

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER

DATE: JUNE 22, 2018

**AGENDA ITEM**


**C**

**JUNE 27, 2018**

## **PRESENTATIONS AND REPORTS**

The following presentations and reports are scheduled:

- C-1) SAN LUIS OBISPO COUNTY PLANNING & BUILDING DEPARTMENT'S ABATMENT DIVISION PRESENTATION AND DEBRIEF: NIPOMO CLEAN-UP DAY
- C-2) NIPOMO COMMUNITY CLEAN-UP DAY PROGRAM REPORT [RECOMMEND RECEIVE AND FILE NIPOMO COMMUNITY CLEAN-UP DAY PROGRAM REPORT]
- C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS.  
Receive Announcements and Reports from Directors
- C-4) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS


TO: BOARD OF DIRECTORS  
FROM: MARIO IGLESIAS  
GENERAL MANAGER   
DATE: JUNE 21, 2018

**AGENDA ITEM**  
**C-1**  
**JUNE 27, 2018**

**SAN LUIS OBISPO COUNTY PLANNING & BUILDING DEPARTMENT'S  
ABATMENT DIVISION PRESENTATION AND DEBRIEF:  
NIPOMO CLEAN-UP DAY**

**ITEM**

San Luis Obispo County Planning & Building Department will provide a verbal report regarding the County-coordinated Nipomo Community Clean-up Day to the Nipomo Community Services District's Board of Directors

TO: BOARD OF DIRECTORS  
FROM: MARIO IGLESIAS  
GENERAL MANAGER   
DATE: JUNE 21, 2018

**AGENDA ITEM**  
**C-2**  
**JUNE 27, 2018**

## **NIPOMO COMMUNITY CLEAN-UP DAY PROGRAM REPORT**

### **ITEM**

Report progress and costs of the June 16, 2018 San Luis Obispo County-coordinated Nipomo Community Clean-up Day to the Nipomo Community Services District's Board of Directors.  
[RECOMMEND RECEIVE AND FILE NIPOMO CLEAN-UP DAY PROGRAM REPORT]

### **BACKGROUND**

The purpose of this report is to provide the Nipomo Community Services District's ("NCSD") Board of Directors with an update on the District's participation in the San Luis Obispo County's Building and Planning Department's coordinated Nipomo Clean-up Day.

The District received a letter from San Luis Obispo County Supervisor Lynn Compton's Office soliciting financial support for the San Luis Obispo County Building and Planning Department's Nipomo Clean-up Day scheduled for Saturday, June 16, 2018, in Nipomo. The purpose of the event was to collect and dispose of large items such as automobiles, appliances, and furniture in an effort to reduce illegal dumping in the community. The County's Planning and Building Department's Code Enforcement Division dedicated staff time and effort to coordinate the project and provide personnel at the site during the event.

The District collects funds through its Solid Waste Franchise Fee and uses these funds to manage projects similar to the Nipomo Clean-up Day for the purpose of reducing solid waste in its service area.

On May 9, 2018, your Board authorized staff to provide financial support for the County coordinated Nipomo Clean-up day in an amount not-to-exceed \$9,500. This level of funding would support the cost of 10 dumpsters large enough to manage the anticipated waste materials as well as the cost to dispose of items appropriately and in accordance with the law. Also included in this funding was the cost of mailing notices of the event to District customers and providing volunteer support supplies such as water and lunch.

The County also received funds from the South County Advisory Committee and Supervisor Compton's office.

On June 16, 2018, Nipomo Clean-up Day began, starting at 9:00 AM. By 10:30 AM all ten roll-offs were full and the County closed the event. Unfortunately, community members continued to dispose of materials after County staff and service club volunteers left the site. Dumping continued through Monday and halted only after law enforcement was called in to patrol the site.

As a result of the additional unmanaged disposal of material on the site, the County and community volunteers spent Monday through Wednesday (June 18-20) sorting, reorganizing, transporting, and disposing of the illegally dumped materials. Additional funding from the

District's Solid Waste Fund above the \$9,500 not-to-exceed limit was needed to address an immediate need. The General Manager consulted with the Board Officers at a regularly scheduled Board Officer Meeting on June 18, 2018, explaining the situation and, under the authority granted the General Manager by the District's purchasing policy, committed an additional amount of funding up to \$5,000 to assist the County in cleaning up the site. Below is an accounting of the original \$9,500.

Item	Budgeted	Cost Estimate
Volunteer Support Services	\$ 500	\$ 450
Coastal Roll-offs	\$ 2,200	\$ 2,200
Cold Canyon Landfill	\$ 4,200	\$ 3,600
Tires	\$ 200	\$ 1,000
Customer Notices	\$ 2,400	\$ 2,200
Authorized not to exceed	\$ 9,500	\$ 9,450

The additional \$5,000 expenditure will cover the cost of items described below.

Item	Budgeted	Cost Estimate
CJ Rockin Trucking	\$ -	\$ 1,100
Santa Maria Landfill	\$ -	\$ 800
Costal Roll-offs	\$ -	\$ 1,300
Cold Canyon Landfill	\$ -	\$ 800
Contingency	\$ -	\$ 1,000
Additional Cost	\$ -	\$ 5,000

The success of the County's Clean-up Day can be measured by the ton. It is estimated that over 30 tons of refuse was either appropriately disposed of in area landfills or recycled, as in the case of metals and mattresses collected and sent to recycling facilities. Collecting materials in this manner is efficient and helps keep the unlawful disposal of materials off public lands.

### **FISCAL IMPACT**

The District's Solid Waste Enterprise Fund #300 funded the original expenditure of \$9,500. Funding of the additional cost will also come from the Solid Waste Fund #300. Monies from this fund are generated by franchise fees received pursuant to the August 27, 2008 Amended and Restated Solid Waste Collection Franchise Agreement with South County Sanitary Service, Inc. There is a \$245,000 balance in Fund #300 and there are no other projects scheduled for this year affecting the Fund balance. The Cash Reserve Goal for Fund #300 is \$115,000.

### **STRATEGIC PLAN**

Goal 8. ADDITIONAL COMMUNITY SERVICES. Staff should focus on meeting the goals and objectives of existing services. Adding new services will be considered on a case-by-case basis and entered into only if funding can be found and existing services are not harmed.

#### **8.A. Activities for Completion**

A.1 SOLID WASTE. Seek to maximize solid waste services for community and build understanding of services like hazardous waste, recycling, etc. and District's role.

**RECOMMENDATION**

Staff recommends your Honorable Board receive and file the Nipomo Community Clean-up Day Program Report.

**ATTACHMENTS**

- A. Photos of site.

JUNE 27, 2018

ITEM C-2

ATTACHMENT A

Nipomo Clean-up Day  
June 16, 2018



Nipomo Clean-up Day  
June 16, 2018





TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER 

DATE: June 22, 2018

**AGENDA ITEM**

**D**

**JUNE 27, 2018**

## **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 JUNE 13, 2018, REGULAR BOARD MEETING MINUTES  
[RECOMMEND APPROVE MINUTES]

TO: BOARD OF DIRECTOR

REVIEWED: MARIO IGLESIAS  
GENERAL MANAGER 

FROM: LISA BOGNUDA  
FINANCE DIRECTOR

DATE: JUNE 22, 2018

**AGENDA ITEM**  
**D-1**  
**JUNE 27, 2018**

WARRANTS WILL BE DISTRIBUTED ON TUESDAY, JUNE 26, 2018

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER



DATE: JUNE 22, 2018

**AGENDA ITEM**  
**D-2**  
**JUNE 27, 2018**

**APPROVE JUNE 13, 2018  
REGULAR BOARD MEETING MINUTES**

**ITEM**

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

**BACKGROUND**

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

**RECOMMENDATION**

Approve Minutes

**ATTACHMENT**

- A. June 13, 2018 draft Regular Board Meeting Minutes

JUNE 27, 2018

ITEM D-2

ATTACHMENT A

# NIPOMO COMMUNITY SERVICES DISTRICT

*Serving the Community Since 1965*

## DRAFT REGULAR MINUTES

**JUNE 13, 2018 AT 9:00 A.M.**

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

### BOARD of DIRECTORS

ED EBY, **PRESIDENT**  
DAN ALLEN GADDIS, **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.**

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 Eby called the Regular Meeting of June 13, 2018 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 Directors were present.*

*There was no public comment.*

#### C. PRESENTATIONS AND REPORTS

##### C-1) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES, AND SEMINARS.

###### Director Woodson

- *June 14, will attend the Traffic Committee meeting.*

###### Director Blair

- *May 23, attended CSDA Legislative Days in Sacramento.*

###### Director Gaddis

- *June 4, attended Board Officers meeting.*

###### Director Armstrong

- *June 6, attended Water Resources Advisory Committee (WRAC).*

###### Director Eby

- *May 29, attended SCAC meeting.*
- *May 31, attended Skate Park design meeting.*
- *June 4, attended Board Officers meeting.*
- *June 6, attended Water Resources Advisory Committee (WRAC).*
- *June 12, attended BLMA proposal review 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.*

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District  
DRAFT REGULAR MEETING  
MINUTES

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

00:05:41

D. CONSENT AGENDA

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE MAY 23, 2018, REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]
- D-3) APPROVE RESOLUTION AUTHORIZING THE OPENING OF AN ACCOUNT AT FIVE STAR BANK [RECOMMEND APPROVAL]
- D-4) REQUEST CONSOLIDATION OF DISTRICT BOARD ELECTION WITH FALL GENERAL ELECTION [RECOMMEND ADOPT RESOLUTION]
- D-5) DECLARE WATER STORAGE TANK SURPLUS AND AUTHORIZE ITS SALE [RECOMMEND DECLARE WATER STORAGE TANK SURPLUS AND AUTHORIZE ITS SALE]

Mario Iglesias, General Manager, stated Item D-4 Resolution has a correction in Section 1. The election is for three members not two members as stated.

There were no public comments.

Upon the motion of Director Armstrong and seconded, the Board unanimously approved the Consent Agenda with the amendment to Item D-4.  
Vote 5-0.

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

**RESOLUTION 2018-1476**  
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING THE OPENING OF AN ACCOUNT AT FIVE STAR BANK

**RESOLUTION 2018-1477**  
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN LUIS OBISPO TO CONSOLIDATE A GENERAL DISTRICT ELECTION TO BE HELD ON NOVEMBER 6, 2018, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTION CODE

0:09:52

E. ADMINISTRATIVE ITEMS

- E-1) PUBLIC HEARING – AUTHORIZE RECORDATION OF TAX LIENS FOR PROPERTIES IN ARREARS IN PAYMENT OF SOLID WASTE FEES [RECOMMEND SUBJECT TO BOARD APPROVAL]

Nipomo Community Services District  
DRAFT REGULAR MEETING  
MINUTES

CONDUCT HEARING AMEND GENERAL MANAGER’S REPORT IF NECESSARY  
AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING

Mario Iglesias, General Manager, and Lisa Bognuda, Finance Director, presented the item.

