group rate. Personal phone calls, room service, and other discretionary expenditures are not reimbursable.
- (b) Members of the Board of Directors shall use government and group rates offered by a provider of transportation for travel when available. Directors, using his/her private vehicle on District business, shall be compensated at the prevailing IRS per diem mileage rate.
- (c) Any Director traveling on District business shall receive in addition to transportation and lodging expenses, a per diem allowance to cover ordinary expenses such as meals, refreshments, and tips. The amount set for per diem shall be

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considered fair reimbursement. The per diem shall include \$10.00 for breakfast, \$15.00 for lunch and \$30.00 for dinner, for a daily total of \$55.00.

- (d) All travel and other expenses for District business, conferences, or seminars outside of the State of California shall require separate Board authorization, with specific accountability as to how the District shall benefit by such expenditure.
- 10.2 All expenses that do not fall within the reimbursement policy set forth in 10.1, above, shall be approved by the Board of Directors, at a public meeting, before the expense is incurred.
- 10.3 Board members shall submit an expense report on the District form within thirty (30) calendar days after incurring the expense. The expense report shall be accompanied by receipts documenting each expense. Expense reports for mileage, as referenced in Section 10.1(b), shall be submitted no later than the end of each quarter (March, June, September, and December).
- 10.4 Members of the Board of Directors shall provide brief reports on the program, conferences, and seminars attended at the expense of the District at the next regular meeting of the Board of Directors.

11. TRAINING

11.1 Ethics Training

- (a) Pursuant to sections 53234 et seq. of the Government Code, all Directors and designated District personnel shall receive at least 2 hours of ethics training every two years.
- (b) Each newly elected Board Member and designated District personnel shall receive ethics training no later than one year from the first day of service with the District and thereafter shall receive ethics training at least once every two years.

11.2 Harassment Prevention Training

Board members, the General Manager, and supervisors that are designated in the Districts conflict of interest code, shall receive harassment prevention training in accordance with the law.

12. COMMITTEES

12.1 Ad Hoc Committees

The Board President shall appoint such ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The duties of the ad hoc committees shall be outlined at the time of appointment,

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and the committee shall be considered dissolved when its final report has been made.

12.2 Standing Committees

- (a) The Board may create standing committees at its discretion. The Board President shall propose and the Board of Directors shall approve standing committee membership.
- (b) Standing committees shall be advisory committees to the Board of Directors and shall not commit the District to any policy, act or expenditure. Each standing committee may consider District-related issues, on a continuing basis, assigned to it by the Board of Directors. Members of the standing committees shall be appointed by the Board of Directors.
- (c) All standing committee meetings shall be conducted as public meetings in accordance with the Brown Act and Sections 2, 3 and 4 of these By-Laws. Summary notes for each meeting of each committee shall be forwarded to the NCSD Board of Directors as a public record.

13. CORRESPONDENCE DISTRIBUTION POLICY

Time permitting, the following letters and other documents shall be accumulated and delivered to the Board of Directors by Monday of each week and/or with agenda packet.

- 13.1 All letters approved by the Board of Directors and/or signed by the President on behalf of the District, and
- 13.2 All letters and other documents received by the District that are of District-wide concern, as determined by District staff.

14. CONFLICTS AND RELATED POLICY

State laws and a local conflict of interest policy are in place to prohibit Directors and designated employees of the District from making, participating in making, or using their official positions to influence a governmental decision that may have a material financial effect (positive or negative) on that individual's financial interests.. The purpose of such laws and regulations is to insure that all actions are taken in the public interest, and to eliminate not only actual impropriety in the District's decision-making process, but also any appearance of impropriety. Laws which regulate conflicts of interest are very complicated, and the consequences of a violation are significant. The following provides a very brief summary of various conflict related laws. Directors and District employees are encouraged to consult with District Legal Counsel and/or the FPPC at 1-800-ASK-FPPC (1-800-275-3772), prior to the day of the meeting, if they have questions about a particular agenda item in which they may have a conflict of interest.

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14.1 Conflict of Interest

Each Director is encouraged to review the District Conflict Code on an annual basis, and take advantage of training opportunities to learn or refresh their knowledge of conflict of interest rules. The general rule is that an official may not make, participate in making, or use their official position to influence a governmental decision if it is: reasonably foreseeable that the decision will have a material financial effect on the official or a member of his or her immediate family or on an economic interest of the official or his or her immediate family, and the effect is distinguishable from the effect on the public generally.

14.1.1 FPPC regulations related to interests in real property provide that, if the real property in which the Director has an interest is located 500 feet or less from the boundaries of the property affected by a decision, the impact of the decision on that interest is deemed to be material, and the official has a conflict of interest, unless there is "clear and convincing evidence" that the decision will not have any measurable impact on the official's property. For decisions that affect real property that is located between 500 feet and 1,000 feet of the official's real property interest, the decision is presumed to be material, and the official has a conflict of interest, if the decision would change the parcel's market value, development potential, income potential, highest and best use, or character by substantially altering traffic levels, intensity of use, parking,, view, privacy, noise levels or air quality. For decisions that involve real property that is located more than 1000 feet from the official's real property, the regulations assume that the effect of a decision on an official's real property interest is **not** material, and thus not a conflict of interest, unless there is clear and convincing evidence to the contrary.

14.1.2 FPPC Regulations also govern conflicts of interest and establish materiality standards for decisions that would affect officials' sources of income or gifts, investments, business positions, and the other financial interests that each official is required to report on his or her Form 700 disclosure form each year. For advice on these issues, Directors should consult with District Counsel or the FPPC as advised above.

14.1.3 The conflict of interest laws require that any official who has a conflict of interest in any decision of the District must announce the existence and nature of the conflict and abstain from making, participating in making or using his or her official position to influence the making of the governmental decision. Abstention also requires the official to leave the room while the issue is being deliberated or voting on, unless the decision is on the Board's consent calendar, in which case the official may remain in the room, note the conflict and abstention on the record and, not participate in any vote or discussion,

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14.1.4 Disqualified officials may, in limited circumstances, participate as a member of the public in a proceeding in furtherance of their own personal property interests.

