

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

DATE: JULY 19, 2013

AGENDA ITEM

D

JULY 24, 2013

CONSENT AGENDA

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

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

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE JULY 10, 2013 REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVAL]
- D-3) RECEIVE QUARTERLY INVESTMENT REPORT [RECOMMEND RECEIVE REPORT]

TO: BOARD OF DIRECTORS
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 GENERAL MANAGER
 DATE: JULY 19, 2013

MSL

**AGENDA ITEM
 D-1
 JULY 24, 2013**

**TOTAL COMPUTER CHECKS
 \$132,799.18**

HAND WRITTEN CHECKS

07-10-13 10165 WAYNE RIDDERING
 07-24-13 10166 MARY CHAVEZ

CUSTOMER REIMBURSEMENT \$75.00
 WASHER REBATE \$75.00

VOIDS - NONE

COMPUTER GENERATED CHECKS

22097	07/19/13	EMP01	EMPLOYMENT DEVELOP DEPT	33.00	.00	33.00	B30715	STATE INCOME TAX
				1293.40	.00	1293.40	1B30715	STATE INCOME TAX
			Check Total.....:	1326.40	.00	1326.40		
22098	07/19/13	MID01	RABOBANK-PAYROLL TAX DEPO	125.00	.00	125.00	B30715	FEDERAL INCOME TAX
				14.50	.00	14.50	1B30715	MEDICARE (FICA)
				3783.57	.00	3783.57	2B30715	FEDERAL INCOME TAX
				62.00	.00	62.00	3B30715	FICA
				955.86	.00	955.86	4B30715	MEDICARE (FICA)
			Check Total.....:	4940.93	.00	4940.93		
22099	07/19/13	MID02	RABOBANK-DIRECT DEPOSIT	24421.23	.00	24421.23	B30715	NET PAY
22100	07/19/13	PER01	PERS RETIREMENT	.00	.00	.00	B30715	PERS PAYROLL REMITTANCE
				8475.67	.00	8475.67	1B30715	PERS PAYROLL REMITTANCE
			Check Total.....:	8475.67	.00	8475.67		
22101	07/19/13	STA01	CALPERS 457 DEFERRED COMP	2205.00	.00	2205.00	B30715	457 DEFERRED COMP
022102	07/24/13	AEC01	AECOM USA INC	15557.40	.00	15557.40	37355972	SOUTHLAND WWTF UPGRADE
022103	07/24/13	AME03	AMERI PRIDE	142.47	.00	142.47	918231	UNIFORMS
				139.12	.00	139.12	922143	UNIFORMS
			Check Total.....:	281.59	.00	281.59		
022104	07/24/13	ATT02	AT&T	186.72	.00	186.72	4505089	TELEPHONE
022105	07/24/13	BRE02	BRENNTAG PACIFIC INC.	927.64	.00	927.64	BPI321905	SODIUM HYPOCHLORITE
				656.37	.00	656.37	BPI322359	SODIUM HYPOCHLORITE
			Check Total.....:	1584.01	.00	1584.01		
022106	07/24/13	CAL14	CALIFORNA WATER	145.00	.00	145.00	B30716	S.GERMAN-LAB ANALYSIS CER
022107	07/24/13	CAL18	CAL PORTLAND COMPANY	361.85	.00	361.85	91866867	CLASS II BASE 3/4"-LEAK R
022108	07/24/13	CAN02	CANNON CORPORATION	1315.00	.00	1315.00	54848	STANDPIPE BID SUPPORT
				273.75	.00	273.75	54850	WELL NO. 4
			Check Total.....:	1588.75	.00	1588.75		
022109	07/24/13	CAR04	CAR QUEST AUTO PARTS	163.08	.00	163.08	639212	10 BOXES-LATEX GLOVES
022110	07/24/13	CRY01	CRYSTAL SPRINGS	54.11	.00	54.11	JUN 2013	DISTILLED WATER FOR LAB
022111	07/24/13	ESR01	ENVIRONMENTAL SYSTEMS RES	2075.00	.00	2075.00	92675730	ARCGIS MAINTENANCE AGREEM
022112	07/24/13	FER01	FERGUSON ENTERPRISES INC	279.51	.00	279.51	9475468-1	METER LID & CLAMPS
022113	07/24/13	LEB02	LeBRUN, MICHAEL	65.00	.00	65.00	JUL 2013	REIMBURSEMENT-CELL PHONE
				65.00	.00	65.00	JUN 2013	REIMBURSEMENT-CELL PHONE
			Check Total.....:	130.00	.00	130.00		
022114	07/24/13	MNS01	MNS ENGINEERS INC	45096.00	.00	45096.00	63447	SOUTHLAND WWTF UPGRADE CM
				12457.50	.00	12457.50	63448	NIPOMO WATERLINE INTERTIE
			Check Total.....:	57553.50	.00	57553.50		
022115	07/24/13	MOR02	MORE OFFICE SOLUTIONS	507.56	.00	507.56	456286	COPIER MAINTENANCE
				149.06	.00	149.06	462555	B&W/COLORED COPIES
			Check Total.....:	656.62	.00	656.62		
022116	07/24/13	MUL01	MULLAHEY FORD	1231.88	.00	1231.88	71862	07' FORD-REPLACED FUEL SE
022117	07/24/13	NIP05	NIPOMO CHAMBER OF COMMERC	2024.00	.00	2024.00	B30717	CHAMBER OF COMMERCE GRANT