Amber Castro, Collection Service Representative from South County Sanitary, answered questions from the Board.

President Eby opened the Public Hearing.

Bill Kengel, NCSD customer, asked about tenant garbage bills and the responsibility of the owner.

*Upon the motion of Director Blair and seconded, the Board unanimously approved the Resolution.*

Vote 5-0.

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

**RESOLUTION 2018-1478**  
**A RESOLUTION OF THE BOARD OF DIRECTORS OF**  
**THE NIPOMO COMMUNITY SERVICES DISTRICT**  
**CONFIRMING REPORT OF DISTRICT GENERAL MANAGER**  
**AND ORDERING THE COLLECTION OF UNPAID**

00:16:20

- E-2) PUBLIC/PROTEST HEARING – AUTHORIZE COLLECTION OF FY 2018-19 BLACKLAKE STREET LIGHT DISTRICT ASSESSMENTS [RECOMMEND CONDUCT HEARING AMEND ASSESSMENT REPORT IF NECESSARY AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING ASSESSMENT REPORT AND AUTHORIZING COLLECTION OF ASSESSMENTS]

Mario Iglesias, General Manager, and Lisa Bognuda, Finance Director, presented the item.

President Eby opened the Public Hearing.

There were no public comments.

*Upon the motion of Director Gaddis and seconded, the Board unanimously approved the Resolution.*

Vote 5-0.

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

**RESOLUTION 2018-1479**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE NIPOMO COMMUNITY SERVICES DISTRICT**  
**PROVIDING FOR THE COLLECTION OF STREET LIGHT CHARGES ON**  
**THE SAN LUIS OBISPO COUNTY TAX ROLLS FOR MAINTENANCE AND**  
**OPERATION OF EXISTING PUBLIC STREET LIGHTS IN THE**  
**BLACKLAKE VILLAGE**

00:21:15

- E-3 (A) PUBLIC HEARING – ADOPT 2018-19 FISCAL YEAR BUDGET [RECOMMEND CONDUCT PUBLIC HEARING, CONSIDER TESTIMONY, ORDER EDITS IF ANY

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District  
DRAFT REGULAR MEETING  
MINUTES

AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING 2018-2019 FISCAL YEAR BUDGET AND APPROPRIATION LIMITATION]

Mario Iglesias, General Manager, and Lisa Bognuda, Finance Director, presented the item.

President Eby opened the Public Hearing.

There were no public comments.

*Upon the motion of Director Armstrong and seconded, the Board unanimously approved the Resolutions adopting the Budget and the Appropriations Limitation.*

*Vote 5-0.*

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

**RESOLUTION 2018-1480**  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
ADOPTING THE 2018-2019 FISCAL YEAR BUDGET

**RESOLUTION 2018-1481**  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
DETERMINING THE APPROPRIATION LIMITATION FOR THE 2018-2019 FISCAL YEAR

(B) PUBLIC HEARING – ADOPT 2018-19 FISCAL YEAR BUDGET FOR NIPOMO SUPPLEMENTAL WATER PROJECT (NSWP) [RECOMMEND CONDUCT PUBLIC HEARING CONSIDER TESTIMONY ORDER EDITS IF ANY AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING 2018-2019 FISCAL YEAR BUDGET]

Mario Iglesias, General Manager, and Lisa Bognuda, Finance Director, presented the item.

President Eby opened the Public Hearing.

There were no public comments.

*Upon the motion of Director Armstrong and seconded, the Board unanimously approved the Resolution.*

*Vote 5-0.*

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

**RESOLUTION 2018-1482**  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
ADOPTING THE NSWP (NIPOMO SUPPLEMENTAL WATER PROJECT)  
2018-2019 FISCAL YEAR BUDGET

E-4) CONSIDER FUNDING REQUEST TO SUPPORT WATER BOTTLE FILLING STATIONS TO BE INSTALLED AT TWO LOCAL HIGH SCHOOLS [RECOMMEND REVIEW AND DISCUSS REQUEST AND DIRECT STAFF

Whitney McDonald, District Legal Counsel, stated solid waste funds could be used to fund this project since re-fill stations would assist in eliminating and/or reducing the use of disposable plastic bottles.

SUBJECT TO BOARD APPROVAL

00:28:13



Nipomo Community Services District  
DRAFT REGULAR MEETING  
MINUTES

The following members of the public spoke:

Gary Halverson, NCS D customer, expressed his concerns and stated this was premature at best and did not think it appropriate for the District to spend funds on this project.

Jason Kern and Christy Aguilar, Students at Central Coast New Tech High School (CCNTH), gave a presentation on the purpose for requesting funds to place re-fill water stations at CCNTH and Nipomo High School. Purposes include plastic waste reduction, improved student health, better access to water and convenience. Students have raised \$8,500 for the project.

Mike Eisner, Lions Club representative, stated Lucia Mar Unified School District has received bids for \$1,500 per re-fill station and school maintenance staff will perform the on-going maintenance.

Upon questioning by the NCS D Board; applicants for the funding request stated that the Lucia Mar Unified School District already has approved and funded facility project for their District schools, including Nipomo High School & Central Coast New Tech High School to install water bottle filling stations. They also stated that if NCS D donated any funds, the check should be made out to Lucia Mar Unified School District.

*The Board of Directors directed Staff to request a letter from the organization asking for specific details such as how much funding they are asking for, what is the purpose of the funds (a one-time expenditure or an on-going maintenance amount), when the funds would be needed, who will receive the funding, etc in order to better evaluate their request.*

E-5) APPROVE JOB DESCRIPTION MODIFICATIONS AND SALARY RANGE FOR THE POSITION OF ADMINISTRATION SUPERVISOR [RECOMMEND APPROVAL]

Mario Iglesias, General Manager, stated Staff is requesting changes to the job title, description and salary range of the Public Information/Clerk position to Administrative Supervisor.

There were no public comments.

*Upon the motion of Director Blair and seconded, the Board unanimously approved the job title, job description and salary range for the Administrative Supervisor.*

*Vote 5-0.*

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

E-6) INTRODUCE ORDINANCE AMENDING NIPOMO COMMUNITY SERVICES DISTRICT CODE SECTION 3.03.190 [RECOMMEND INTRODUCE, READ FULL TITLE, WAIVE FURTHER READING OF THE ORDINANCE, AND DIRECT DISTRICT COUSEL AND STAFF TO PREPARE AND PULISH SUMMARY OF ORDINANCE PER GOVERNMENT CODE SECTION 25124]

Nipomo Community Services District  
DRAFT REGULAR MEETING  
MINUTES

Whitney McDonald, District Legal Counsel, stated the proposed Ordinance is to acknowledge and update old statues regarding the lien process and authorize the General Manager to file such liens after 60 days delinquency.

There were no public comments.

*Upon the motion of Director Armstrong and seconded, the Board unanimously approved the introduction of AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING NIPOMO SERVICES DISTRICT CODE SECTION 3.03.190, waive further reading of the ordinance and direct District counsel and staff to prepare and publish a summary of the ordinance in accordance with Government Code Section 25124.*

*Vote 5-0.*

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

**ORDINANCE 2018-126**  
**AN ORDINANCE OF BOARD OF THE DIRECTORS OF**  
**THE NIPOMO COMMUNITY SERVICES DISTRICT**  
**AMENDING NIPOMO COMMUNITY SERVICES DISTRICT**  
**CODE SECTION 3.03.190**

01:25:00

F. MANAGER'S REPORT

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

*There were no public comments.*

G. COMMITTEE REPORTS

*Director Armstrong reported on the Ad Hoc Blacklake Sewer Committee meeting that was held on Tuesday, June 13. The committee selected a rate consultant firm and will make a recommendation to the Board of Directors on June 27.*

01:25:00

H. DIRECTORS' REQUEST TO STAFF AND SUPPLEMENTAL REPORTS

*President Eby directed Staff to contact Lucia Mar Unified School District to ensure they thoroughly respond to the request for information on the re-fill water stations.*

01:37:00

*There were no public comments.*

I. CLOSED SESSION

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

- a) SMVWCD V. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND A LITIGATION PURSUANT TO GC §54956.9 ALL CONSOLIDATED CASES)
- b) BENING VS. NCSD 14CV-0069

Nipomo Community Services District  
DRAFT REGULAR MEETING  
MINUTES

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

*There were no public comments.*

K. ADJOURN TO CLOSED SESSION

*The Board took a ten minute recess at 10:40 a.m.*

*President Eby adjourned to Closed Session at 10:50 a.m.*

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

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

There were no public comments.

ADJOURN

*President Eby adjourned the meeting at 11:55 a.m.*

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hour 40 minutes
Closed Session	1 hour 15 minutes
TOTAL HOURS	2 hour 55 minutes

Respectfully submitted,

\_\_\_\_\_  
Mario Iglesias, General Manager and Secretary to the Board

\_\_\_\_\_  
Date

TO: BOARD OF DIRECTORS

FROM: MARIO E. IGLESIAS  
GENERAL MANAGER

DATE: JUNE 20, 2018

**AGENDA ITEM**

**E-1**

**JUNE 27, 2018**

**AWARD CONTRACT FOR BLACKLAKE SEWER RATE STUDY  
TO LECHOWICZ AND TSENG**

**ITEM**

Award contract for Blacklake Sewer Rate Study to Lechowicz and Tseng for an amount not to exceed \$17,490. [RECOMMEND AWARD BLACKLAKE SEWER RATE STUDY CONTRACT TO LECHOWICZ AND TSENG FOR AN AMOUNT NOT TO EXCEED \$17,490]

**BACKGROUND**

At your Board's April 25, 2018 Board Meeting, staff asked your Board to authorize the circulation of a Request For Proposal ("RFP") to conduct a sewer rate study for the Blacklake Sewer Enterprise. A RFP was presented at that time outlining a comprehensive study of the Blacklake Sewer Enterprise rates, charges, and fees for your Board's review and consideration.

The District's Blacklake Ad Hoc Committee conducted several meetings with the Blacklake/NCSD Oversight Committee to develop the RFP and to review the proposals. The Blacklake/NCSD Oversight Committee reports to the Blacklake Master Association, an association composed of nine (9) neighborhoods. These neighborhoods make up the Blacklake development and share the cost of the wastewater facilities that make up the Blacklake Sewer Enterprise.

The District received six (6) proposals. The firm names and bids are presented below.

<u>Company</u>	<u>Not-to-Exceed</u>
Willdan	\$ 23,910
Bartle Wells	\$ 29,645
Lechowicz and Tseng	\$ 17,490
NBS	\$ 51,980
Water Consultancy	\$ 32,020
GovRates, Inc.	\$ 22,900

Staff reviewed the proposals based on:

- Responsiveness to the Request for Proposal
- Experience of the professional service provider
- Qualifications of personnel
- Cost including fees and reimbursable expenses

The District's Blacklake Ad Hoc Committee reviewed the proposal with the Blacklake/NCSD Oversight Committee on June 12, 2018. The two committees discussed the proposal and unanimously agreed to recommend Lechowicz and Tseng to the District's Board of Directors.