14.2 Interest in Contracts, Government Code Section 1090

The prohibitions of Government Code Section 1090 provide that the Board of Directors may not contract with any business in which any Director has a financial interest.

14.3 Incompatible Office, Government Code Section 1099

The basic rule is that public policy requires that when the duties of two offices are repugnant or overlap so that their exercise may require contradictory or inconsistent action, to the detriment to the other public interest, their discharge by one person is incompatible with that interest. When a Director is sworn in for such a second, incompatible, office, he/she simultaneously forfeits the first office.

15. CONTINUING EDUCATION

Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operation. Subject to budgetary constraints, there is no limit to the number of Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District.

16. BOARD BY-LAWS REVIEW POLICY

Subject to 3.1 the Board By-Laws and Policies shall be reviewed annually at the first regular meeting in February. The review shall be provided by District Counsel and ratified by Board action.

17. RESTRICTIONS ON BY-LAWS

The rules contained herein shall govern the Board in all cases to which they are applicable, and in which they are not inconsistent with State or Federal Laws.

FEBRUARY 8, 2023

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ATTACHMENT B

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WHEREAS, Government Code §61045 requires the Board of Directors to adopt Rules or By-laws governing its proceedings; and

WHEREAS, as required by the existing Bylaws, District Legal Counsel has reviewed the District's previously adopted Board By-Laws and Policies and, together with staff, recommended that the Board adopt certain revisions; and

WHEREAS, the Board has considered the proposed amendments and provided an opportunity for public comment regarding the proposed revisions to the Board By-Laws.

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

1. The amendments to the Nipomo Community Services District Board By-Laws and Policies attached hereto as Exhibit "A" are hereby approved and adopted.

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

AYES:

NOES:

ABSENT:

ABSTAIN:

the foregoing resolution is hereby passed and adopted this 8th day of February, 2023.

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING AMENDED BOARD BY-LAWS**

Richard Malvarose
Board President
Nipomo Community Services District

ATTEST:

APPROVED:

MARIO IGLESIAS

General Manager and Secretary to the Board

CRAIG A. STEELE

District Legal Counsel

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING AMENDED BOARD BY-LAWS**

Exhibit A

NIPOMO COMMUNITY SERVICES DISTRICT
2023 Proposed Bylaw Amendments
(text deleted is shown in ~~strikethrough~~, text added is underlined)

Section 10.1(c) is amended to read as follows:

“Any Director traveling on District business shall receive in addition to transportation and lodging expenses, a per diem allowance to cover ordinary expenses such as meals, refreshments, and tips. The amount set for per diem shall be considered fair reimbursement. Per diem will be paid at the current allowable IRS rates based on the county of travel. The per diem shall include \$10.00 for breakfast, \$15.00 for lunch and \$30.00 for dinner, for a daily total of \$55.00.”

Section 14.1 Conflict of Interest is amended to read as follows:

“Each Director is encouraged to review the District Conflict Code on an annual basis, and take advantage of training opportunities to learn or refresh their knowledge of conflict of interest rules. Directors should consult District legal counsel for advice on conflict of interest issues at the earliest possible time and before participating in governmental decisions in which they may have a conflict of interest. The general rule is that an official may not make, participate in making, or use their official position to influence a governmental decision if it is: reasonably foreseeable that the decision will have a material financial effect on the official or a member of his or her immediate family or on an economic interest of the official or his or her immediate family, and the effect is distinguishable from the effect on the public generally. Further, Directors are required to abstain from Board proceedings in which a campaign contributor of more than \$250 in the previous 12 months is a party or participant; and Directors are prohibited from soliciting or accepting campaign contributions from involved parties or participants during and for 12 months following a local agency decision on contracts, licenses, permits and use entitlements from the District.”

TO: BOARD OF DIRECTORS

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: FEBRUARY 2, 2023

AGENDA ITEM
E-1
FEBRUARY 8, 2023

ANNUAL REVIEW OF CASH RESERVE POLICY AND ADOPT RESOLUTION TO AMEND POLICY

ITEM

Conduct annual review and amend Cash Reserve policy [RECOMMEND REVIEW AND ADOPT RESOLUTION TO AMEND CASH RESERVE POLICY]

BACKGROUND

Annually, the Board of Directors review the District's Cash Reserve Policy.

The policy states the adequacy of the targeted cash reserve year-end balances and/or annual contributions to each fund will be reviewed annually within 120 days after the end of fiscal year. The review of cash reserve balances took place at the October 12, 2022 Board Meeting.

Proposed changes to the Cash Reserve Policy are attached in Attachment A. The changes include amending the Target Criteria for Blacklake Street Lighting Fund #200 from \$30,000 to \$17,000 and adding Funded Replacement- Blacklake Street Lighting Fund #205. The Blacklake Village Street Lighting Assessment District 2022 Street Light Rate Study outlined the reserve requirements for the operating fund and maximum reserve balance (Attachment C).

FISCAL IMPACT

None.

STRATEGIC PLAN

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

RECOMMENDATION

Staff recommends your Board review and Adopt Resolution amending Cash Reserve Policy.

ATTACHMENTS

- A. Resolution 2023-XXXX, including Exhibit A, Cash Reserve-(text deleted is shown in ~~strikethrough~~, text added is underlined)
- B. Resolution 2023-XXXX, including Exhibit A, Cash Reserve
- C. Page 6 from the Blacklake Village Street Lighting Assessment District 2022 Street Light Rate Study

FEBRUARY 8, 2023

ITEM E-1

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("District") intends that the District will at all times have sufficient capital available to meet its operating, replacement, capital projects and debt service payments; and

WHEREAS, the District desires to establish sound financial policies to promote favorable bond ratings in capital markets so that bonds may be used for future financing of District projects; and

WHEREAS, the District desires to reserve capital for unanticipated and unforeseeable expenses; and

WHEREAS, the District desires to establish a buffer should revenue estimates in any year not meet projections; and

WHEREAS, the Cash Reserve Policy has been amended and is hereby presented at this meeting and it is appropriate at this time for the Board of Directors to consider approval of the adoption of the amended Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Cash Reserve Policy, as amended, in the form presented at this meeting attached hereto Exhibit "A" are hereby approved and adopted.