TO: BOARD OF DIRECTORS
 FROM: MICHAEL S. LEBRUN
 GENERAL MANAGER
 DATE: JULY 19, 2013

AGENDA ITEM
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PAGE TWO

022118	07/24/13	NIP08	NIPOMO CSD	491.12	.00	491.12	6/30/13	LANDSCAPE MAINTENACE
022119	07/24/13	NUT01	NU TECH PEST MGMT	265.00	.00	265.00	99220	PEST CONTROL
				75.00	.00	75.00	99221	RODENT CONTROL
			Check Total.....:	340.00	.00	340.00		
022120	07/24/13	PO001	POOR RICHARD'S PRESS	33.50	.00	33.50	253818A	MAIL-LATE NOTICES
				136.16	.00	136.16	253818B	POSTAGE-LATE NOTICES
				297.44	.00	297.44	253819A	MAIL-BILLS
				1208.88	.00	1208.88	253819B	POSTAGE-BILLS
			Check Total.....:	1675.98	.00	1675.98		
022121	07/24/13	RIC01	RICHARDS, WATSON, GERSHON	1850.80	.00	1850.80	190907	GROUND WATER ADJUDICATION
022122	07/24/13	SLO02	DIV OF ENVIRON HEALTH	1121.00	.00	1121.00	IN0086142	CROSS CONNECTIONS MAR 13'
022123	07/24/13	STA05	STATE WATER RESOURCES CB	140.00	.00	140.00	B30717	MALDONADO-WWTP OPER. EXAM
022124	07/24/13	STA08	STAPLES	236.48	.00	236.48	924237418	OFFICE SUPPLIES
022125	07/24/13	USA01	USA BLUEBOOK	561.89	.00	561.89	002905	ELAPSED TIME HR METER/MAN
022126	07/24/13	WAL01	WALLACE GROUP	514.91	.00	514.91	35322	FOG OUTREACH & INSPECTION
022127	07/24/13	WSC01	WSC	204.75	.00	204.75	701	CUWCC SUPPORT SERVICES
022128	07/24/13	\H007	HAANPAA, OLAVI	420.00	.00	420.00	000B30701	MQ CUSTOMER REFUND

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: JULY 19, 2013



APPROVE MINUTES OF PREVIOUS BOARD MEETINGS

ITEM

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

BACKGROUND

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

RECOMMENDATION

Approve minutes as part of Consent Agenda.