**FISCAL IMPACT**

The Blacklake Sewer Rate Study is budgeted for this fiscal year and there are sufficient funds in Blacklake Sewer Fund #130, Professional Services, to complete the study.

**STRATEGIC PLAN**

Strategic Plan Item 6.1 – Operate all enterprises fund to be financially sound  
Strategic Plan Item 6.2 – Achieve and maintain targeted operating reserves

**RECOMMENDATION**

Staff recommends your Honorable Board by motion and roll call vote, enter into a professional services agreement and award the contract for the Blacklake Sewer Rate Study to Lechowicz and Tseng for an amount not to exceed \$17,490.

**ATTACHMENTS**

- A. Proposal from Lechowicz and Tseng
- B. Sample Nipomo CSD Professional Services Agreement

JUNE 27, 2018

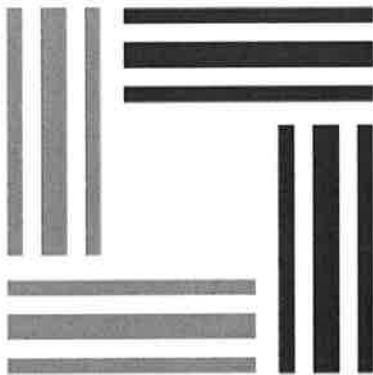
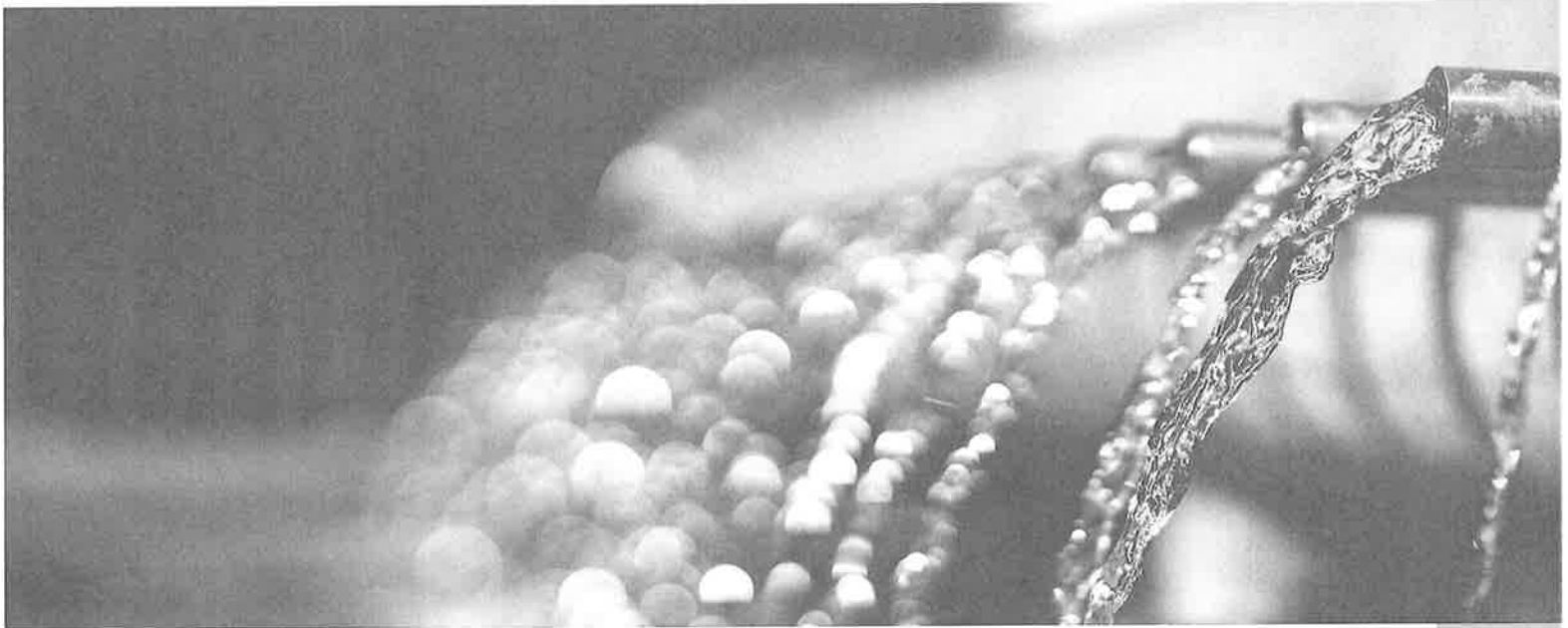
ITEM E-1

ATTACHMENT A

Proposal for the

**BLACKLAKE SEWER RATE STUDY -  
NIPOMO COMMUNITY SERVICES  
DISTRICT**

June 8, 2018



**LECHOWICZ + TSENG**  
MUNICIPAL CONSULTANTS

Alison Lechowicz

PO Box 3065

Oakland, CA 94609

(510) 545-3182

[Alison@ltmuniconsultants.com](mailto:Alison@ltmuniconsultants.com)

[www.LTmuniconsultants.com](http://www.LTmuniconsultants.com)

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LECHOWICZ + TSENG  
MUNICIPAL CONSULTANTS

PO Box 3065  
Oakland, CA 94609  
(510) 545-3182  
Ltmunicconsultants.com

June 8, 2018

Lisa Bognuda, Water Resources Manager  
Nipomo Community Services District  
148 South Wilson Street  
Nipomo, CA 93444

Dear Lisa S. Bognuda,

Lechowicz & Tseng Municipal Consultants (L&T) is pleased to submit a proposal for the Blacklake Sewer Rate Study for the Nipomo Community Services District (District). After working in public finance for over 10 years, Alison Lechowicz and Catherine Tseng founded L&T, a women-owned business. Lechowicz & Tseng provides financial planning, rate studies, and management consulting. We enjoy helping California public agencies draft financially and socially responsible utility plans.

L&T staff have more than 20 years combined experience working on utility rate studies and financial planning assignments. We have completed over 100 studies compliant with Propositions 218 and 26. Past assignments include utility rate studies for the Cities of Berkeley, Clovis, Davis, and Modesto. We have also delivered many rate and fee studies to smaller agencies such as the Templeton Community Services District, Root Creek Water District (Madera County), Towns of Discovery Bay and Yountville, and the Cities of Lindsay, Emeryville, and Cotati. Nearly all of these agencies are facing the same issues as the Nipomo CSD – funding the long-term replacement of infrastructure and adopting rates in compliance with new regulations.

Stated simply, our approach to the study is to develop a comprehensive rate study to determine annual revenue needs and then recover costs from rates. The financial plan will evaluate the short and long-term costs of the utility including the capital projects identified in the Blacklake Sewer Master Plan, pumping costs, regulatory charges, and all other operating expenditures. L&T will allocate costs to each customer class that will provide an administrative record supporting the rates. We can also advise the District on recent court cases, industry standard practice, and approaches used by comparable agencies.

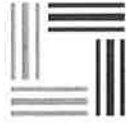
The attached proposal provides our professional background, references, and approach to the study. This proposal is valid for 90 days, and we are committed to perform the services specified in the RFP and in accordance with the District's Professional Services Agreement. If selected, L&T will provide proof of insurance and indemnification as required.

Sincerely,  
Lechowicz & Tseng Municipal Consultants

**Alison Lechowicz**, Principal and Authorized Representative  
510-545-3182



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## CONTACT INFORMATION

Lechowicz & Tseng Municipal Consultants (L&T) is a women-owned, small business. L&T's Employer Identification Number (EIN) is 82-0928239. Our California small business certification ID is 2006322. Both firm principals Alison Lechowicz and Catherine Tseng have signatory authority for our firm. We can provide additional documentation as needed. Alison Lechowicz will serve as the main contact person. All work will be conducted out of our single office located in Oakland, California.

Alison Lechowicz, Principal  
Lechowicz & Tseng Municipal Consultants  
PO Box 3065  
Oakland, CA 94609  
510-545-3182  
[alison@LTmunicconsultants.com](mailto:alison@LTmunicconsultants.com)

## WHO WE ARE

Lechowicz & Tseng Municipal Consultants is a women-owned firm founded by Alison Lechowicz and Catherine Tseng. Our objective is to provide financial consulting and management services to local governments. Alison and Catherine have over 20 years combined experience in municipal consulting and public finance. Catherine has a background in urban planning and worked for the City of Oakland before becoming a consultant. Alison has experience working for a civil engineering firm and a background in public administration. Both Alison and Catherine are certified independent municipal financial advisors and will conduct all work on this assignment. No subconsultants are needed.

L&T is committed to providing professional services with superior value and responsiveness. By utilizing a small team approach, our clients receive greater one-on-one attention and can be assured that the work is conducted by highly qualified professionals. Our clients are provided direct communication with the consultants who guide the project through each step.

## WHAT WE DO

- **Financial Plans:** Develop comprehensive financial plans focused on immediate needs as well the long-term viability of agencies. Our financial models are flexible and user-friendly to allow for sensitivity analysis and to illustrate the impacts of policy decisions.
- **Utility Rate & Fee Studies:** Conduct utility rate studies deriving both traditional and innovative rate structures that comply with cost of service principles and Proposition 218 requirements. Address policy goals, customer acceptance, and social influences.
- **Impact Fee/Capacity Charge Studies:** Complete development impact fees and capacity charge studies that offset the cost of expanding infrastructure to serve new development without placing a burden on existing customers.

- **Public Approval Process:** Lead informational workshops to educate the public about municipal finance. We provide start-to-finish assistance in the utility rate approval process including presentations to decision makers, publication of reports, and printing and mailing of notices to rate payers.
- **Utility Appraisal:** Develop an inventory of utility assets and determine fair market value. We assist public agencies with negotiating the purchase or sale of utility property.
- **Expert Witness:** Testify on behalf of public agencies to defend against lawsuits. We also represent public agencies as streetlight customers of California's electric utility providers in rate cases at the CA Public Utilities Commission.

## KEY TEAM MEMBERS

LECHOWICZ



### **Alison Lechowicz, Principal**

#### Background

10 years rate consulting experience  
 Master of Public Administration  
 Testified as an expert witness at  
 the CA Public Utilities Commission  
 Series 50 – Municipal Advisor  
 Representative Qualification

#### Project Responsibilities

**Project Manager &  
 Lead Analyst**  
 Cost of Service Allocation  
 Rate Structure Options  
 Public Presentations/  
 Board Meetings



### **Catherine Tseng, Principal**

#### Background

10 years rate consulting experience  
 Master of Urban Planning  
 Bachelor of Architecture  
 Certified Independent Professional  
 Municipal Advisor

#### Project Responsibilities

**Supporting Financial  
 Analyst**  
 Data Gathering  
 Cash Flow Analysis  
 Draft and Final Reports

TSENG





# ALISON LECHOWICZ

## EXPERIENCE

- 10 years utility rate consulting experience: 7 years as Principal and Financial Analyst at Bartle Wells Associates, 3 years as Financial Analyst at Carollo Engineers
- Testified as an expert witness at the CA Public Utilities Commission in electric rate cases of Pacific Gas & Electric, Southern California Edison, and San Diego Gas & Electric
- Municipal Securities Rulemaking Board, Series 50 – Municipal Advisor Representative



alison@  
LTmuniconsultants.com



(510) 545-3182



PO Box 3065  
Oakland, CA 94609



www.linkedin.com/in/  
Alison-lechowicz-3065

## REPRESENTATIVE ASSIGNMENTS

**Root Creek Water District (Madera County):** Financial plan for the District's groundwater basin and agricultural water service. Water, sewer, and storm drain rates and development fees.