SECTION 3. The officers of the District are hereby directed to do and cause to be done any and all acts and things necessary or proper in order to effectuate the purposes of this resolution.

SECTION 4. This resolution shall take effect immediately.

Upon a motion by Director _____, seconded by Director _____, on the following roll call vote, to wit:

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

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

The foregoing resolution is hereby adopted this 8th day of February 2023

RICHARD MALVAROSE
President of the Board

ATTEST:

APPROVED AS TO FORM AND
LEGAL EFFECT:

MARIO IGLESIAS
General Manager and Secretary to the Board

CRAIG STEELE
District Legal Counsel

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

PURPOSE

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Nipomo Community Services District (District) will strive at all times to have sufficient funding available to meet its operating, capital and debt service obligations as well as to protect its creditworthiness. The District is committed to maintaining a financial structure that provides adequate and predictable revenues at the lowest possible cost to meet forecasted needs and operational objectives.

It should be noted that the District has a Debt Management Policy that establishes parameters for evaluating, issuing and managing the District's debt. The District's Debt Management Policy should be considered prior to committing to any new financial obligations.

The adequacy of the targeted cash reserve year-end balance ranges and/or annual contributions to each fund will be reviewed annually during the budgeting process or when a major change in conditions threatens the reserve levels established within this policy.

OPERATING FUNDS

WATER FUND (FUND #125)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Water Fund cash reserves, including the Water Rate Stabilization Fund #128, should be equal to or greater than twelve months (360 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from Water Fund #125 to the Funded Replacement Water Fund #805.

TOWN SEWER FUND (FUND #130)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Town Sewer Fund cash reserves, including the Town Sewer Rate Stabilization Fund #135, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may Approve a transfer of the excess balance from the Town Sewer Fund #130 to the Funded Replacement Town Sewer Fund #810.

BLACKLAKE SEWER FUND (FUND #150)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Blacklake Sewer Fund cash reserves, including the Blacklake Sewer Rate Stabilization Fund #155, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from the Blacklake Sewer fund #150 to the Funded Replacement Blacklake Sewer Fund #830.

WATER RATE STABILIZATION FUND (FUND #128)

Purpose: To serve as a buffer to water rates during any period where there are unexpected increases in operating costs or decreases in revenues. In addition, in a severe drought or extremely wet conditions, it is reasonable to expect that water sales could fluctuate significantly. As such, this fund will absorb these types of fluctuations in operations and help stabilize rates and enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$400,000.

TOWN SEWER RATE STABILIZATION FUND (FUND #135)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$300,000 set by Bond Indenture Agreement for the Revenue of Certificates of Participation Series 2012.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT"A"

BLACKLAKE SEWER RATE STABILIZATION FUND (FUND #155)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$50,000.

BLACKLAKE STREET LIGHTING (FUND #200)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing street lighting services for Blacklake Village. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of ~~\$30,000~~\$17,000.

FUNDED REPLACEMENT-BLACKLAKE STREET LIGHTING (FUND #205)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of \$25,000.

LANDSCAPE MAINTENANCE DISTRICT (FUND #250)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing landscape maintenance to the property owners of Tract 2409. (Funded by annual assessment to property owners in Tract 2409 aka Vista Verde Estates)

Target Criteria: Minimum reserve requirement of \$20,000.

SOLID WASTE (FUND #300)

Purpose: To ensure sufficient cash resources are available to fund solid waste programs, rate stabilization and to cover operating costs in the event that the District may find itself operating solid waste collection, disposal and recycling functions should its business partner now franchised to do these functions be unable to continue to provide these services due to an unforeseen event. This reserve provides assurance that solid waste services remain uninterrupted during an extended disruption to service provider. (Funded by Franchise Fees)

Target Criteria: Minimum reserve requirement of \$150,000.

DRAINAGE (FUND #400)

Purpose: To ensure sufficient cash resources are available to operate and maintain the Nipomo Drainage Maintenance District 76-02 (storm water conveyance system and basin serving Folkert Oaks Mobile Home Park and adjacent properties on Juniper Street). (Funded by a 1% ad valorem property tax rate)

Target Criteria: Minimum reserve requirement of \$50,000.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT"A"

FUNDED REPLACEMENT- WATER (FUND #805)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future water rates. (Funded by water rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- TOWN SEWER (FUND #810)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future town sewer rates. (Funded by Town sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- BLACKLAKE SEWER (FUND #830)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future Blacklake sewer rates. (Funded by Blacklake sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

NON-OPERATING FUNDS

SUPPLEMENTAL WATER FUND (#500)

Purpose: The revenue generated from the Supplemental Water Capacity Charge accumulates in this fund and its use is restricted to projects, programs and expenditures that reduce the District's reliance on groundwater as its sole water supply. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

PROPERTY TAX (FUND #600)

Purpose: District's share of the 1% ad valorem tax on real property collected by the County of San Luis Obispo and distributed to the District pursuant to Article XIII A of the California Constitution. (Funded by property taxes and interest earnings)

Target Criteria: No minimum target is maintained, however, the annual property tax revenue stream is pledged to pay the annual debt service for the 2013 Certificates of Participation and the 2013 Refunding Revenue Bonds.

WATER CAPACITY CHARGES (FUND #700)

Purpose: The revenue generated from the Water Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest)

Target Criteria: No minimum target is maintained.

TOWN SEWER CAPACITY CHARGES (FUND #710)

Purpose: The revenue generated from the Town Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

FEBRUARY 8, 2023

ITEM E-1

ATTACHMENT B

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

WHEREAS, the Board of Directors of the Nipomo Community Services District (“District”) intends that the District will at all times have sufficient capital available to meet its operating, replacement, capital projects and debt service payments; and

WHEREAS, the District desires to establish sound financial policies to promote favorable bond ratings in capital markets so that bonds may be used for future financing of District projects; and

WHEREAS, the District desires to reserve capital for unanticipated and unforeseeable expenses; and

WHEREAS, the District desires to establish a buffer should revenue estimates in any year not meet projections; and

WHEREAS, the Cash Reserve Policy has been amended and is hereby presented at this meeting and it is appropriate at this time for the Board of Directors to consider approval of the adoption of the amended Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Cash Reserve Policy, as amended, in the form presented at this meeting attached hereto Exhibit “A” are hereby approved and adopted.