ATTACHMENT

- A. July 10, 2013 draft Regular Board Meeting Minutes

JULY 24, 2013

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

JULY 10, 2013, AT 9:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

JAMES HARRISON, **PRESIDENT**
LARRY VIERHEILIG, **VICE PRESIDENT**
DAN GADDIS, **DIRECTOR**
BOB BLAIR, **DIRECTOR**
CRAIG ARMSTRONG, **DIRECTOR**

PRINCIPAL STAFF

MICHAEL S. LEBRUN, **GENERAL MANAGER**
LISA BOGNUDA, **FINANCE DIRECTOR**
MIKE SEITZ, **GENERAL COUNSEL**
PETER SEVCIK, **DIRECTOR OF ENG. & OPS.**
MERRIE WALLRAVIN, **BOARD CLERK**

Mission Statement: The Nipomo Community Services District's mission is to provide its customers with reliable, quality, and cost-effective services now and in the future.
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00:00:00

A. CALL TO ORDER AND FLAG SALUTE

President Harrison called the Regular Meeting of July 10, 2013, to order at 9:00 a.m. and led the flag salute.

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

At roll call, all Board members were present.

There was no public comment.

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) REPORT ON JUNE 26, 2013 REGULAR MEETING CLOSED SESSION

Announcement of actions, if any, taken in Closed Session at the previous meeting

Mike Seitz, District Legal Counsel, announced that the Board discussed Items One and Two under closed session announcements, but took no reportable action.

Regarding Item Three under closed session announcements, the Board discussed the item and on a 5-0 vote, the Board rejected the claim and directed staff to notice claimant.

Regarding Item Four under closed session announcements, the Board completed the evaluation of the General Manager, and agreed to retain his services and to increase his base salary to \$150K and to provide an additional 5 days of administrative leave per year. The General Manager's revised contract is scheduled for approval under Item D-3.

C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES, AND SEMINARS.

Receive Announcements and Reports from Directors

Director Vierheilig

- ◇ *Tentative WRAC meeting on August 8 to review water resources for Laetitia Winery cluster development.*
- ◇ *There may be a WRAC Subcommittee meeting on July 18 (To be determined).*
- ◇ *July 23, the BLMA will meet to discuss landscaping.*

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District
REGULAR MEETING
MINUTES**

Director Blair

- ◇ Twitchell Management Authority will meet on July 11 at 2:00 p.m. at Santa Barbara County Government Center in Santa Maria.

Director Harrison

- ◇ Tours of the Southland Plant for the Directors are this week.
- ◇ Chamber of Commerce mixer with Dana Adobe July 10.
- ◇ A dinner/concert featuring David Stamey will be August 24.

00:07:57

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

There was no public comment.

*Upon the motion of Director Vierheilg and seconded by Director Armstrong, the Board unanimously approved to receive and file the presentations and reports as submitted.
Vote 5-0.*

YES VOTES	NO VOTES	ABSENT
Directors Vierheilg, Armstrong, Blair, Gaddis, and Harrison	None	None

Director Harrison re-opened Public Comment for Items Not on Agenda

The following member of the public spoke:

Bill Kengel, NCSD customer and project developer, stated he submitted his Intent-to-Serve application the previous day.

D. CONSENT AGENDA

D-1) WARRANTS

D-2) APPROVE BOARD MEETING MINUTES:
JUNE 26, 2013 REGULAR MEETING

D-3) APPROVE AMENDED CONTRACT WITH GENERAL MANAGER

D-4) AUTHORIZE PURCHASE OF REPLACEMENT UTILITY TRUCK

Items D-3 and D-4 were pulled from the Consent Agenda.

There was no public comment.

*Upon the motion of Director Vierheilg and seconded by Director Armstrong, the Board unanimously approved Items D-1 and D-2.
Vote 5-0.*

YES VOTES	NO VOTES	ABSENT
Directors Vierheilg, Armstrong, Blair, Gaddis, and Harrison	None	None

Nipomo Community Services District
REGULAR MEETING
MINUTES

00:08:47

ITEM D-3

Mike Seitz, District Legal Counsel answered questions.

There was no public comment.

Upon the motion of Director Armstrong and seconded by Director Blair, the Board unanimously approved Item D-3.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
<i>Directors Armstrong, Blair, Gaddis, Vierheilig, and Harrison</i>	<i>None</i>	<i>None</i>

ITEM D-4

Peter Sevcik, Director of Engineering and Operations, answered questions.