**City of Kerman:** Currently conducting a water and sewer rate study for the City. Updated the winter water use estimates for single family residential sewer rates. Working to phase-out discounts for multifamily wastewater customers.

**Town of Discovery Bay CSD:** Long-serving financial consultant for the Town having conducted multiple water and sewer rate studies and capacity fee studies. Assisted the Town in recovering costs for new wastewater regulatory requirements.

**City of Lindsay:** Developed a water financial plan to fund master plan projects, repair and replacement of assets, and accumulate reserves. Phased-in water rate increases over time.

**Kings River East Groundwater Sustainability Agency (Fresno County):** Currently working with the GSA to conduct a groundwater fee study to recover SGMA compliance costs over the next three years. Working to estimate water use of growers based on landuse and crop type and allocate costs.

**Denair Community Services District:** Water rate study transitioning the District from unmetered water service to metered water service.

**City of Cotati:** Water and sewer rate study and connection fee study. Reviewed groundwater and wholesale water supplies.

## EDUCATION

Columbia University  
Master of Public Administration

University of California, Berkeley  
Bachelor of Science  
Conservation & Resource Studies

Provided below is a sampling of Alison Lechowicz's project experience since 2010. Prior to 2010, Ms. Lechowicz worked for a civil engineering firm conducting water and wastewater master planning assignments.

Client	Project	Date Completed
<b>City of Alameda</b>	Sewer Financial Plan and Rate Study	May 2015
<b>City of Anderson</b>	Water and Sewer Rate Study	Ongoing
<b>Town of Apple Valley</b>	Water System Acquisition Feasibility Analysis	July 2011
<b>City of Berkeley</b>	Sanitary Sewer Rate Study	June 2015
<b>City of Carmel-by-the-Sea</b>	Bond Refinancing	October 2010
<b>CA City County Street Light Association</b>	Rate economist and expert witness	March 2010 to present (ongoing)
<b>City of Chula Vista</b>	Wastewater Capacity Fee Study	May 2014
	Salt Creek Sewer Basin Impact Fee Study	June 2015
	Depreciation Review	Ongoing
<b>City of Clovis</b>	Water User Rates and Fee Study	February 2016
<b>City of Colfax</b>	Sewer Rate Affordability Review	June 2010
<b>City of Colusa</b>	Development Impact Fee Study	June 2011
	Water System Valuation	September 2014
<b>Contra Costa Water District</b>	Water Rate Study	February 2015
<b>Colusa County Water District #1</b>	Water Rate Study	April 2011
<b>City of Cotati</b>	Water and Sewer Rate Study	February 2013
<b>Town of Discovery Bay</b>	Water and Sewer Rate and Capacity Fee Studies	Multiple studies since 2012
<b>City of Emeryville</b>	Sewer Rate Study	November 2016
<b>City of Hemet</b>	Water and Sewer Rate Studies and System Valuations	July 2015
	Water Fund Rental Fee Analysis	Ongoing
<b>Home Gardens Sanitary District</b>	Sewer Rate and Capacity Fee Study	May 2015
<b>City of Huntington Park</b>	Water and Sewer Rate Study	November 2011
<b>Indian Wells Valley Water District</b>	Bond Refinancing	December 2012
<b>Irish Beach Water District</b>	Capital Improvement Assessment	March 2011
<b>City of Kerman</b>	Water and Sewer Rate Study	Ongoing
<b>Kings River E. GSA</b>	Groundwater Fee Study	February 2018
<b>City of Lancaster</b>	Streetlight Valuation	June 2014
<b>City of Lindsay</b>	Water Rate Study	June 2015
<b>McMullin Area GSA</b>	Fee Study	Ongoing
<b>City of Modesto</b>	Water and Sewer Rate and Capacity Fee Studies	Multiple studies since 2010
<b>City of Morgan Hill</b>	Water and Sewer Rate Studies	November 2011
<b>Napa Berryessa Resort Improvement District</b>	Water and Sewer Assessment	July 2012
<b>Newhall County Water District</b>	Water Rate Litigation Support	November 2012

<b>Client</b>	<b>Project</b>	<b>Date Completed</b>
<b>Novato Sanitary District</b>	Capacity Fee Study	March 2016
	Sewer Rate Study	April 2016
<b>City of Palmdale</b>	Sewer Service Charge Analysis	May 2011
<b>City of Rio Dell</b>	Wastewater Rate Study	May 2014
<b>Root Creek Water District</b>	Water, Sewer, and Storm Drain Rate Study and Financial Plan	April 2016
	On-call consulting services	Ongoing
<b>City of Santa Clarita</b>	Sewer Maintenance Feasibility Study	June 2014
<b>City of San Fernando</b>	Water and Sewer Rate Study	Ongoing
<b>Saticoy Sanitary District</b>	Bank Loan Financing	September 2013
<b>San Diego County Water Authority</b>	Cost Allocation Review	May 2011
<b>Sewerage Agency of Southern Marin</b>	Long Range Plan Update	June 2010
<b>South Tahoe Public Utility District</b>	Sewer Bond Refunding	September 2012
<b>Stege Sanitary District</b>	Financial Plan & Sewer Rate Study	June 2010
	Financial Plan & Sewer Rate Study Updated	June 2014
<b>Sunnyslope County Water District</b>	Water and Sewer Bond Refinancing	October 2014
<b>Tahoe Truckee Sanitation Agency</b>	Sewer Fee Ordinance Review	May 2010
<b>Templeton CSD</b>	Water and Sewer Rates and Capacity Fee Study	Ongoing
	Parks and Fire Impact Fees	Ongoing
<b>Triunfo Sanitation District</b>	Water Infrastructure Financing	February 2011
	Automated Meter Financing	May 2014
<b>Tulare Lake Drainage District</b>	Project Financing	March 2012
	Project Financing	January 2013
<b>City of Williams</b>	Development Impact Fee Study & Comprehensive Fees	July 2011



# CATHERINE TSENG

## EXPERIENCE

- 10 years consulting experience: Vice President at Bartle Wells Associates
- 2 years civil servant: City of Oakland
- Specializes in utility rates, capacity charge, and financing plans for public works projects, and Proposition 218 compliance
- Certified Independent Professional Municipal Advisor



catherine@  
LTmunicconsultants.com



(510) 858-9228



PO Box 3065  
Oakland, CA 94609



www.linkedin.com/in/  
catherinetseng

## REPRESENTATIVE ASSIGNMENTS

**City of Davis:** Water financial plan and rate study assessing various conservation-oriented water rate structures and developed drought surcharge. Worked closely with citizens' advisory committee to develop recommendations to City Council.

**City of Vacaville:** Cost of service water rate study to eliminate operating deficit and implemented water conservation surcharge to recover lost revenue.

**City of Benicia:** Raw water rate study to develop rate method for the Valero Refinery. Prepared water rate study and capacity fee study. Developed drought rates to fund additional water supply.

**Town of Yountville:** Long-range financial plan for the water and wastewater enterprise to phase out subsidies from the general fund. Developed recycled water for contract negotiations with customers.

## EDUCATION

Columbia University  
Master of Urban Planning

University of California, Berkeley  
Bachelor of Arts  
Architecture

**Sausalito-Marin City Sanitary District:** Wastewater Facilities Financial Plan to fund capital projects and reconcile past expenses. Developed multiple funding strategies for contract negotiations with a partner agency.

**City of Menlo Park:** Water rate study to fund wholesale water rate increases and drought surcharge implementation. Water capacity charge study.

**Glendale Water and Power:** Comprehensive water rate cost of service study and drought rate review.



Provided below is a sampling of Catherine Tseng's project experience since 2006.

<b>Client</b>	<b>Project</b>	<b>Date Completed</b>
<b>Alameda County Water District</b>	Water Development Fee Study	January 2012
<b>City of Anderson</b>	Water and Sewer Rate Study	Ongoing
<b>Armona Community Services District</b>	Water and Sewer Rate Study	March 2008
<b>City of Benicia</b>	Raw Water Rate Study and Update	August 2013 and Sept 2015
	Water Rate and Connection Fee Study and Update	February 2013
	Drought Rate Study	September 2014
<b>Big Bear Area Regional Wastewater Agency</b>	Wastewater Rate Study	April 2007
<b>Big Bear City Community Services District</b>	Water, Sewer, and Solid Waste Rate Study	May 2015
<b>Coastside County Water District</b>	Water Financing Plan	August 2009
	Water Rate Study	January 2010
<b>Crestline Sanitation District</b>	Wastewater Rate Study	June 2015
<b>City of Davis</b>	Water Rate Study	March 2013
	Water Rate Study Update	September 2014
<b>Diablo Water District</b>	Water Bond Financing	August 2010
	Bond Refinancing	April 2013
<b>City of Dixon</b>	Sewer Rate Study	October 2013
<b>El Dorado Irrigation District</b>	Development Impact Fee Study	October 2008
	Water Rate Study	January 2009
<b>Elk Grove Water District</b>	Water Financial Plan and Rate Study	December 2007
<b>Fairbanks North Star Borough</b>	Bond Refinancing	November 2011 and September 2013
<b>City of Hillsborough</b>	Water and Sewer Rate Study	December 2006
<b>City of Hanford</b>	Water Financing	December 2007
<b>Humboldt Bay Municipal Water District</b>	Water Financial Plan	April 2011
<b>Indian Wells Valley Water District</b>	Water Rate Study	January 2007
	Bond Financing	August 2009
	Water Rate Cost of Service and Development Impact Fee Study	January 2012 and 2015
<b>City of Menlo Park</b>	Water Rate Study	May 2015
	Recycled Water Analysis	October 2015
<b>Mid-Peninsula Water District</b>	Water Rate Study	June 2015
<b>Montara Water &amp; Sanitary District</b>	Water and Sewer Rate Studies	Multiple studies since 2006
<b>Montecito Water District</b>	Drought Rate Study	February 2015
<b>City of Monterey</b>	Sewer Rate Study	December 2011
<b>City of Mountain View</b>	Water and Sewer Rate and Capacity Charge Study	September 2014
<b>Novato Sanitary District</b>	Bond Financing	October 2011

<b>Client</b>	<b>Project</b>	<b>Date Completed</b>
<b>Olivehurst Public Utilities District</b>	Water Rate Study and Updates	2007, 2009 and 2014
<b>City of Patterson</b>	Water and Sewer Rate and Capacity Fee Studies	Multiple studies since 2010
<b>Riverdale Public Utilities District</b>	Water and Sewer Rate Study	June 2008
<b>Root Creek Water District</b>	Financial Policy Manual	July 2017
<b>Running Springs Water District</b>	Water, Sewer, Fire and Ambulance Rate Studies	July 2010
<b>City of San Bruno</b>	Water and Sewer Rate Study	April 2012
<b>City of San Fernando</b>	Water and Sewer Rate Study	Ongoing
<b>Sanitary District No. 5 - Tiburon</b>	Financial Review	September 2013
<b>Sausalito-Marin City Sanitary District</b>	Wastewater Facilities Financing Plan	May 2016
<b>Selma Kingsburg Fowler Sanitation District</b>	Capital Improvements Program Study	March 2008
<b>Solano County Water Agency</b>	Reserve Fund Study	May 2007
<b>Sonoma County Water Agency</b>	Sewer Service Charge and Volumetric Sewer Rate Study	August 2012
<b>City of Tulare</b>	Bond Financing	2010, 2012, 2013, and 2015
<b>Union Sanitary District</b>	Sewer Capacity Fee Study	October 2010
<b>City of Vacaville</b>	Water and Drought Rate Study	October 2015
<b>Town of Yountville</b>	Water and Sewer Rate Study	February 2011
	Recycled Water Rate Study	April 2012



Alison Lechowicz and Catherine Tseng have extensive experience assisting public agencies with Proposition 218 utility rate and fee studies. Provided below are descriptions of our approach and experience with financial planning, utility rate studies, and public approval.