SECTION 3. The officers of the District are hereby directed to do and cause to be done any and all acts and things necessary or proper in order to effectuate the purposes of this resolution.

SECTION 4. This resolution shall take effect immediately.

Upon a motion by Director _____, seconded by Director _____, on the following roll call vote, to wit:

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

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

The foregoing resolution is hereby adopted this 8th day of February 2023

RICHARD MALVAROSE
President of the Board

ATTEST:

APPROVED AS TO FORM AND
LEGAL EFFECT:

MARIO IGLESIAS
General Manager and Secretary to the Board

CRAIG STEELE
District Legal Counsel

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

PURPOSE

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Nipomo Community Services District (District) will strive at all times to have sufficient funding available to meet its operating, capital and debt service obligations as well as to protect its creditworthiness. The District is committed to maintaining a financial structure that provides adequate and predictable revenues at the lowest possible cost to meet forecasted needs and operational objectives.

It should be noted that the District has a Debt Management Policy that establishes parameters for evaluating, issuing and managing the District's debt. The District's Debt Management Policy should be considered prior to committing to any new financial obligations.

The adequacy of the targeted cash reserve year-end balance ranges and/or annual contributions to each fund will be reviewed annually during the budgeting process or when a major change in conditions threatens the reserve levels established within this policy.

OPERATING FUNDS

WATER FUND (FUND #125)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Water Fund cash reserves, including the Water Rate Stabilization Fund #128, should be equal to or greater than twelve months (360 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from Water Fund #125 to the Funded Replacement Water Fund #805.

TOWN SEWER FUND (FUND #130)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Town Sewer Fund cash reserves, including the Town Sewer Rate Stabilization Fund #135, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may Approve a transfer of the excess balance from the Town Sewer Fund #130 to the Funded Replacement Town Sewer Fund #810.

BLACKLAKE SEWER FUND (FUND #150)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Blacklake Sewer Fund cash reserves, including the Blacklake Sewer Rate Stabilization Fund #155, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from the Blacklake Sewer fund #150 to the Funded Replacement Blacklake Sewer Fund #830.

WATER RATE STABILIZATION FUND (FUND #128)

Purpose: To serve as a buffer to water rates during any period where there are unexpected increases in operating costs or decreases in revenues. In addition, in a severe drought or extremely wet conditions, it is reasonable to expect that water sales could fluctuate significantly. As such, this fund will absorb these types of fluctuations in operations and help stabilize rates and enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$400,000.

TOWN SEWER RATE STABILIZATION FUND (FUND #135)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$300,000 set by Bond Indenture Agreement for the Revenue of Certificates of Participation Series 2012.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT"A"

BLACKLAKE SEWER RATE STABILIZATION FUND (FUND #155)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$50,000.

BLACKLAKE STREET LIGHTING (FUND #200)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing street lighting services for Blacklake Village. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of \$17,000.

FUNDED REPLACEMENT-BLACKLAKE STREET LIGHTING (FUND #205)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of \$25,000.

LANDSCAPE MAINTENANCE DISTRICT (FUND #250)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing landscape maintenance to the property owners of Tract 2409. (Funded by annual assessment to property owners in Tract 2409 aka Vista Verde Estates)

Target Criteria: Minimum reserve requirement of \$20,000.

SOLID WASTE (FUND #300)

Purpose: To ensure sufficient cash resources are available to fund solid waste programs, rate stabilization and to cover operating costs in the event that the District may find itself operating solid waste collection, disposal and recycling functions should its business partner now franchised to do these functions be unable to continue to provide these services due to an unforeseen event. This reserve provides assurance that solid waste services remain uninterrupted during an extended disruption to service provider. (Funded by Franchise Fees)

Target Criteria: Minimum reserve requirement of \$150,000.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT"A"

DRAINAGE (FUND #400)

Purpose: To ensure sufficient cash resources are available to operate and maintain the Nipomo Drainage Maintenance District 76-02 (storm water conveyance system and basin serving Folkert Oaks Mobile Home Park and adjacent properties on Juniper Street). (Funded by a 1% ad valorem property tax rate)

Target Criteria: Minimum reserve requirement of \$50,000.

FUNDED REPLACEMENT- WATER (FUND #805)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future water rates. (Funded by water rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- TOWN SEWER (FUND #810)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future town sewer rates. (Funded by Town sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- BLACKLAKE SEWER (FUND #830)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future Blacklake sewer rates. (Funded by Blacklake sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

NON-OPERATING FUNDS

SUPPLEMENTAL WATER FUND (#500)

Purpose: The revenue generated from the Supplemental Water Capacity Charge accumulates in this fund and its use is restricted to projects, programs and expenditures that reduce the District's reliance on groundwater as its sole water supply. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

PROPERTY TAX (FUND #600)

Purpose: District's share of the 1% ad valorem tax on real property collected by the County of San Luis Obispo and distributed to the District pursuant to Article XIII A of the California Constitution. (Funded by property taxes and interest earnings)

Target Criteria: No minimum target is maintained, however, the annual property tax revenue stream is pledged to pay the annual debt service for the 2013 Certificates of Participation and the 2013 Refunding Revenue Bonds.

WATER CAPACITY CHARGES (FUND #700)

Purpose: The revenue generated from the Water Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest)

Target Criteria: No minimum target is maintained.

