

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

SEPTEMBER 13, 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 September 13, 2017 to order at 9:00 a.m. and led the flag salute.

00:00:29 B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, all Directors were present.

There were no public comments.

C. PRESENTATIONS AND REPORTS

00:00:39 C-1) 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 Eby

- *September 5, Attended the District Board Officer's meeting.*
- *September 6, Attended the Water Resources Advisory Committee (WRAC) meeting.*
- *September 12, Watched the Arroyo Grande City Council meeting online.*
- *Nipomo Native Gardens is holding their plant sale on October 7th.*

Director Armstrong

- *September 6, Attended the Water Resources Advisory Committee (WRAC) meeting.*

Director Gaddis

- *August 30, The Board held a Special Meeting to consider accepting an offer of water and sewer improvements and easement for Nipomo Oaks.*
- *August 30, Attended the District's Strategic Planning Workshop*
- *September 5, Attended the District Board Officer's meeting.*

C-2) 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.

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*Upon the motion of Director Ed Eby 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 Eby, Woodson, Blair, Armstrong, and Gaddis	None	None

00:03:04

D. CONSENT AGENDA

- D-1) WARRANTS
- D-2) APPROVE AUGUST 23, REGULAR BOARD MEETING MINUTES
- D-3) APPROVE AUGUST 30, SPECIAL BOARD MEETING MINUTES
- D-2) ACCEPT SUPPLEMENTAL WATER PROJECT JOSHUA ROAD PUMP STATION RESERVOIR

Directors Gaddis and Eby requested clarification on warrants. Mario Iglesias, General Manager, and Peter Sevcik, Director of Engineering and Operations, responded.

There were no public comments.

*Upon the motion of Director Ed Eby and seconded, the Board unanimously approved the Consent Agenda.
 Vote 5-0.*

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

E. ADMINISTRATIVE ITEMS

00:04:11

- E-1) CONSIDER OPTERRA ENERGY SERVICES PROPOSAL TO CONDUCT AN ENERGY SAVINGS PROGRAM DEVELOPMENT PLAN

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet and introduced Opterra representative, Ashu Jain. Mr. Iglesias stated that the District is looking for ways to cut costs for operating facilities by installing solar panels.

Mr. Jain gave a presentation on the opportunities for a solar project at the Southland Wastewater Treatment Plant.

Director Eby commented on possible changes by the Public Utilities Commission which could prevent the District from recouping it's investment. Mr. Jain commented on the possibility and unlikeliness of a significant impact based on his experience in the industry.

Director Woodson asked about lease payments and the District owning the system. Mr. Jain responded that the District would own the system from day 1 and lease payments would end after year 19.

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Director Armstrong requested the proposals for automatic metering (AMI) and solar be separated out for separate consideration.

The Board discussed.

Director Armstrong asked about energy costs once the District's water supply is primarily Santa Maria water. Peter Sevcik, Director of Engineering and Operations, responded that energy costs will increase.

The following members of the public spoke:

Dan Hall, Blacklake resident, asked why the Blacklake wastewater treatment plant was not included in the plan. Mario Iglesias, General Manager, responded that Blacklake does not have land sufficient for such a project.

Director Armstrong asked why staff did not request other proposals since this is a \$7 million dollar project. Mr. Iglesias responded that other vendors were approached and he spoke with other public agencies going through the solar project process. Mr. Jain commented that legislation allows public agencies to sole source for solar projects. Director Armstrong suggested the District hire an independent engineering firm to validate the proposal and design since the District does not have expertise in solar.

Director Armstrong made a motion to authorize the General Manager to sign a program development agreement with Opterra Energy.

Director Blair asked if the development plan will include automatic metering. Mr. Iglesias commented that it will include automatic metering but will be separated out as requested by Director Armstrong.

Director Eby commented on missing information in the analysis and his opposition to pay for a proposal.

Director Woodson commented on his opposition of the design-build concept.

Director Gaddis concurred that the proposals for automatic metering and solar should be separated out.

Mr. Jain stated that the program development plan will show a minimum of \$35,000 savings per year over 19 years.

There were no additional public comments.

Upon the motion of Director Craig Armstrong and seconded, the Board authorized the General Manager to sign a Program Development Agreement with Opterra Energy Services for \$29,853 to complete a program development plan as amended to reflect the minimum savings of \$35,000 per year over 19 years.

Vote 3-2.

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

PRESIDENT GADDIS ANNOUNCED THE BOARD WOULD HEAR ITEM E-3 NEXT.

00:58:14

01:22:42

- E-3) CONSIDER AUTHORIZING FUNDS COLLECTED UNDER SAN LUIS OBISPO COUNTY ORDINANCE 3160 BE DEDICATED TO THE NIPOMO SUPPLEMENTAL WATER PROJECT

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

There were no public comments.

