

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

MARCH 8, 2017 AT 9:00 A.M.

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

BOARD of DIRECTORS

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

PRINCIPAL STAFF

MARIO IGLESIAS, **GENERAL MANAGER**
LISA BOGNUDA, **FINANCE DIRECTOR**
WHITNEY MCDONALD, **GENERAL COUNSEL**
PETER SEVCIK, **DIRECTOR OF ENG. & OPS.**
JESSICA MATSON, **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.

00:00:00 A. CALL TO ORDER AND FLAG SALUTE

President Gaddis called the Regular Meeting of March 8, 2017 to order at 9:00 a.m. and led the flag salute.

00:00:28 B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, all Directors were present.

The following members of the public spoke:

Noel Heal, Blacklake resident, requested an update on when tier rates would be added back to customer utility bills. Mario Iglesias, General Manager, responded.

President Gaddis welcomed new General Counsel, Whitney McDonald of Richard, Watson and Gershon.

00:05:18 C. PRESENTATIONS AND REPORTS

C-1) RECEIVE GOVERNMENT FINANCE OFFICERS ASSOCIATION AWARD AND RECOGNIZE DISTRICT AND STAFF

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet.

President Gaddis presented the award to District Finance Director, Lisa Bognuda. The Board commended Ms. Bognuda for her service.

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 Woodson

- *February 27, Attended the South County Advisory Council (SCAC) meeting where he reviewed the District Manager's Report.*
- *March 3, Attended an Arts Council meeting at the Nipomo Chamber of Commerce.*

Director Blair

- *February 23, Attended the Nipomo Chamber of Commerce luncheon and heard a presentation from former Assemblyman Katcho Achadjian.*

- February 28, Attended the County Board of Supervisors meeting and gave public comment regarding the area's water resources.
- Congratulated District Finance Director, Lisa Bognuda, for her Accounting Excellence award.

Director Eby

- February 24, Attended the Nipomo Mesa Management Area Technical Group (NMMA-TG) meeting where they discussed the annual report and should have for Board review in April.
- February 27, Attended the District Ad-Hoc meeting where they reviewed the Blacklake Sewer Master Plan.
- February 27, Attended the District Officer's meeting.
- February 27, Attended the SCAC meeting.
- March 1, Attended the Water Resources Advisory Committee (WRAC) meeting.

Director Armstrong

- March 1, Attended the WRAC meeting where they gave a resource management update. Director Armstrong encouraged the District to review the Resources Summary Report draft as there are apparently a number of discrepancies in the report.

Director Gaddis

- February 27, Attended the District Officer's meeting.
- March 6, Attended the Finance & Audit Committee meeting.

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

There were no public comments.

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously approved to receive and file the presentations and reports as submitted.

Vote 5-0.

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

00:12:41

D. CONSENT AGENDA

D-1) WARRANTS

D-2) APPROVE FEBRUARY 22, REGULAR BOARD MEETING MINUTES

D-3) AMENDMENT TO PROJECT GRANT AGREEMENT BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT AND THE NIPOMO CHAMBER OF COMMERCE FOR SOLID WASTE REMOVAL

D-4) AWARD GRANT FUNDS TO ACHIEVEMENT HOUSE, INC. IN THE AMOUNT OF \$4,600 FOR SOLID WASTE REMOVAL

D-5) ADOPT RESOLUTION ACCEPTING WATER LINE AND SEWER LINE EASEMENT FOR TRACT 2441, APN 092-578-005

D-6) ADOPT RESOLUTION OF APPRECIATION FOR MIKE SEITZ AND THE LAW FIRM OF SHIPSEY & SEITZ

Director Gaddis pulled Items D-1, D-3, and D-4 for discussion and separate consideration.

Staff tabled Item D-5 until the March 22, 2017 Regular meeting.

ITEMS D-2 and D-6

There were no public comments.

Upon the motion of Director Ed Eby and seconded, the Board unanimously approved Items D-2 and D-6.

Vote 5-0.

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

RESOLUTION 2017-1433

A RESOLUTION OF THE BORD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT EXPRESSING APPRECIATION AND GRATITUDE TO MICHAEL SEITZ AND THE LAW FIRM OF SHIPSEY & SEITZ FOR CONTRIBUTIONS TO NIPOMO COMMUNITY SERVICES DISTRICT

ITEM D-3

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet. Mr. Iglesias answered questions from the Board.

Director Gaddis commented on the Agreement with the Nipomo Chamber of Commerce for solid waste removal services and that the Chamber did not meet the terms and conditions of the Agreement.

