

148 S. Wilson St. PO Box 326 Nipomo, CA 93444

PRSRT MKTG U.S. Postage PAID Pismo Beach, CA Permit #106

### NIPOMO COMMUNITY SERVICES DISTRICT

### **ELECTED BOARD**

Dan A. Gaddis, President Bob Blair, Director Ed Eby, Director Dan Woodson, Director Richard Malvarose, Director

### STAFF

Mario Iglesias, General Manager Lisa Bognuda, Finance Director Peter Sevcik. Director of Engineering and Operations

## **Our Website Has** Resources for You

### **CONSERVATION TIPS**

The District's website provides tips on how to reduce water use at home. Visit www.ncsd.ca.gov and click on "Conservation" Under the "Quick Links" heading found on the home page.

### SIGN UP FOR NEWS AND ALERTS

Sign up on our website to receive meeting, news, and emergency notifications from the District.

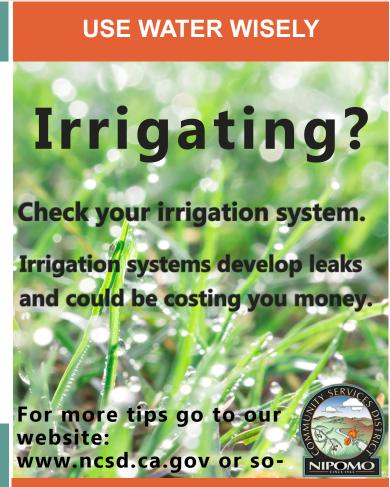
### YOU CAN ALSO CALL OR EMAIL ANY TIME

As always, if you have any questions, concerns, or feedback, we want to hear from you. Feel free to contact us at info@ncsd.ca.gov or at 805-929-1133.

Go to: www.ncsd.ca.gov

Connect with us: f





**DECEMBER 2020** 



# Nipomo Community Services District

Important Information from Nipomo Community Services District ● Issue 22

# **Building Certainty Together**

The Nipomo Community Services District has provided utility services to the community of Nipomo for over 55 years. In that time, the organization faced few challenges greater than the current uncertainties the world presents today. The founding members faced uncertainty as they came together to form the District. More recently, the community has faced uncertainty on how to overcome a water shortage on the Nipomo Mesa. Drought, expanded agricultural use, and a growing community all factored into an uncertain future for the community's water supply. What will the next 55 years look like and what can be done to bring some certainty back into the community?

There can be comfort in knowledge. Knowing when you go to the grocery store there will be food and household goods on the shelves is comforting. Knowing your job is there for you and you have money in your wallet to pay for those essentials to support yourself and your family is comforting. Knowing when you turn on the lights or run water to wash dishes or take a shower, electricity and water will be there. Knowing the simplest of these everyday services will be there gives comfort. But many in our communities struggle with not knowing that these simple comforts will be there for them. The community members who serve on the Board of Directors of the Nipomo Community Services District recognize this and are working to do their part to reassure and support the community.

The District wants the people it serves to know that simple things like turning on a tap or flushing a toilet won't have to be on their list of concerns. There is an adequate water supply on the Nipomo Mesa to ensure District customers have the freedom to use the water they need to support their lifestyle. It is fair to say that the global pandemic has shifted our lifestyle and centered more activities around our homes. The District's Board recognizes this shift and understands the financial burden that comes along with the current health crisis. That is why they took steps to reduce planned water rate increases, forestalled sewer rate adjustments, and will be paying residential customer garbage bills for the months of December and January. Read on for more details.

Staff presented a rate normalization plan to the community and Board of Directors that reduced the scheduled 14.7% rate increase down to a 4.5% increase - a 10.2% reduction. Using District reserve funds and spreading the cost obligations for import water over future years, the District Board adopted a rate on October 28, 2020 that provides rate relief to customers and doesn't break the bank.

The cost to provide water, sewer, and garbage service to the community continues to increase. Forward-looking rate studies set rates for these services with the expectation that at a minimum, an annual inflationary factor is inevitable and must be addressed. As an example, the District completed a water rate study in 2017 that projected costs and set water rates annually to 2021. In addition to simple inflation, in 2020 the community's import water obligation increased from 800 acre-feet annually to 1,000 acre-feet annually. Import water adds greatly to the community's water security but that security comes at a cost. The additional 200 acre-feet significantly contributed to the need for a 14.7% water rate increase. The increase was set to take effect on December 1, 2020. The District's Board recognized that during a pandemic it should look for ways to lower costs and so, the Board instructed staff to find a way to reduce the rate increase and pay for the additional water obligation while maintaining the solvency of the water department.