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously authorized all funds collected under County Ordinance 3160, approximately \$520,000, be dedicated to the Nipomo Supplemental Water Project (NSWP) and directed staff to move these funds into the District's NSWP Fund 500.

Vote 5-0.

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

PRESIDENT GADDIS ANNOUNCED THE BOARD WOULD RETURN TO ITEM E-2.

01:26:03

- E-2) CONSIDER AUTHORIZING TASK ORDER FOR ENGINEERING SERVICES FOR WOODGREEN LIFT STATION REHABILITATION PROJECT IN THE AMOUNT OF \$86,420 WITH CANNON CORPORATION

Peter Sevcik, Director of Engineering and Operations, reviewed the report as presented in the Board Packet. Mr. Sevcik answered questions from the Board.

There were no public comments.

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously adopted the Resolution authorizing a Task Order with Cannon Corporation in the amount of \$86,420.

Vote 5-0.

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

RESOLUTION 2017-1458
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING A TASK ORDER WITH CANNON CORPORATION FOR ENGINEERING SERVICES FOR THE WOODGREEN LIFT STATION REHABILITATION PROJECT

01:31:47

- E-4) CONSIDER AUTHORIZING TASK ORDER FOR CONCEPT DESIGN ENGINEERING SERVICES FOR SUPPLEMENTAL WATER PROJECT GOLDEN STATE WATER COMPANY AND WOODLANDS MUTUAL WATER COMPANY INTERCONNECTS IN THE AMOUNT OF \$118,453 WITH MKN & ASSOCIATES

Peter Sevcik, Director of Engineering and Operations, reviewed the report as presented in the Board Packet. Mr. Sevcik answered questions from the Board.

There were no public comments.

Upon the motion of Director Ed Eby and seconded, the Board unanimously adopted the Resolution authorizing a Task Order with MKN & Associates in the amount of \$118,453.

Vote 5-0.

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

RESOLUTION 2017-1459
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING A TASK ORDER WITH MKN & ASSOCIATES FOR ENGINEERING SERVICES FOR THE SUPPLEMENTAL WATER PROJECT – GOLDEN STATE WATER COMPANY AND WOODLANDS MUTUAL COMPANY INTERCONNECTS

01:44:42

E-5) AUTHORIZE BUDGET ADJUSTMENT OF \$8,000 TO THE LANDSCAPE MAINTENANCE DISTRICT #1 FUND FOR THE PURPOSE OF REMOVING TURF AND REPLANTING WITH DROUGHT TOLERANT LANDSCAPE

Mario Iglesias, General Manager, reviewed the report as presented in the Board Packet and commented that the District is applying for the County's cash-for-grass program. Mr. Iglesias answered questions from the Board.

There were no public comments.

Upon the motion of Director Craig Armstrong and seconded, the Board unanimously authorized a budget adjustment of \$8,000 to Landscape Maintenance District #1. Vote 5-0.

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

01:49:18

F. MANAGER'S REPORT

Mario Iglesias, General Manager, reviewed the report as presented in the Board packet. Mr. Iglesias also reported the following:

- The District almost hit the 50% reduction in groundwater pumping target in August and expects to achieve the target during the cooler months.*

Directors Gaddis and Armstrong asked about pumping capacity for water deliveries from the City of Santa Maria and financial impacts. Mr. Iglesias answered questions from the Board and stated he will provide a table showing how the pumping is tracked.

Director Gaddis requested a summary of Mr. Iglesias's meeting with Rob Rossi at Blacklake on August 31st. Mr. Iglesias responded.

Director Eby requested an update on the Blacklake Sewer Master Plan. Mr. Iglesias responded that staff received the document September 12th and is proposing a review with an Ad-Hoc committee. The Board discussed and formed an Ad-Hoc committee, consisting of Directors Eby and Woodson, to review the Blacklake Sewer Master Plan

There were no public comments.

G. COMMITTEE REPORTS

None.

02:05:45 H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Eby

- *Requested training on liabilities as an elected official based on Arroyo Grande's recent investigation. Whitney McDonald, District Legal Counsel, will look into training options for the Board.*

02:14:27 I. CLOSED SESSION ANNOUNCEMENTS

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

- a) SMVWCD VS. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).
- b) 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 11:26 a.m.

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

The Board came back into Open Session at 11:50 a.m.

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

ADJOURN

President Gaddis adjourned the meeting at 11:52 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	2 hours 28 minutes
Closed Session	24 minutes
TOTAL HOURS	2 hours 52 minutes

Respectfully submitted,



 Mario Iglesias, General Manager and Secretary to the Board

10-11-17

 Date