The Board discussed the Chamber's use of grant funds and suggested the Agreement be amended.

Director Gaddis recommended the statement "due to grantee's failure to meet terms and conditions of Agreement" be added to section B of the Agreement Amendment.

There were no public comments.

Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously approved Item D-3 as amended.

Vote 5-0.

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

ITEM D-4

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet and commented that, at this time, the District has no intention of extending the Agreement past January 2017.

00:13:50

00:28:45

Director Gaddis commented that District staffing is not available to administer the program.

There were no public comments.

Upon the motion of Director Dan Allen Gaddis and seconded, the Board unanimously approved Item D-4 for the period of November 2016, December 2016, and January 2017. Vote 5-0.

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

ITEM D-1

Director Gaddis requested clarification on warrants. Mario Iglesias, General Manager, responded.

Director Gaddis asked if Adopt-a-Highway invoices are being paid by the Chamber. Mr. Iglesias responded.

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously approved Item D-1. Vote 5-0.

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

00:33:45

E. ADMINISTRATIVE ITEMS

None.

00:39:45

F. MANAGER'S REPORT

Mario Iglesias, General Manager, reviewed the report as presented in the Board packet.

Mr. Iglesias also reported the following:

- Due to the Supreme Court's recent ruling regarding public official's private email accounts subject to the Public Records Act, the District has issued each Board member a District email account and use instructions.

Whitney McDonald, District Legal Counsel, commented on the Supreme Court ruling and the Public Records Act (PRA). Ms. McDonald also commented that all emails regarding District business are subject to the PRA unless an exemption applies. Legal Counsel will rely on the Board to provide the emails if there is a request.

Ms. McDonald recommended the District create a formal policy on how to maintain emails and agendize it for Board review.

The following members of the public spoke:

Noel Heal, Blacklake resident, commented on the District's existing Records Retention Policy.

Director Eby suggested that the Records Retention Policy be updated to include emails.

The Board directed staff to bring the email issue and development of a District email policy back as an agenda item for further consideration. The Board also requested the Records Retention Policy be added to a future Agenda.

Mr. Iglesias also reported the following:

- *The County Board of Supervisor's hearing on the Phillips 66 Rail project will be held on March 13th.*
- *The Sustainable Groundwater Management Act forum will take place at 6:30 PM on March 9th at Nipomo High School.*
- *The California Special Districts Association (CSDA) quarterly meeting will take place on March 29th.*

Director Gaddis commented on the rainfall totals reported in the Manager's Report.

Directors Gaddis and Eby will attend the Nipomo Mesa Management Area Technical Group's meeting on March 24th.

There were no public comments.

01:03:02

G. COMMITTEE REPORTS

Director Armstrong reported that the Finance & Audit Committee met on March 6th and reviewed the Draft Water Rate Study, Debt Management Policy, Cash Reserves Policy, proposed budget requests, and the Consumer Price Index used for cost-of-living adjustments.

01:04:45

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Woodson

- *Asked if the District has an equipment database and software to predict equipment failure. Mario Iglesias, General Manager, responded.*

Director Blair

- *Requested staff draft a letter in support of Assemblyman Cunningham's Legislation regarding use of water from Diablo. The Board discussed. No direction was given to staff.*
- *Requested staff draft a letter to the County Board of Supervisors regarding the Phillips 66 Rail project water use. Director Armstrong suggested the District wait to see if the project goes forward before drafting a letter so as not to appear in favor of the project. Whitney McDonald, District Legal Counsel, commented on the process and possibility of an appeal if the project is denied.*

01:14:35

I. CLOSED SESSION ANNOUNCEMENTS

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9

- a) SMVWCD VS. NCSO (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
- b) BENING VS. NCSO SAN LUIS OBISPO COUNTY CASE NO 14CV0069

c) NCSD VS. LOS PRIMOS PROPERTIES LLC, SAN LUIS OBISPO COUNTY
CASE NO. 16CV0512

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There were no public comments.

K. ADJOURN TO CLOSED SESSION

President Gaddis adjourned to closed session at 10:18 a.m.

L. OPEN SESSION
ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 11:08 AM.

Whitney McDonald, District Legal Counsel, announced that the Board discussed Item I.1(a), 1(b), and 1(c), heard a report, but took no reportable action.

ADJOURN

President Gaddis adjourned the meeting at 11:10 AM.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hour 20 minutes
Closed Session	50 minutes
TOTAL HOURS	2 hours 10 minutes

Respectfully submitted,



Mario Iglesias, General Manager and Secretary to the Board

3-23-17

Date