## EXPERIENCE WITH SMALL AGENCIES

L&T staff have delivered rate studies to a number of small water and sewer utilities throughout the state. Provided below is a sampling of our consulting assignments for agencies with fewer than 3,000 customers.

Agency	Number of Accounts or Parcels	Project
Napa Berryessa RID	570	Water and Sewer Assessment Report (2012)
Town of Yountville	800	Many assignments over a number of years
City of Emeryville	1,000	Sewer Rate Study (2016)
McMullin Area GSA	1,150	Fee Study (ongoing)
City of Rio Dell	1,400	Sewer Rate and Capacity Fee Study (2014)
Denair CSD	1,600	Water Rate Study (2013)
Home Gardens Sanitation District	1,600	Sewer Rate and Capacity Fee Study (2014)
City of Cotati	2,600	Water and Sewer Rate Studies (2013)
Templeton CSD	2,800	Water and Sewer Rate Studies (ongoing)
City of Lindsay	2,900	Water Rate Study (2015)

CSD – Community Services District; GSA – Groundwater Sustainability Agency, RID – Resort Improvement District

## FINANCIAL PLANNING

Lechowicz & Tseng will focus on improving the financial health of the Blacklake sewer system. Both L&T principals are Certified Independent Municipal Financial Advisors. We can work with the District to develop a 10-year cash flow that considers operating costs, capital improvements, repair and replacements, and contribution to reserves. L&T typically recommends a 10-year planning horizon – the first 5 years cover the Proposition 218 rate period and the second 5 years are modeled for planning purposes.

We will offer sensitivity analysis to account for future regulatory requirements and increased operating costs. Other considerations could include a fully funded capital improvement plan vs. a high priority only plan based on the recent Blacklake Sewer Master Plan. We can advise the District regarding appropriate funding levels, capital reserve set-asides, and which projects should be rate funded vs. funded through impact fees. As financial advisors, L&T will review any outstanding debt, refinancing opportunities, and offer capital funding options.



## RATE STUDIES

### Legally Rigorous Studies

L&T specializes in legally rigorous rate and fee studies that comply with Proposition 218, court rulings, and industry best practices. Both Alison Lechowicz and Catherine Tseng serve as expert witnesses and we have been engaged by public agencies to assist with rate litigation. Our final reports provide clients with an administrative record that clearly demonstrates the operating and capital costs that form the basis of the fees.

### Rate Design

We are proponents of simplicity and respecting the current financial and political climate. Our goal for this rate study is to ensure compliance with Proposition 218 while funding the Blacklake Sewer Utility's annual revenue requirements. If modifications to the current rate structure are needed to comply with legal requirements, we will work with the project team to phase in modifications, clearly explain why the changes are needed, and to minimize the impact on ratepayers. Additionally, we will take into consideration staff's time and capabilities to administer the new rates.

## PUBLIC APPROVAL

L&T has worked with many public agencies to adopt controversial rate, fee, and tax increases. We are equipped to handle many of the administrative tasks such as drafting public notices, and mailing ballots if appropriate. Alison and Catherine performed similar services for the cities of Alameda, Berkeley, Emeryville, and Modesto.

We will meet with interested stakeholders early in the process to hear concerns and clearly explain the need for fees. This process has been extremely beneficial in other studies that we've completed. As example, Alison conducted Public Works workshops for the Cities of Berkeley and Modesto. Catherine worked extensively with a 15-member Water Advisory Committee in the City of Davis.

We find that when the ratepayers understand the need for the fees and the basis of costs they are more accepting of increases. The objective is to demonstrate the value of the District's services to ratepayers. We will draft public notices, newsletters, and web or social media postings as appropriate. L&T is happy to assist staff and lead public presentations.



*Pictured above: Proposition 218 Sewer Rate Protest ballot tabulation for the City of Berkeley. Alison Lechowicz served as project manager for the City's rate study and developed a bar code scanning system that counted and validated each protest.*



Provided below are sample references. L&T staff have experience providing financial and utility rate consulting services to a wide range of public agencies including large cities, small towns, and sanitation districts.

## ROOT CREEK WATER DISTRICT

### **Water, Sewer, and Storm Drain Rate Studies and Financial Plan Fiscal Policy Manual**

The Root Creek Water District (RCWD) was formed to manage groundwater supplies within its basin and provide new utility services for a development area. As a condition of approval, Madera County required RCWD to secure imported water supply, achieve sustainable yield, and comply with the Sustainable Groundwater Management Act (SGMA) before permitting new development. Moreover, the majority landowner contributed facilities to the District (water, sewer, and storm drain infrastructure) for new residents. A financial master plan was needed to meet SGMA requirements, reimburse the landowner from new development, and cover municipal utility operating costs.

Ms. Lechowicz served as project manager and lead financial analyst providing rate studies, financial planning, development impact fee studies, and public approval assistance to the District. Ultimately, the final report included a portfolio of financial tools: loans, community facilities district bonds, acreage assessments, and connection fees. We found that RCWD needed each of these mechanisms to fund a various elements of District expenses.

Ms. Lechowicz provided public approval assistance to the District by explaining requirements to the Board, developing a schedule, drafting public notices, and certifying the results. Under Prop 218, the annual assessments on land were approved by a majority of the landowners via a mailed ballot election (votes weighted based on total assessment amount per parcel). In addition, groundwater pumping fees were adopted to recover the costs of managing the basin and are competitive with the District's surface water/imported water costs.

Most recently, L&T was engaged to draft RCWD's Fiscal Policy Manual. The manual includes policies and best practices for budgeting, accounting, debt issuance, and raising revenues. In August 2017, Ms. Lechowicz provided a training to the Board covering the Policy Manual.

*Nick Bruno*  
Board President  
*nick@vdcllc.com*  
(559) 237-7000



## CITY OF EMERYVILLE

### **Sewer Rate Study**

The City of Emeryville is a community of about 12,000 people located on the shoreline of the San Francisco Bay in Alameda County. Emeryville is a satellite sanitation agency of the East Bay Municipal Utilities District (EBMUD). The City owns, operates, and maintains its local sewer collection system pipelines which convey wastewater flow to the regional treatment plant owned by EBMUD.

Alison Lechowicz served as project manager to conduct a collection system rate study for the City in 2016. Prior to the study, the City had not raised its rates since the 1990's. A rate increase was needed to fund pipeline replacements to reduce inflow and infiltration (I&I). A key component of the study was working with EBMUD to evaluate water use to estimate sewer flow. The City has a high proportion of multifamily residences which are billed monthly for sewer service based on metered water use. During the drought, the City lost significant sewer revenues. Ms. Lechowicz adjusted the rate assumptions based on updated customer counts and water usage data to ensure that the City could fund its mandated I&I projects into the future.

Alison also conducted the City's Proposition 218 printing and mailing of public notices. Ms. Lechowicz coordinated with the County to assemble the property owner list, cross-referenced the list with the City's utility accounts, and certified the mailing of notices. Alison also managed the translation of the notice into four foreign languages.



*Keely Nelson*

*Associate Civil Engineer*

*knelson@emeryville.org*

*(510) 596-4337*

## CITY OF RIO DELL

### Sewer Rate Study

The City of Rio Dell is a community of about 3,200 people located on the 101 North Highway in Humboldt County. In 2014, the City engaged Ms. Lechowicz to conduct a sewer rate study. Prior to 2014, the City utilized a fixed sewer rate structure which assigned and billed commercial customers based on equivalent dwelling units. The City was interested in developing a volumetric sewer rate structure to better account for differences between businesses within the City. Ultimately, we developed a wastewater rate structure that recovers 70% of service costs from a base, fixed charge and the remaining 30% of service costs from sewer flow rates based on underlying cost data. Sewer flow is estimated based on winter water use. The adopted rate schedule includes four sewer flow rates reflecting wastewater strength.

Throughout the study, Ms. Lechowicz focused on providing the City with practical advice that would be easy to implement and explain to customers. We provided bill sensitivity analysis explaining how customers would be impacted by the rate structure changes. Moreover, Ms. Lechowicz developed rate resolutions and billing procedures for tenant utility accounts and the City's master metered RV park. Our work assisted the City in streamlining wastewater revenue collection.

*Kyle Knopp*  
City Manager  
[cm@riodellcity.com](mailto:cm@riodellcity.com)  
(707) 764-3532



## TEMPLETON COMMUNITY SERVICES DISTRICT

### Water and Wastewater Rate Study and Capacity Fees

The Templeton Community Services District (TCSD) is located in San Luis Obispo County on Highway 101 immediately south of the City of Paso Robles. TCSD provides water and sewer service to about 2,800 accounts. Lechowicz & Tseng Municipal Consultants is currently engaged in conducting water and wastewater rate studies for TCSD and Alison Lechowicz serves as project manager. Ms. Lechowicz presented sewer utility funding scenarios to the Board of Directors on May 1, 2018 and is currently developing rate design alternatives.

This rate study is critical for Templeton CSD to reverse past deficit spending, accumulate emergency reserves, and transition service from regional to local treatment. Another consulting firm conducted TCSD's prior rate study in 2013 but revenues have not materialized as projected. The wastewater utility is expected to increase its deficit this year and carry a negative fund balance. Ms. Lechowicz presented options to the Board to improve the financial health of the wastewater fund over the next ten years. Alternatives included low/moderate rate impact options as well as aggressive funding scenarios.

Another key factor of the sewer rate study is transitioning TCSD from sharing a regional wastewater treatment plant with Paso Robles to expanding local treatment capacity. TCSD will use grants and loans to construct a forcemain to re-route flow to the local plant. Ms. Lechowicz analyzed the treatment costs (operations, electricity, and debt service) of both options and calculated the savings generated from local treatment. This savings will be reflected in the proposed sewer rates.