TOWN SEWER CAPACITY CHARGES (FUND #710)

Purpose: The revenue generated from the Town Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

FEBRUARY 8, 2023

ITEM E-1

ATTACHMENT C

CASH FLOW AND PROPOSED ASSESSMENT

Cash Flow and Reserves

The proposed Blacklake Village Street Light District cash flow is presented in Table 4. Table 4 shows the cash flow for the proposed assessment year of FY2022-2023 as well as illustrative assessments if costs increase by 2.5% annually. In FY2022-2023, it is proposed that operating assessment revenues be increased from \$27,850 to \$37,245. This revenue increase will cover ongoing operating costs and a portion of one-time costs related to Proposition 218 balloting. In FY2023-2024 and beyond, these one-time costs will be eliminated⁶ and the Blacklake Village Street Light District is projected to generate positive net revenues. Net revenues will be added to the District's operating reserves. It is recommended that Blacklake Village target an operating reserve of \$17,000 representing about six months of costs.

This rate study proposes a capital budget of \$10,100 in FY2022-2023 to fund pole painting and set aside funds for the eventual conversion of LS-2 lamps to LED. It is expected that pole painting funds will be spent annually while LED conversion funds will remain in District reserves until the project is conducted. The maximum reserve balance is proposed to be \$25,000 reflecting a high potential LED conversion cost of \$700 per lamp for 30 lamps plus annual inflation. Should either the operating or capital reserves exceed their targets, Blacklake Village could forgo future assessment increases and use excess reserves for the benefit of property owners.

⁶ Higher than typical legal fees are expected to continue from FY2022-2023 into FY2023-2024 due to the Proposition 218 balloting process

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER



DATE: February 3, 2023

AGENDA ITEM
E-2
FEBRUARY 8, 2023

CONSIDER MAKING A NOMINATION FOR LOCAL AGENCY FORMATION COMMISSION'S SPECIAL DISTRICT MEMBER SEAT

ITEM

Consider making a nomination for Local Agency Formation Commission's ("LAFCO") Special District Member's Seat [RECOMMEND THE BOARD CONSIDER NOMINATION AND DIRECT STAFF]

BACKGROUND

LAFCO is seeking nominations for the Special District's Member representative to fill the Special District's seat on the LAFCO Board. The term of the Special District seat currently held by LAFCO Commissioner Marshall Ochylski expired in December 2022. The Cortese-Knox-Hertzberg Act allows Commissioner Ochylski to represent Special Districts on LAFCO until the nomination and election process is complete.

LAFCO oversees and approves changes in the District's services and service boundaries as well as of cities and service districts. Your Board may nominate a candidate to fill the seat. The nomination period ends at 5:00 p.m. on March 17, 2023.

FISCAL IMPACT

Minor budgeted staff time to prepare these materials.

STRATEGIC PLAN

Goal 7. COMMUNICATION. Use public outreach to communicate effectively with the public to obtain their input and build understanding and support for the District.

7.B. Ongoing activities

Maintain productive communication and relationships with key stakeholders, such as city, County, State and Federal legislators, service clubs, etc. As appropriate, plan and assign for this role.

RECOMMENDATION

Staff recommends your Board direct staff to file a nomination form [attached] to fill the open LAFCO Special District seat, should you decide to put a candidate forward. There is no action necessary if your Board does not wish to nominate a candidate.

ATTACHMENTS

A. LAFCO Nomination Materials

FEBRUARY 8, 2023

ITEM E-2

ATTACHMENT A



San Luis Obispo Local Agency Formation Commission
SLO LAFCO - Serving the Area of San Luis Obispo County

COMMISSIONERS

Chairperson
ED WAAGE
City Member

Vice-Chair
DEBBIE ARNOLD
County Member

JIMMY PAULDING
County Member

MARSHALL OCHYLSKI
Special District Member

ROBERT ENNS
Special District Member

STEVE GREGORY
City Member

HEATHER JENSEN
Public Member

ALTERNATES

DAWN ORTIZ-LEGG
County Member

ED EBY
Special District Member

CHARLES BOURBEAU
City Member

David Watson
Public Member

STAFF

ROB FITZROY
Executive Officer

IMELDA MARQUEZ
Analyst

MORGAN BING
Clerk Analyst

BRIAN A. PIERIK
Legal Counsel

TO: INDEPENDENT SPECIAL DISTRICT SELECTION COMMITTEE MEMBERS

FROM: ROB FITZROY, EXECUTIVE OFFICER

DATE: JANUARY 27, 2023

RE: REQUEST FOR NOMINATIONS FOR LAFCO SPECIAL DISTRICT MEMBER

Background. The term of the current LAFCO Special District seat held by Commissioner Marshall Ochylski expired in December 2022. This nomination is for the regular Special District seat, and will serve until December 2026. The Cortese-Knox-Hertzberg Act allows the existing Commissioner to remain on LAFCO until the nomination and election process is complete, the member may also re-run should they wish to do so. LAFCO meets once per month in person at the SLO County Board of Supervisors Chambers.

Instructions. Each special district may nominate one candidate for this position. If your District wishes to nominate a candidate, please schedule this request for nominations on an agenda for a meeting of your Board of Directors as soon as possible, or if you have already been delegated by your Board as the representative of your district, you may submit a nomination on behalf of your district. Nomination forms are required to be submitted by the end of nomination period. **The nomination period is 45 days and begins on January 27, 2023, and ends on March 17, 2023, at 5:00 p.m.**

The completed nomination form may be submitted to the LAFCO office via mail, Fax-805-788-2072, or e-mail: rfitzroy@slo.lafco.ca.gov. Please make sure the form is signed by the Board President or General Manager and the Nominee.

If more than one nomination for a candidate is received, the Executive Officer shall prepare a ballot election and send it by email to each special district with voting instructions at the conclusion of the nomination period.

A nomination form is attached to assist your District in the nomination process. Also, please view the LAFCO website (slo.lafco.ca.gov) for additional information about LAFCO. Please call 805-788-2096 if you have any questions.

cc: Members, Formation Commission
Brian Peirik, LAFCO Legal Counsel



San Luis Obispo Local Agency Formation Commission
SLO LAFCO - Serving the Area of San Luis Obispo County

NOMINATION FOR LAFCO

SPECIAL DISTRICT MEMBER

The _____
(Insert Name of Special District)

Hereby nominates _____ as a nominee to serve as the
(Insert Name of Nominee)

Special District Member on the San Luis Obispo Local Agency Formation Commission (SLOLAFCO).