There was no public comment.

Upon the motion of Director Gaddis and seconded by Director Armstrong, the Board unanimously approved Item D-4.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
<i>Directors Gaddis, Armstrong, Blair, Vierheilig, and Harrison</i>	<i>None</i>	<i>None</i>

E. ADMINISTRATIVE ITEMS

00:19:02

E-1) CONSIDER SERVICE REQUEST 697 WEST TEFFT STREET, APN 092-577-008, SINGLE PARCEL COMMERCIAL DEVELOPMENT

Michael LeBrun, General Manager, and Peter Sevcik, Director of Engineering and Operations, reviewed the report as presented in the Board Packet.

The following members of the public spoke:

Bill Kengel, NCSD customer and project developer, states he owns 50% of the water line and 100% of the sewer line in Blume pursuant to a recorded road agreement and he needs to make an Offer of Dedication to the District.

Upon the motion of Director Gaddis and seconded by Director Armstrong, the Board unanimously approved the Intent-to-Serve letter including all terms and conditions as outlined in the Staff Report.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
<i>Directors Gaddis, Armstrong, Vierheilig, Blair, and Harrison</i>	<i>None</i>	<i>None</i>

Nipomo Community Services District
REGULAR MEETING
MINUTES

01:03:26

- E-2) AUTHORIZE CHANGE ORDER SOUTHLAND WASTEWATER TREATMENT FACILITY PHASE 1 IMPROVEMENT PROJECT IN THE AMOUNT \$876,900

Michael LeBrun, General Manager, and Peter Sevcik, Director of Engineering and Operations, reviewed the report as presented in the Board Packet.

The following members of the public spoke:

Bill Kengel, NCSD customer and project developer, stated District should consider selling reclaimed water to City of Santa Maria.

Upon the motion of Director Vierheilg and seconded by Director Gaddis, the Board approved the Change Order in the amount of \$876,900, including the fence.

Vote 4-1.

YES VOTES	NO VOTES	ABSENT
Directors Vierheilg, Gaddis, Armstrong and Harrison	Director Blair	None

00:45:52

- E-3) AUTHORIZE REQUEST FOR WATER FUND RATE AND CAPACITY CHARGE STUDY PROPOSALS

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet and answered questions from the Board.

The following members of the public spoke:

Ed Eby, NCSD customer, stated RFP should include the cost/capital of selling City of Santa Maria water to other water purveyors.

Sam Scarborough, NCSD customer, stated the District should continue to care for the Community and congratulations.

Upon the motion of Director Armstrong and seconded by Director Vierheilg, the Board unanimously directed staff to amend the Draft RFP and authorize Staff to distribute the RFP.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Vierheilg, Blair, Gaddis, and Harrison	None	None

The Board took a break from 10:25 to 10:40 a.m.

- E-4) CONSIDER DISTRICT RESPONSE TO WATER SUPPLY CONCERNS STEMMING FROM LOW RAINFALL AND DEPRESSED GROUNDWATER LEVEL

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet and answered questions from the Board. Much Board discussion ensued regarding conservation, mandatory restrictions and enforcement.

The following member of the public spoke:

Ed Eby, NCSD customer, read from the Stipulation and commented on water conservation.

Nipomo Community Services District
REGULAR MEETING
MINUTES

ITEM E-4 (CONTINUED)

Michael LeBrun, General Manager, will contact other agencies about their conservation programs, set up a Conservation Committee meeting and express our concerns about water conservation to the NMMA.

02:12:45

E-5) REVIEW DISTRICT POLICY REGARDING HYDRANT AND OUT OF AREA WATER SALES

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet and answered questions from the Board. Much Board discussion ensued regarding fire hydrant use and sale of water from fire hydrants.