*Jeff Britz*

*General Manager*

*[jbritz@templetoncsd.org](mailto:jbritz@templetoncsd.org)*

*(805) 434-4900*





This section provides our proposed scope of work, and schedule. Lechowicz & Tseng remains flexible to adjust our scope as appropriate to meet the needs of the District and the Blacklake Sewer Utility. All work will be conducted by Alison Lechowicz and Catherine Tseng. No subconsultants or junior staff are needed for this assignment. L&T staff have an excellent track record of completing assignments on time and on budget. Throughout the study, we will provide bi-weekly check-ins in addition to in-person meetings.

## SCOPE OF WORK

### Task 1 – Project Kickoff and Data Gathering

a) *Kickoff Meeting*

L&T will meet with District staff for a project kickoff meeting to review study goals, milestones, identify project team members, and determine roles and responsibilities.

b) *Data Gathering*

Assemble the necessary data to complete the study. The goal is to understand the Blacklake Sewer Utility's financial standing, current rate structures, and customer base. A data needs list will be provided to the District prior to the kickoff meeting. Data will include: budgets, audits, fixed asset list, customer billing data, flow data and corresponding water use (if appropriate), development projections, fiscal or management policies, any master plans or capital improvement plans.

### Task 2 – Financial Plan

a) *Determine Annual Revenue Requirements*

With staff input, we will estimate future operating and capital expenditures to estimate annual revenue needs. We will factor in projections of growth, repairs and replacements, cost escalation, sewer flows, operational changes to ensure that all future expenses are included.

b) *Review Capital Funding Needs*

We will work with staff to evaluate and prioritize the capital improvement program based on the 2017 Blacklake Sewer Master Plan. We will also evaluate other capital needs which could include annual repairs and pipeline replacements, and/or treatment upgrades. If warranted, we will evaluate various financing options to fund capital needs, including pay-as-you-go/cash funding and other debt financing alternatives, such as State loans/grants, bank loans, and certificates of participation/bonds.

c) *Recommend Reserves*

This task involves reviewing the sewer utility's current operating, capital, and rate stabilization reserves and recommending reserve targets. Operating reserves are typically recommended to be 90 to 180 days of expenses plus annual debt service. L&T will analyze the District's current capital reserves and compare with the age and

condition of the system to recommend ongoing asset replacement funding. Moreover, L&T will evaluate the District's obligations to fund OPEB or other retirement accounts.

d) *Develop Cash Flow Projections & Rate Increases*

The annual revenue requirements and capital funding needs will be used to develop long-term cash flow projections summarizing the financial position of the utility over the next 10 years. The cash flow projections will estimate annual rate increases needed to meet annual revenue requirements, debt obligations, and reserve fund targets.



e) *Develop Financial Planning Model*

We will prepare a straightforward financial model in Excel incorporating the cash flow projections and assumptions. The rate model will serve as a flexible tool to provide ongoing financial planning, calculate utility rates, and allow for sensitivity analyses including various capital improvement program alternatives, system expansion, and any operational changes.

We will use the District's current format for the budget, capital improvement program, and other financial documents to simplify tracking budget performance and making updates. The objective is to make a financial model that is valuable yet also straightforward and easy for staff to navigate. We will be available to train and assist staff with questions either in-person and by phone calls.

### **Task 3 – Cost Allocation**

a) *Evaluate Customer Billing Data*

We will evaluate historical and current consumption (if available), and billing data to estimate sewer flows. In particular, L&T will determine winter water use for residential customers. This will serve as the basis for the residential rates. We will also examine the historical strength characteristics of each commercial class to determine whether modifications are warranted.

b) *Functionalization of Costs*

Functionalization is the allocation of expenses and asset data by major operating activities for the utility, including conveyance (i.e. flow or pumping), disposal, and customer service (District administration). L&T will conduct an allocation of administrative and operating costs between fixed and variable costs and make recommendations if needed.

#### **Task 4 – Rate Design**

- a) *Assess Current Rate Structure & Customer Classifications*  
Review the Blacklake Sewer Utility's current rate structure and customer classification to assess the pros and cons of the existing system and to determine compliance with industry standards and court rulings. We will work with staff to summarize their concerns and establish a list of criteria for improving rate design. While compliance with Proposition 218 will guide all our recommendations, additional criteria may include: the impact on customer bills, public understanding, revenue stability, ease of implementation, compatibility with the existing billing system, and staff effort needed for administration.
- b) *Develop Rate Recommendations*  
Our rate recommendations will include multi-year rate increases and rate structure modifications based on significant input from staff. We will calculate the impacts to ratepayers and if needed, develop an implementation plan to phase in adjustments to ease the impact on customers. All rate recommendations will comply with the substantive requirements of Proposition 218. Work with staff to determine that rate recommendations can be easily modified in the District's billing system. L&T will provide sample sewer bills for a variety of customers at various levels of flow.
- c) *Regional Bill Comparison*  
For comparison purposes, we will prepare a survey of the sewer utility's current and proposed utility bills to regional and/or comparable agencies. The survey will be summarized in table and charts and can be used for outreach, presentations, and the final report.
- d) *Bill Impacts*  
Based on the recommended rates, calculate the bill impacts for a sample of typical customers based on customer type and flow.

#### **Task 5 – Report and Meetings/Presentations**

- a) *Draft and Final Rate Study Report*  
Submit a draft summary report for District review and feedback. The report will summarize findings and recommendations and discuss key alternatives when applicable. Receive input on draft report from the District's project team and Board. Prepare final reports incorporating feedback received. We will provide printed copies and electronic versions of both the draft and final reports and the excel models supporting all tasks. Our final report will describe legal requirements and industry standard practice, the cost allocation and rate recovery, and our project methodology and approach.
- b) *Financial Model*  
All of our workpapers, calculations, charts, and graphs will be included in an Excel-based financial model that will be submitted to the District at



the conclusion of the study. The model will be easy to use and allow District staff to update financial projections in the future.

c) *Meeting and Presentations*

Present draft and final results to staff, District's Board, and citizens groups (as appropriate). Presentations will provide brief background and study objectives, make a clear case why the rates are needed, describe the rate structure (and potentially key alternatives) approved by the project team, show rates impacts on various customer profiles, present findings of the rate survey, and discuss related financial and policy recommendations. We will assist staff with the rate approval process. L&T staff will draft rate notices and present the rates at the public hearing.

Our proposal includes a total of six (6) in person meetings at the District which could include a kickoff meeting, progress meetings, and public meetings including Board of Director meetings, workshops, and the Proposition 218 hearing. Meetings may also be combined to save on cost. For example, L&T could attend a Board meeting in the morning and then meet with the project team later in the afternoon. Moreover, we can also combine meeting trips with our other clients to further reduce cost. A meeting schedule will be developed with the project team once the project schedule is finalized.

**DELIVERABLES**

- Work Product #1 – List of study assumption and multi-year projection of annual revenue requirements
- Financial plan with cash flow analysis
- Review of cash reserve targets
- Cost of service best practices and allocation
- Rate design alternatives and inspection fee recommendations
- Work Product #2 – Draft Comprehensive Sewer Rate Study
- Bill impacts and survey of comparable agencies
- Excel-based financial model
- Work Product #3 – Final Comprehensive Sewer Rate Study
- Proposition 218 notice and/or other public educational materials
- Work Product #4 – electronic and printed copies of the Final Sewer Rate Study

## SCHEDULE

Provided below is Lechowicz & Tseng's draft schedule for the rate study. We are happy to adjust the schedule as needed to meet the District's objectives. Our proposal includes six (6) in-person meetings at District offices. These meetings will be in addition to phone and email communication. We can add extra meetings as appropriate for an additional cost. The following schedule provides for rate implementation in January 2019.

PROJECT TASK	JUL	AUG	SEP	OCT	NOV	DEC	JAN
1. Work Product #1	■	■					
2. Work Product #2			■				
3. Work Product #3				■			
4. Work Product #4						■	■
Meetings/Presentations	■	■	■	■	■	■	■

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## PROJECT BUDGET

Provided below is Lechowicz & Tseng Municipal Consultants' fee for the Blacklake Sewer Rate Study for the Nipomo Community Services District. Our proposal includes a total of 6 (six) in-person meetings at the District. Proposition 218 notice printing and mailing can be provided at an additional cost.

The Sewer Rate Study Quote Sheet by Work Product is attached.

TASKS	HOURS			BUDGET (@ \$195/hr)
	A. Lechowicz Project Mgr	C. Tseng Financial Analyst	Total	
1. Project Kickoff/Data Gathering	6	4	10	\$1,950
2. Financial Plan	12	4	16	\$3,120
3. Cost Allocation	8	2	10	\$1,950
4. Rate Design	10	6	16	\$3,120
5. Reports and Presentations	18	12	30	\$5,850
<b>Subtotal</b>	<b>54</b>	<b>28</b>	<b>82</b>	<b>\$15,990</b>
Estimated Expenses				\$1,500
<b>TOTAL PROJECT BUDGET</b>				<b>\$17,490</b>

## BILLING RATE SCHEDULE 2018

Principal Consultants.....\$195/hour

Lechowicz & Tseng's hourly rate is \$195. Principals Alison Lechowicz and Catherine Tseng will perform all tasks for the study. No subconsultants are needed for this assignment. The professional time rate includes all overhead and indirect costs. Direct expenses incurred on behalf of the client will be billed at cost. Direct expenses include, but are not limited to:

- Travel, meals, lodging
- Printing and report binding
- Outside computer services or software engineering
- Automobile mileage
- Courier services and mailing costs
- Special legal services

# NIPOMO COMMUNITY

## BOARD MEMBERS

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



# SERVICES DISTRICT

## STAFF

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

*Serving the Community since 1965*

148 SOUTH WILSON STREET    POST OFFICE BOX 326    NIPOMO, CA 93444 - 0326  
(805) 929-1133    FAX (805) 929-1932    Website address: ncsd.ca.gov

## SEWER RATE STUDY QUOTE SHEET

Date June 7, 2018

Name of Firm Lechowicz & Tseng Municipal Consultants

Work Product #1 cost	\$ <u>5,600</u>
Work Product #2 cost	\$ <u>6,400</u>
Work Product #3 cost	\$ <u>3,400</u>
Work Product #4 cost	\$ <u>2,090</u>
Contract Price, including reimbursables (Not-to-Exceed)	\$ <u>17,490</u>

*(Note: The cost breakdown by Work Product is meant to provide insight to proposal reviewers on the time allotted for each Work Product. The total contract price is the only set 'Not-to-exceed' value.)*

\_\_\_\_\_  
Signature of Principal Authorized to sign for Firm

June 7, 2018  
Date

This quote shall be valid for 90 days from the date of Signature



JUNE 27, 2018

ITEM E-1

ATTACHMENT B

**Nipomo Community Services District  
P.O. Box 326  
Nipomo, CA 93444**

**AGREEMENT FOR PROFESSIONAL SERVICES**

**Exhibit "A"** – Scope of Services or Service including Schedule of Submittals

**Exhibit "B"** – Compensation for Services, Not-To-Exceed Amount, Hourly Rates and Reimbursable Costs

**Exhibit "C"** - Key Personnel including Design Team Leader and Designated Environmental Reviewers

**THIS AGREEMENT** (hereinafter referred to as "Agreement") is made by and between the Nipomo Community Services District, a Community Services District duly existing and operating pursuant to the provisions of Government Code Section 61000 et seq. (hereinafter referred to as "NCSD" or "District") and CONSULTANT'S NAME (herein referred to as "Consultant"), with reference to the following Recitals:

**RECITALS**

A. NCSD desires to retain professional services in part to compile a 5 year Sewer Rate Study for the Blacklake Sewer Fund (hereinafter referred to as "Project")

B. NCSD desires to engage Professional to provide the above referenced services by reason of its qualifications and experience in performing such services on the terms and in the manner set forth herein.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

1. **DESIGNATED REPRESENTATIVES.** Mario Iglesias, District General Manager, ("Contract Administrator") at telephone number (805) 929-1133 is the representative of NCSD and will administer this Agreement for and on behalf of NCSD. CONSULTANT'S NAME at telephone number (XXX) XXX-XXXX is the authorized representative for Consultant. Changes in designated representatives shall be made only after advance written notices to the other party.