Continued on Page 2

**Nipomo Community Services District** 

148 S. Wilson St, PO Box 326, Nipomo, CA 93444 | 805-929-1133 | info@ncsd.ca.gov | www.ncsd.ca.gov

# Ensuring Reliable, Quality Services Now and in the Future

Building Certainty Together continued

Town Sewer rates for the year have been left at their current rate and will not increase in Fiscal Year 2021. Everyone appreciates rates that don't increase, but services and supplies needed to operate facilities go up in costs and must be paid for eventually. The .50 cent cup of coffee was last seen in 1975 – the reality of inflation. When rates don't increase, it generally means the organization draws on its savings account to offset cost increases. The District's savings account is the reserve and rate stabilization fund and will be drawn down to meet the needs of the Town Sewer System as revenues from rates will fall short. And while accounts are funded as required to meet operational costs, at some point, these savings accounts will need to be replenished through future rate adjustments if we are to manage future financial obligations. As these times are extraordinary, so must our actions be extraordinary.

Looking for more rate relief, the Board of Directors instructed staff to provide a solid waste rate holiday for this holiday season! Funds collected from the garbage franchise fee will be used to pay residential customers' December/January garbage bill. These funds are typically used for programs in Nipomo like Clean Streets Nipomo and Creek Clean-up Day. In these uncertain times, redirecting these funds in this manner will provide a little relief and put more cash in customer pockets for the holiday essentials.

With 55 years of service behind us, the Nipomo Community Services District looks ahead at the next 55 years with optimism. It's true, the pandemic has added considerable uncertainty as we look to the future. The weather patterns over the last several years can make us wonder if a new weather norm is being established. More drought years seem inevitable. All this makes the future more uncertain than ever and while saying goodbye to 2020 won't be difficult for many of us, the uncertainty of 2021 can cause stress and anxiety. The Nipomo Community Services District wants the community it serves to know that the Board of Directors and staff have one interest to focus on – the welfare and well-being of our customers. As we move into the new year, the good folks of Nipomo can take some comfort in knowing that their water taps will continue to flow clean, healthy water and their toilets will flush without interruption. That is for certain. Cheers!



### **WORKING THROUGH COVID-19**

Since March 2020, the District has operated under an Emergency Resolution of the District's Board of Directors in response to the COVID-19 pandemic. The resolution's intent was to provide relief to customers adversely affected economically by the pandemic. While an Executive Order by the Governor of California restricted discontinuing utility services to customers unable to pay their utility bill due to the pandemic, the District took it a step further and curtailed charging late fees for delinquent accounts.

It is uncertain when the District will resume normal billing and collection operations. When this does occur, customers will be subject to all of the District's billing and collection rules and regulations. At that time, the District will be offering payment arrangements to property owners with past due balances as they navigate their financial situation back to normal.

Account balances are the responsibility of the property owner and cannot be waived by the District. In the meantime, customers should attempt to make payments that will be applied against any past due balance to the extent possible to avoid a large utility bill at the end of the pandemic.

## Blacklake and Town Systems Stronger Together in 2024

Plans are underway and schedules are being set. The Blacklake/Town Sewer Plant consolidation effort is on track to complete the connections and combine the flows of these two sewer plants in 2024. Joining the two sewer systems will provide benefit for both communities. It will bring community resources together to focus on maintaining one wastewater plant instead of two.

The Blacklake Sewer Plant was constructed in 1984 to serve the resort style golf community off Willow Road. With the 559 homes and 2 restaurants supporting the operating costs, the ageing sewer plant was facing a myriad of major upgrades needed to meet existing and emerging regulatory requirements. Millions of dollars would be needed to make these required upgrades. The Solution: combine Blacklake Sewer Plant with the Town Sewer Plant and relieve the Blacklake customers of the cost to upgrade and maintain an old sewer plant. Town sewer customers won't be paying for the improvements to connect the systems. Blacklake residents set the project in motion after voting to form an assessment district to pay the costs of connect the sewer systems.

In a wastewater plant, flow matters. The Town Sewer Plant was completely rebuilt in 2014 to manage flows based on historic trends and future needs. In today's low-flow fixture world and at a time when water conscious customers have learned to reduce water use, flows to the Town Sewer Plant are greatly reduced. The reduced sewer flows per home results in an increase in the number of homes the plant can serve, and at no added costs. By combining the Blacklake Sewer Plant flows with the Town Sewer Plant flows, Town customers share the operations and maintenance costs with the added customers from Blacklake.

Once completed and the plants are consolidated into one, both communities can look forward to saving money on this vital and necessary service.



## Answers to Frequently Asked Questions

How can I pay my utility bill?

- Mail a check or money order to NCSD, P.O. Box 326, Nipomo, CA 93444 (Note: postmarks are not accepted)
- Drop a check or money order in the green drop box located in the driveway at 148 S Wilson St, Nipomo
- Pay online by visiting www.ncsd.ca.gov (Note: Official Payments processes the payments on the District's behalf and charges a \$3.95 convenience fee per transaction—see the District's website on how to be reimbursed this fee during COVID-19)
- Sign up for Auto Pay with the District (Only available for homeowners)
- Use your bank's online bill-pay service