*The following member of the public spoke:
Ed Eby, NCSD customer, spoke about public opinion/image, fire hydrant theft, and reclaimed water sales.*

*Upon the motion of Director Blair and seconded by Director Vierheilg, the Board unanimously agreed to leave the policy as is.
Vote 5-0.*

YES VOTES	NO VOTES	ABSENT
<i>Directors Blair, Vierheilg, Armstrong, Gaddis, and Harrison</i>	<i>None</i>	<i>None</i>

02:39:57

I. CLOSED SESSION ANNOUNCEMENTS

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9 SMVWCD VS. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
2. CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVT. CODE §54956.9(a):
Existing litigation - 1 case: Mesa Community Alliance Vs. District, Case No. CV 130222

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to closed session at 11:56 a.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:20 p.m.

Mike Seitz, District Legal Counsel, announced that the Board discussed Items One and Two listed above under closed session announcements, but took no reportable action.

Nipomo Community Services District
REGULAR MEETING
MINUTES

02:41:00

E-6) REVIEW BROWN ACT AND DISTRICT BYLAWS WITH GENERAL COUNSEL

Mike Seitz, District Legal Counsel, reviewed the Brown Act and District By-Laws and answered questions.

There was no public comment.

E-7) CONSIDER COMMISSIONING A PLAQUE RECOGNIZING FOUNDING DIRECTORS

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet and answered questions from the Board.

There was no public comment.

Upon the motion of President Harrison and seconded by Director Blair, the Board unanimously agreed to purchase a brass plaque commemorating District's founding Directors and to have the plaque mounted on the District office building exterior adjacent to the main entrance.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Blair, Vierheilig, Armstrong, and Gaddis	None	None

01:42:37

F. GENERAL MANAGER'S REPORT

Michael LeBrun, General Manager, reviewed the report as presented in the Board packet. Mr. LeBrun answered questions from the Board.

There was no public comment.

G. COMMITTEE REPORT

There were no committee reports.

01:46:50

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Blair

◇ *Asked about Southland Upgrade Landscape Plan and District ball caps.*

There was no public comment.

ADJOURN

President Harrison adjourned the meeting at 2:10 p.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	3 hours 50 minutes
Closed Session	1 hour 20 minutes
TOTAL HOURS	5 hours 10 minutes

TO: BOARD OF DIRECTORS

FROM: MICHAEL S. LEBRUN
GENERAL MANAGER

DATE: JULY 19, 2013

**AGENDA ITEM
D-3**

JULY 24, 2013

INVESTMENT POLICY – SECOND QUARTER REPORT

The Board of Directors have adopted an Investment Policy for NCSD which states that the Finance Officer shall file a quarterly report that identifies the District's investments and their compliance with the District's Investment Policy. The quarterly report must be filed with the District's auditor and considered by the Board of Directors.

Below is the June 30, 2013 Quarterly Report for your review. As District Finance Officer and Treasurer, I am pleased to inform the Board of Directors that the District is in compliance with the 2013 Investment Policy and that the objectives of safety, liquidity, and yield have been met. The District has the ability to meet cash flow requirements for the next six months.

After Board consideration and public comment, it is recommended that your Honorable Board accept the quarterly report by motion and minute order.

INVESTMENT POLICY-SECOND QUARTER REPORT 6/30/13

Investment	Institution	Amount of Deposit 6/30/13	Rate of Interest	Quarterly Interest Earned or Accrued 6/30/13	Amount of Deposit 6/30/12	Rate of Interest	Quarterly Interest Earned or Accrued 6/30/12
Money Market	Rabobank (1)	\$230,949.08	N/A	\$0.00	\$143,504.40	N/A	\$0.00
Savings-Improvement Bonds	Rabobank	\$166,788.88	0.26%	\$65.83	\$927.58	0.04%	\$0.11
Savings-Performance Bond	Rabobank	\$200,089.99	0.26%	\$89.99	\$0.00	0.00%	\$0.00
Pooled Money Investment	Local Agency Investment Fund (LAIF)	\$21,907,980.17	0.24%	\$27,298.64	\$20,892,325.54	0.36%	\$27,298.64
Certificate of Deposit Account Registry Service (CDARS)	Mission Community Bank	\$924,656.75	0.02%	\$168.48	\$1,473,590.89	0.09%	\$497.82

N/A – Not Applicable

(1) Account placed on Analyzed Services

ATTACHMENTS

None