2. **NOTICE.** Notices required under this Agreement shall be sent to the following:

**NCSD :** Nipomo Community Services District  
P.O. Box 326  
Nipomo, CA 93444  
Attn: Mario Iglesias  
miglesias@ncsd.ca.gov

**CONSULTANT:**                      CONSULTANT'S NAME  
ADDRESS

Notices given pursuant to this Agreement shall be deemed received as follows:

- (a) If sent by United States Mail - five (5) calendar days after deposit into the United States Mail, first class postage prepaid.
- (b) If by facsimile - upon transmission and actual receipt by the receiving party.
- (c) If by express courier service or hand delivery - on the date of receipt by the receiving party.

The addresses to notices set forth in this Section 2 may be changed upon written notice of such change to either the NCSD or Consultant, as appropriate.

**3. ATTACHMENTS.** Attached to this Agreement are the following Exhibits that are incorporated into this Agreement by reference.

- A. **Exhibit "A"** – Scope of Services or Services, including Schedule of Submittals
- B. **Exhibit "B"** – Compensation for Services, Not-To-Exceed Amount, Hourly Rates and Reimbursable Costs
- C. **Exhibit "C"** – Key Personnel including Team Leader and Designated Environmental Reviewers

**4. SCOPE OF SERVICES.**

- A. Consultant agrees to provide the Services and submit deliverables to NCSD in accordance with this Agreement.
- B. By executing this Agreement, Consultant represents that Consultant (a) has thoroughly investigated and considered the Scope of Services referenced in the Agreement to be performed; (b) has carefully considered how the services should be performed; (c) fully understands the difficulties and restrictions attending performance of the services under this Agreement; and (d) that the "Not-To-Exceed Amount" is adequate for the Services to be performed by Consultant.

**5. TERM.** Consultant shall commence performance within five (5) days of NCSD's Notice to Proceed and unless otherwise directed in writing by NCSD or unless earlier

terminated as provided in this Agreement, shall complete performance and make deliverables in accordance with Exhibit "A".

## **6. COMPENSATION OF CONSULTANT.**

A. Consultant will be paid for the Services provided to NCSD on a time and material basis pursuant to the hourly rates and reimbursable expenses referenced in Exhibit "B", subject to the Not-to-Exceed Amount of \$XX,XXX.

B. Consultant shall submit invoices no more often than monthly for Services performed and Reimbursable Expenses incurred. Each invoice shall identify the person providing the service, the services performed, the amount of time spent on performing the services. Additionally, each invoice shall reflect the percentage of completion of each Task and the remaining budget ("Not-to-Exceed Amount").

C. NCSD shall review each invoice submitted by Consultant to determine whether it accurately reflects the Services performed and Reimbursable Expenses incurred in compliance with the provisions of this Agreement. In the event no charges or expenses are disputed, the invoice shall be approved and paid within forty five (45) days of receipt of the invoice. In the event NCSD disputes any charge or expenses, it shall return the original invoice to Consultant for correction and re-submission; however, the undisputed amount shall be paid as indicated above. Disputed amounts shall be resolved pursuant to paragraph 21, below.

D. NCSD shall not pay Consultant more than the Not-to-Exceed Amount without the prior written authorization of the NCSD. In order for NCSD to increase the Not-to-Exceed Amount Consultant shall promptly notify the NCSD and prior to the expenditure of sixty percent (60%) of the budget for each Task, for which Consultant seeks to increase the Not-to-Exceed Amount, identify and document how circumstances beyond its reasonable control have increased the time and/or costs of performing the Services beyond the amounts identified in Exhibit "B". The NCSD retains the discretion to: deny the request, to increase the Not-to-Exceed Amount, or amend the Scope of Services.

E. Payment to Consultant shall be full compensation for all personnel, materials, supplies, and equipment used in carrying out the Services.

F. Payment of an invoice by NCSD shall not constitute acceptance of defective Services, and NCSD's failure to discover or object to any unsatisfactory Services or billing prior to payment will not constitute a waiver of NCSD's right to:

1. Require Consultant to correct such work or billings; or
2. Seek any other legal remedy.

G. NCSD may withhold, or on account of subsequently discovered evidence nullify, the whole or a part of any payment to such extent as may be necessary to

protect NCSD from loss, including costs and attorneys' fees, on account of (1) defective or deficient work product not remedied; (2) subsequently discovered errors in invoices previously paid; (3) claims filed or reasonable evidence indicating probable filing of a claim or claims; (4) failure of Consultant to make payments properly to its employees or sub-Consultants; or (5) Consultant's failure to adhere to the Schedules or to achieve sufficient progress with the Services such that Consultant is unlikely to achieve timely completion.

## **7. STATUS OF CONSULTANT.**

A. Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of NCSD. Consultant shall have no authority to bind NCSD in any manner or to incur any obligation, debt or liability of any kind on behalf of or against NCSD, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by NCSD.

B. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither NCSD, nor any elected or appointed boards, officers, officials, employees or agents of NCSD, shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, subcontractors, or agents are in any manner officials, officers, employees or agents of NCSD.

C. Neither Consultant, nor any of Consultant's officers, employees, subcontractors, or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to NCSD's employees. Consultant expressly waives any claim Consultant may have to any such rights.

## **8. PERFORMANCE STANDARDS.**

A. Compliance with laws. Consultant shall (and shall cause its agents and sub-contractors), at its sole cost and expense, to comply with NCSD, County, State and Federal ordinances, regulations and statutes now in force or which may hereafter be in force with regard to the Services referenced in this Agreement, provided, however, that any change in ordinance, regulation, or statute, that occurs subsequent to the execution of the Agreement, that significantly affects the cost or schedule of the Services may be brought to the attention of NCSD as a request for extra services. If NCSD agrees that there is a significant change required in the Services on account of the change, NCSD and Consultant shall negotiate a mutually agreeable adjustment to the schedule and/or compensation. The judgment of any court of competent jurisdiction, or the admission of Consultant in any action or proceeding against Consultant, whether NCSD be a party thereto or not, that Consultant has violated any such ordinance or statute, shall be conclusive of that fact as between Consultant and NCSD. Except as provided above, any corrections to Consultant's Services which become necessary as a result of the

Consultant's failure to comply with these requirements shall be made at Consultant's expense.

B. **Standard of Performance.** Consultant represents that it has, or will have, the skills, expertise, allotted staff time and licenses necessary to perform the Services required under this Agreement. Consultant shall perform all such Services in the manner and according to the standards observed by professionals experienced in providing Services identified in the Agreement. All documents and services of whatsoever nature that Consultant delivers to NCSD pursuant to this Agreement shall conform to the standards of quality normally observed by professionals experienced in providing Services identified in the Agreement. Consultant shall promptly correct or revise any errors or omissions at NCSD's request without additional compensation. Licenses required to perform such services shall be obtained and maintained by Consultant without additional compensation throughout the term of this Agreement

C. Consultant shall examine carefully all documents, including studies, reports and materials, prepared by NCSD Staff or other NCSD Consultants, (collectively "District Materials") provided by NCSD to Consultant. District Materials provided to Consultant are believed by NCSD to reflect the conditions or data contained therein; but delivery is neither intended or to be inferred that conditions or data, as shown in the District Materials, constitute a representation by NCSD that such conditions or data are true and correct. It is expressly understood and agreed by Consultant that the NCSD assumes no responsibility whatsoever with respect to the sufficiency or accuracy of the information contained in District Materials. Consultant shall satisfy itself through its own investigations as to whether or not the conditions or data contained in District Materials are true and correct. The Consultant's reliance on NCSD supplied materials will not, in any way, relieve Consultant from any risk for properly fulfilling the terms of this Agreement.

D. **Professional Seal.** Consultant shall have documents stamped by registered professionals, at Consultant's cost when required by prevailing law, usual and customary professional practice, by NCSD, or by any governmental agency having jurisdiction over the project to which the Scope of Services relate.

**9. TAXES.** Consultant shall pay all taxes, assessments and premiums under the federal Social Security Act, any applicable unemployment insurance contributions, Workers Compensation insurance premiums, sales taxes, use taxes, personal property taxes, or other taxes or assessments now or hereafter in effect and payable by reason of or in connection with the services to be performed by Consultant.

**10. CONFLICT OF INTEREST.** Consultant covenants that neither it, nor any officer or principal of its firm, or subcontractors retained by Consultant has, or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of NCSD or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of the Services, no person having any such interest shall be employed by it as an officer, employee,

agent or subcontractor without the prior express written consent of the NCSD Manager. Consultant agrees to at all times avoid conflicts of interest, with the interests of the NCSD in the performance of the Services. The NCSD may require Consultant to file a Form 700 Statement of Economic Interests pursuant to the Fair Political Practices Act. Examples of Form 700 Statements are available on the web at <http://www.fppc.ca.gov/forms>

**11. RESPONSIBILITIES OF NCSD.** NCSD shall provide District Materials requested by Consultant that are reasonably necessary to perform the services provided herein.

**12. OWNERSHIP OF DOCUMENTS.** All reports, documents, drawings, photographs, videotape, specifications, data, and other instruments of professional service, in paper and electronic form, whether in draft or final, prepared by Consultant during the performance of this Agreement (the "Documents") shall be and become the property of NCSD. Consultant shall deliver the Documents to the NCSD promptly upon completion of the Services or termination of this Agreement, for any reason, whichever shall occur first. However, Consultant shall not be liable for NCSD's use of documents and instruments of professional service if used for other than the Services referenced in Agreement. Consultant shall not release Documents to third parties without the prior written authorization of NCSD.