The Board of Director's action was taken on an agenda item on:

(Insert Date of Board Agenda and Action)

(General Manager or Chairman/President)

(Email address)

(Signature-Nominee)

TO: BOARD OF DIRECTORS
 FROM: MARIO IGLESIAS
 GENERAL MANAGER
 DATE: February 3, 2023



**AGENDA ITEM
 F
 FEBRUARY 8, 2023**

GENERAL MANAGER'S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is January 22, 2022 through February 4, 2023.*

DISTRICT BUSINESS

Administrative

The District encourages residents to provide reports of any observed water waste. The District also keeps an accounting of leak adjustments as a measure of non-revenue water lost to leaks, as well as tracking late fee waivers. The table below provides January data which, at this point in the year is the same as Calendar Year-to-date data for these items.

OFFICE ACTIVITIES

	Jan 23	Jan 23 - Jan 23
Reports of Water Waste	0	0
Leak Adjustments	0	0
Leak Adjustment Amount	\$0	\$0
Late Fee Waivers	8	8
Late Fee Waiver Adjustment Amount	\$141	\$141

Water Resources

For the first seven months of the 2022-23 Fiscal Year, the District's total combined production, including groundwater production wells and supplemental water imported through the Joshua Road Pump Station, registered 1,072.4 AF. As has been the trend of late, imported water through the Joshua Road Pump Station was greater than the groundwater production. This trend will continue through the year as the District strives to maintain the 50% groundwater reduction goal.

Table 1. Total Production Acre Feet (AF)

	Jan - 23	Jul 22 - Jan 23
Groundwater Production	10.2	391.1
Supplemental Water Imported	<u>83.9</u>	<u>681.3</u>
Total Production	107.7	1,072.4

NCSD GW Reduction

The District's purveyor customers, Golden State Water Company and Woodlands Mutual Water Company, each are responsible for 16.66% (cumulatively 33.33%) of the imported water NCSD brings onto the basin through the NSW. Of the 1,000 AF minimum imported water from the City of Santa Maria, 333 AF or 33.33% of the total imported water – whichever is greater – will be credited to these two purveyor customers. The credited amount must be added to the District's groundwater pumping total every month to reflect the groundwater pumped by these customers in-lieu of taking imported water from the District. Table 2 captures this data.

Table 2. NCSD GW Production (NCSD GW Well Production plus Purveyor Credit)

	Jan -23	Jul 21 – Jan 23
NCSD GW Well Production	10.2	391.1
Purveyor Customer Credit (33.3% of Import Water)	28.0	227.0
NCSD Total Calculated GW Production	38.1	618.1
Average GW Production for 2009-2013	142.1	1,526.7
NCSD Percentage of GW Reduction	73%	60%

2022 Fiscal Year Groundwater Pumping Forecast

Table 3 projects the District's groundwater pumping reduction for the 2022-23 Fiscal Year. Under the current Stage 4 of the NMMA Water Shortage Response Stages, the District's targeted groundwater pumping reduction goal is to pump no more than 1,266 AFY (50% of 2009-2013 average District GW Pumping). The seven months of fiscal year 2022-23 actual – July through January – are combined with historic production from February 2022 through June 2022 to provide a projected estimate year end status.

Table 3. Projected Groundwater Pumping

	Year-to-Date		Target	Over/(Under)	AcFt
	Jan-23	Jul-Jun 2023			
NCSD GW Well Production	10.2	758.9			
Purveyor Customer Credit (33.3% of Import Water)	28.5	380.1			
NCSD Total Calculated GW Production	38.7	1,139.0	1,266.7	128	
Average GW Production for 2009-2013	142.1	2,533.4	2,533.4		
NCSD Percentage of GW Reduction	73%	55.0%	50.0%		

As demonstrated in Table 3 above, the District will achieved its 50% groundwater pumping reduction target by 128 AcFt under the conditions stated in the previous paragraph.

Below, Table 4 compares groundwater pumping for the same periods in 2023 and 2022.

Table 4. FY 2023 vs. FY 2022 Groundwater Pumping

	Jan-23	Jul 22 - Jan 23	Jan-22	Jul 21 - Jan 22
NCSD GW Well Production	10.2	391.1	34.8	376.8
Purveyor Customer Credit (33.3% of Import Water)	28.0	227.0	28.5	129.8
NCSD Total Calculated GW Production	38.1	618.1	63.3	506.6
Average GW Production for 2009-2013	142.1	1,526.7	142.1	1,526.7
NCSD Percentage of GW Reduction	73.2%	59.5%	55.5%	66.8%

Table 4 view of the data provides operations personnel with insight into year-end water production values and assists in their efforts to balance import and groundwater production with the purpose of reducing groundwater pumping to meet the self-imposed 50% pumping groundwater reduction – the current stage IV objective.

Rainfall Gauge

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
Jan. 2023 Total	10.91	7.45
July-2022 through Jan-2023 (Season Total)	20.79	15.52
Feb 1, through Feb 3, 2023	<u>0</u>	<u>0</u>
Total Rainfall to date	20.79	15.52
County Reported Avg. Ann. Year Rainfall ¹	18.00	14.00
2006 - 2020 Avg. Ann. Year Rainfall ¹	15.39	13.30
2006 - 2020 Median Ann. Rainfall ¹	12.64	11.30

Note:

1. Data from County website

Connection Report

Nipomo Community Services District Water and Sewer Connections												
END OF MONTH REPORT												
	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
WATER												
Water Connections - Total	4506											
New Water Connections	0	0	0	0	0	0	0	0	0	0	0	0
SEWER CONNECTIONS												
Sewer Town connections	2738											
Galaxy and PSSH at Orchard and Division Sewer connections billed to the County	484											
Subtotal	3222	0	0	0	0	0	0	0	0	0	0	0
BLACKLAKE	559											
Sewer Connections - Total	3781	0	0	0	0	0	0	0	0	0	0	0
New Sewer Connections Town and Blacklake	0	0	0	0	0	0	0	0	0	0	0	0
New Sewer Connections Galaxy	0	0	0	0	0	0	0	0	0	0	0	0

The Connection Report as of February 3, 2023

Supplemental Water Capacity Accounting

Summary Since January 25, 2008

	Number of Equivalent Meters	AFY
Supplemental Water Available for Allocation	947	500.0
Supplemental Water Reserved (Will Serve Letter Issued)	149	-78.1
Subtotal Net Supplemental Water Available for Allocation	798	421.9
Supplemental Water Assigned (Intent-to-Serve Issued)	185.6	-98.0
Total Remaining Supplemental Water Available for Allocation	612	323.9

Updated February 3, 2023

Safety Program

No Reportable Safety Issues

All-Staff Quarterly Safety Meeting Scheduled for March 24, 2023

Other Items

- COVID19 NCSD Response Plan Update [Attachment A]
- Dana Reserve – Schedule [Attachment B]
- County DESAL Committee Meetings [Attachment C]

Meetings (January 22 through February 4)

Meetings Attended (telephonically or in person):

- Jan 23, Staff Mtg. - Admin Supervisor Mtg.
- Jan 23, Water Operations Weekly Meeting
- Jan 23, NMMA-TG Manager's Meeting
- Jan 23, Sundale Well – Analyzer Design Meeting
- Jan 23, SCAC Meeting
- Jan 24, Sewer Dept. Weekly Update Meeting
- Jan 24, Engineer Consultant Ashcraft/Villanueva
- Jan 24, Branch Street Waterline Improv. Precon. Meeting
- Jan 25, Rotary
- Jan 25, Regular Board Meeting
- Jan 25, After-Board Exec. Team Meeting
- Jan 26, Blacklake Sewer Consolidation Engineering Progress/Update
- Jan 26, FOG Program New Year Kick-off – Wallace Group
- Jan 27, Staff Mtg. - Cust. Service Specialist
- Jan 27, CSDA Annual Meeting
- Jan 27, NCSD Board Officer Meeting
- Jan 30, Staff Mtg. - Admin Supervisor Mtg.
- Jan 31, Operations/Admin Weekly Meeting
- Jan 31, Eng/Oper Coordination Meeting
- Jan 31, County Planning – Dana Reserve
- Feb 1, Rotary
- Feb 1, CSDA Manager's Meeting
- Feb 2, District Engineer Coordination Meeting
- Feb 2, BLMA/NCSD Oversight Committee Meeting
- Feb 3, Employee Candidate Interviews (3 candidates)
- Feb 3, Staff Mtg. - Cust. Service Specialist
- Feb 4, VFW Presentation

Meetings Scheduled (February 8 through February 10):

Upcoming Meetings (telephonically or in person):

- Feb 6, Staff Mtg. - Admin Supervisor Mtg.
- Feb 6, Water Operations Weekly Meeting
- Feb 6, County Desal Working Group Meeting

- *Feb 7, NCSD Eng/Admin Weekly Meeting*
- *Feb 7, Wastewater Operations Weekly Meeting*
- *Feb 7, Asset Management Progress Meeting – Sedaru*
- *Feb 7, County Desal Working Group Meeting*
- *Feb 8, Rotary*
- *Feb 8, NCSD Regular Board Meeting*
- *Feb 8, After-Board Exec. Team Meeting*
- *Feb 9, County Desal Working Group Meeting*
- *Feb 10, Staff Mtg. – Customer Service Specialist Mtg.*

Upcoming Water Resource and Other Meetings

Upcoming Standing Meetings:

- *NMMA-TG: February 23rd (Thursday) @ 10:00 AM, Zoom Meeting*
- *RWVG: No Meeting Scheduled for November*
- *WRAC: March 1st (Wednesday) @ 1:30 pm, County Library*
- *NMMA Manager's Meeting: February 23rd (Thursday) @ 9:00 AM, Zoom Meeting*
- *NCSD Board Officer Meeting: February 14th (Tuesday) @ 4:30 pm, NCSD Board Rm.*

RECOMMENDATION

Staff seeks direction and input from your Board

ATTACHMENTS

- A. COVID19 - NCSD Response Plan (Updated)
- B. Dana Reserve Schedule (Updated)
- C. Desal Meeting Schedule

FEBRUARY 8, 2023

ITEM F

ATTACHMENT A

Date: February 8, 2023 Board Meeting
Response Activities to COVID19 Health Emergency
Prepared by: Mario Iglesias, General Manager

DISTRICT RESPONSE TO COVID-19, Updated February 3, 2023

New Actions

California Governor Plans end to COVID19 Emergency Declaration: February 28, 2023

Personnel on Quarantine (Change from January 25, 2023 Report)

Office Personnel: 0

Operational Personnel: 0 All employees have returned

Vaccine Update: No Change

Ongoing Actions

1. Testing available for Employees to test (Voluntary)
2. Following SLO Co. Masking guidelines (Voluntary)
3. Following Cal/OSHA guidelines

Previous Actions

1. For the Month of September, District Staff Tested 44 times (all negative results)
2. Mask Mandate Requirement Update – As of September 1, 2021, masks must be worn indoors at public facilities.
3. COVID19 Rapid Test Kits secured from SLO County at no cost to provide weekly work-place testing.
4. NCSO Board Passes Resolution Declaring Emergency in District [Res. 2020-1550, Mar. 24, 2020]
5. Admin Office Closed to the Public
 - a. Meetings are virtual – Conference Calls
6. Discontinued: Split staff into two teams
 - a. See schedule on Response Plan
7. Received directions for FEMA Public Assistance – Cost Tracking Guidance
8. Governor’s Executive Order – No Water Turn-offs
 - a. District instituted this policy as well as a No Late Fee – No Penalty Fees
9. Wipe-down between shifts
10. Each operator in separate designated vehicle.
11. Received additional PPE. Administration Staff will be on normal schedule 8-4:30 starting Monday May 18th
12. Operations Staff are on normal 7:00 am to 3:30 pm work schedule as of Monday, May 4th. County opened up construction sites.
13. Expanded Customer Service Work to include site visits for investigations (high bills, meter issues) week of May 11
14. Trailers for quarantine have been returned – May 1
15. District to begin wastewater sampling in conjunction with County effort to determine presence of COVID19 in communities – May 11
16. Temporary Admin Support Workers brought back to Office (Provider incentivized due to PPP Funds) – June 1
17. Lobby Modifications: Glass is equipped with speaker plates to allow the communication between customer and clerk without opening the sliding window.

Date: February 8, 2023 Board Meeting
Response Activities to COVID19 Health Emergency
Prepared by: Mario Iglesias, General Manager

18. Board Meetings open to the public.
19. County Offices Continued Closed with Appointments provided to some departments as needed.
20. June 18, 2020, Governor Order issued requiring face masks be worn in public places. District management purchased disposable face masks for staff, Board Members, and any public that attends District Board Meetings and lack a face mask.
21. The customer counter window modifications at the office are completed.
22. Capital Improvement Projects continue to be impacted and schedules for completion continue to be pushed back due to material delivery delays.
23. Administrative Office open to public – April 19, 2021
24. Mask Mandate in SLO County (reinstated on September 1st) will be lifted when:
 - a. The county reaches the yellow, “moderate” level of COVID-19 community transmission, as defined by the Centers for Disease Control and Prevention (CDC), and stay there for at least 10 days, and
 - b. Public Health Officer Dr. Penny Borenstein determines that COVID-19 hospitalizations are low and stable and area hospitals are able to meet the needs of patients.
25. County Health provided COVID19 Rapid Test that will get us through January 2022. NCSO requesting additional tests for February and March. The District has sufficient tests to sustain routine testing practices through January 2022.
26. February 16, 2022, Indoor Mask Mandate Lifted in San Luis Obispo County for vaccinated individuals.

Mask Mandate Status:

- Effective March 1, 2022, the requirement that unvaccinated individuals mask in indoor public settings will move to a strong recommendation that all persons, regardless of vaccine status, continue indoor masking.
- Universal masking shall remain required in specified high-risk settings.
- After March 11, 2022, the universal masking requirement for K-12 and Childcare settings will terminate. CDPH strongly recommends that individuals in these settings continue to mask in indoor settings when the universal masking requirement lifts.

September 23, 2022: Masks in California are required when:

Taking effect Friday (September 23, 2022) is the end of state-ordered mandatory masking in jails and prisons, homeless shelters, and emergency and cooling centers located in counties with a low COVID-19 community level, as defined by the U.S. Centers for Disease Control and Prevention.

October 2022: COVID-19 State of Emergency will end on February

Governor Gavin Newsom announced that the COVID-19 State of Emergency will end on February 28, 2023. It is anticipated that San Luis Obispo County will follow suite shortly thereafter, and that would provide a setting for the Nipomo Community Services District to end its Emergency Declaration issued in Resolution 2020-1550.

January 25, 2023: Nipomo CSD Wastewater Data on County Website

FEBRUARY 8, 2023

ITEM F

ATTACHMENT B

DANA RESERVE REVIEW SCHEDULE (AS OF 2/3/2023)

Status Update: No Change

Date	Description	Comment
April 24, 2022	NCSD Review "Utility" Section of EIR	
June 16, 2022	Release of EIR	Extended from May 16, 2022
July 14, 2022	SLO County Planning Comm. Study Session	Zoom Meeting
July 21, 2022	LAFCO Study Session	County Lead Agency (9:00 am)
Aug. 1, 2022 ¹	Close Public Comment - DEIR	Was June 20, 2022 (Mario on Vaca)
Sept. 2022	Consider Ad-hoc Comm. (Annexation Agr.)	Establish January 2023
Nov. 17, 2022	NOTICE OF PETITION OF APPLICATION FOR ANNEXATION #30 DANA RESERVE ¹	60 Day Letter
Jan. 9, 2023	Ad-hoc Com. – Response to Notice of Petition	Prepare for Jan. 11 th Board Mtg.
Q-1 2023	County Board of Supervisors	Accept EIR
Q-1 2023	LAFCO Inquiry of NCSD (Service Provisions) ²	
Q-2 2023	NCSD Board	Annexation Application
Q-2 2023	LAFCO Review	

The above schedule is suggested and drawn from conversations with staff from the County, LAFCO, and the Developer. This schedule is a rough outline and is subject to change over time.

Notes:

1. NCSD Staff will provided a staff report at the January 11th Board Meeting that provided the Board of Directors with more information and possible actions.
2. Developer shifted to an annexation process that focuses first on LAFCO application and second the District’s application process. Under this format, LAFCO will be the agency that coordinates communication between the Developer and NCSD.

Developer mailed letter September 20, 2022 to residents in Nipomo directing their attention to District website and the three reports addressing utilities – focus on explaining water situation.

RWG submitted comments on the Dana Reserve Specific Plan DEIR, August 1, 2022, to the County of San Luis Obispo supervision planner, Jennifer Guetschow.

Phasing Plan Schedule – Defines the fee schedule for the development. (May slip do to key NCSD staff shortage)

Administrative Draft Final Report	Friday, February 3, 2023
District Comments on Admin Draft Final Report	Friday, March 3, 2023
Draft Final Report	Friday, March 24, 2023
District Board Presentation	Wednesday, April 12, 2023
Final Report	Friday, May 5, 2023

FEBRUARY 8, 2023

ITEM F

ATTACHMENT C

Update: February 3, 2023

Mario Iglesias

County Water Action Team (CWAT)

County DESAL Meetings

Date	Speaker	Item/Issue/discipline	Company
1/10/2023	Dmitry Semenov	Financing Projects	Ridgeline Municipal Strategies, LLC
1/12/2023	Eric Miller	Fisheries Biologist	Miller Marin Science Consultants
1/17/2023			
1/19/2023	Tim Hogan	Biologist	TWB Environmental Research Consulting
2/6/2023			
2/7/2023			
2/9/2023			