**13. RECORDS, AUDIT AND REVIEW.** Consultant and Consultant's subcontractors shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of Consultant's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. NCSD shall have the right to audit and review all such documents and records at any time during Consultant's regular business hours or upon reasonable notice.

**14. INDEMNIFICATION.**

A. To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782.8). Consultant shall defend (with legal counsel reasonably acceptable to the NCSD) indemnify and hold harmless the NCSD and its officers, agents, departments, officials, representatives and employees (collectively "Indemnitees") from and against any and all claims, loss, cost, damage, injury (including, without limitation, injury to or death of an employee of Consultant or its subconsultants), expense and liability of every kind, nature and description (including, without limitation, fines, penalties, incidental and consequential damages, court costs, attorneys fees, litigation expenses and fees of expert consultants or expert witnesses incurred in connection therewith, and costs of investigation), that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, any subconsultant, anyone directly or indirectly employed by them, or anyone that they

control (collectively "Liabilities"). Such obligations to defend, hold harmless and indemnify any Indemnitee shall not apply to the extent that such Liabilities are caused by the sole negligence, active negligence, or willful misconduct of such Indemnitee.

B. To the extent there is an obligation to indemnify under this section 14; Consultant shall be responsible for incidental and consequential damages resulting from Consultant's negligence, recklessness, or willful misconduct.

C. Nothing contained in the foregoing indemnity provisions shall be construed to require Consultant to indemnify NCS D, against any responsibility or liability in contravention of Civil Code §2782.8.

D. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth in this section from each and every subconsultant/subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. If Consultant fails to obtain such indemnity obligations from others as required, Consultant shall be fully responsible for all obligations under this Section. The NCS D's failure to monitor compliance with this requirement imposes no additional obligations on the NCS D and will in no way act as a waiver of any rights hereunder. The obligation to indemnify and defend the NCS D as set forth herein is binding on the successors of Consultant and shall survive the termination of this Agreement or this section.

E. Neither termination of this Agreement or completion of the Scope of Services under this Agreement shall release Consultant from its obligations of Section 14 as to any claims, so long as the event upon which such claims is predicated shall have occurred prior to the effective date of any such termination or completion and arose out of or was in any way connected with performance or operations under this Agreement by Consultant, its employees, agents or sub-consultants / subcontractors, or the employee, agent or consultant of any one of them.

F. Submission of insurance certificates or submission of other proof of compliance with the insurance requirements in this Agreement does not relieve Consultant from liability referenced in this Section 14. The obligations of this section shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

## **15. INSURANCE.**

A. Consultant and its subconsultants/subcontractors shall procure and maintain insurance with companies authorized to do business in the State of California and assigned an A.M. Best's rating of no less than A-(IX), the following insurance coverage on an "occurrence basis", written on the ISO form shown below (or its equivalent) at the limits of liability specified for each:

General Liability Insurance  
(Including coverage for premises, products  
and completed operations, independent



Consultants/vendors, personal injury and contractual obligations with combined single limits of coverage of at least	\$ 1 Million per occurrence. \$ 2 Million in the aggregate
(ISO Form CG001 11/85) Commercial Automobile Liability Insurance	\$ 1 Million per accident
(ISO Form CA001 12/90) Workers' Compensation Insurance	Statutory
Employer's Liability Insurance	\$ 1 Million policy limit
Professional Liability Insurance	\$ 1 Million per claim \$ 2 Million in the aggregate

B. The General and Commercial Automobile liability policies shall be endorsed to include the following:

(1) NCSD, its officers, directors, employees and agents shall be named as Additional Insureds; and

(2) This policy shall be considered primary insurance with respect to the NCSD, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the NCSD, including any self-insured retention the NCSD may have shall be considered excess insurance only and shall not contribute with it.

(3) This insurance shall act for each insured and Additional Insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

(4) If not covered separately under a business automobile liability policy, the general liability policy shall also be endorsed to include non-owned and hired automobile liability.

(5) The insurer waives all rights of subrogation against the NCSD, its elected or appointed officers, officials, employees or agents.

C. Prior to commencing work under this Agreement, Consultant shall provide NCSD with Certificates of Insurance evidencing compliance with the foregoing requirements, accompanied by copies of the required endorsements. Certificates of Insurance for commercial general liability, automobile liability, workers' compensation, employer's liability, and professional liability insurance shall specify that the insurer shall give NCSD thirty (30) days advance written notice by the insurer prior to cancellation of the policy except ten (10) days for nonpayment of premium.

D. All insurance coverage required hereunder shall be kept in full force and effect for the term of this Agreement. Professional liability insurance shall be maintained for an additional, uninterrupted period of three (3) years after termination of this Agreement, provided such insurance is commercially available at rates reasonably

comparable to those currently in effect. Certificates of Insurance evidencing renewal of the required coverage shall be provided within ten (10) days of the expiration of any policy at any time during the period such policy is required to be maintained by Consultant hereunder. Any failure to comply with this requirement shall constitute a material breach of this Agreement.

**16. PERSONNEL.** The Consultant represents that it has, or will secure at its own expense, all personnel, sub-consultants and/or subcontractors required in performing the Services under this Agreement. All of the Services required hereunder will be performed by the Consultant or under Consultant's supervision, and all personnel engaged in the work shall be qualified to perform such Services.

**17. CONTINUITY OF PERSONNEL.**

A. The NCSD desires that Consultant be committed to providing the Team Leader and Designated Environmental Reviewers referenced in Exhibit "C" for the duration of the Services to be performed pursuant to this Agreement (herein "Key Personnel"). The Key Personnel will work closely with NCSD and its representatives. Consultant will not change the Key Personnel without providing the NCSD with notice and the opportunity to review the qualifications of the person proposed to replace one or more of the Key Personnel. Consultant will not appoint a Key Personnel replacement to whom NCSD has an objection.

B. In the event that Team Leader (designated in Exhibit "C") ceases to act as the Team Leader (except for death or incapacitating illness, as determined by a licensed physician), before the completion of the Services, the Parties recognize the NCSD will suffer additional costs and delays in the Environmental Reviewer Services contemplated in this Agreement and that the value of those costs and delays may be difficult to establish. Accordingly, if Team Leader ceases to act as the Team Leader, except as provided above, Consultant shall pay NCSD ten thousand dollars (\$10,000), as liquidated damages and not as a penalty.

C. The damages described in the preceding paragraph are to compensate NCSD only for costs and delays attributable to the Team Leader's departure. They do not affect any right that NCSD may have to recover other damages in connection with Consultant's performance under this Agreement. NCSD may deduct said damages referenced in the preceding paragraph from invoices submitted by Consultant for payment.

D. In the event that NCSD agrees that Consultant may replace Key Personnel, NCSD shall not be charged any fees or reimbursable expenses in connection with that transition, including the cost of having the new Key Personnel become familiar with the Services to be performed pursuant to this Agreement, or any other related matter.

**18. TEMPORARY SUSPENSION.** The NCSD's Contract Administrator shall have the authority to suspend this Agreement and the services contemplated herein, wholly or in part, for such period as he/she deems necessary due to unfavorable conditions or to the failure on the part of the Consultant to perform any provision of this Agreement. Consultant will be paid for services performed through the date of temporary suspension. In the event that Consultant's services hereunder are delayed for a period in excess of six (6) months due to causes beyond Consultant's reasonable control, then the Not-to-Exceed Amount shall be subject to renegotiation.

**19. TERMINATION.**

A. If Consultant at any time refuses or neglects to perform the Services in a timely fashion or in accordance with the Schedule referenced in Scope of Work, or is adjudicated a bankrupt, or commits any act of insolvency, or makes an assignment for the benefit of creditors without NCSD's written consent, or fails to make prompt payment to persons furnishing labor, equipment, or materials, or fails in any respect to properly and diligently prosecute the Services, or otherwise fails to perform fully any and all of the Agreements herein contained, Consultant shall be in default.

B. If Consultant fails to cure the default within seven (7) days after written notice thereof, NCSD may, at its sole option, take possession of any documents, files (including CAD and other electronic files), or other materials prepared or used by Consultant in connection with the Services and (a) provide any such services, labor, or materials as may be necessary to overcome the default and deduct the cost thereof from any money then due or thereafter to become due to Consultant under this Agreement; or (b) terminate Consultant's right to proceed with the Services.

C. In the event NCSD elects to terminate this Agreement, NCSD shall have the right to immediate possession of all Documents and other work in progress prepared by or on behalf of Consultant, whether located at the NCSD Office, at Consultant's place of business, or at the offices of a subcontractor, and may employ any other person or persons to provide the Services and provide the materials therefore. In case of such default termination, Consultant shall not be entitled to receive any further payment under this Agreement until the Services are completely finished. At that time, if the unpaid balance of the amount to be paid under this Agreement exceeds the expenses incurred by NCSD in obtaining Services, such excess shall be paid by NCSD to Consultant, but, if such expense shall exceed such unpaid balance, then Consultant shall promptly pay to NCSD the amount by which the expenses exceeds the unpaid balance. The expense referred to in the last sentence shall include expenses incurred by NCSD in obtaining the Services from others, for attorneys' fees, and for any damages sustained by NCSD by reason of Consultant's default or defective Services.

D. In addition to the foregoing right to terminate for default, NCSD reserves the absolute right to terminate the Services authorized by this Agreement without cause ("Terminate for Convenience"), upon 72-hours' written notice to Consultant. In the event of termination without cause, Consultant shall be entitled to payment in an amount not

to exceed the Not-to-Exceed Amount referenced in the Scope of Work, which shall be calculated as follows: (1) Payment for any Services then satisfactorily completed and accepted by NCSD, plus (2) Reimbursable Costs actually incurred by Consultant; plus (3) reasonable termination costs incurred by Consultant solely on account of the termination for convenience. There shall be deducted from such sums as provided in this section the amount of any payment made to Consultant prior to the date of termination of the Services. Consultant shall not be entitled to any claim or lien against NCSD or the proposed project for any additional compensation or damages in the event of such termination and payment. In addition, the NCSD's right to hold funds pursuant to Section 6 G shall be applicable in the event of a termination for convenience.

E. If this Agreement is terminated by NCSD for default and it is later determined that the default termination was wrongful, such termination automatically shall be converted to and treated as a Termination for Convenience under Section D, above, and Consultant shall be entitled to receive only the amounts payable hereunder in the event of a Termination for Convenience.

F. Should NCSD fail to pay Consultant undisputed payments set forth in Section 6 above, Consultant may, at Consultant's option, suspend its services if such failure is not remedied by NCSD within thirty (30) days of written notice to NCSD of such late payment.

**20. BREACH OF LAW.** In the event the Consultant or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public Consultant or Consultant; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraphs 10, 24, 25, 26 or 27 of this Agreement; or for any other cause the NCSD determines to be so serious and compelling as to affect Consultant's responsibility as a public Consultant or Consultant, including but not limited to, debarment by another governmental agency, then the NCSD reserves the unilateral right to terminate this Agreement, seek indemnification and/or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper.

**21. DISPUTED INVOICES** Unless otherwise agreed to in writing the following sections shall apply only to disputes related to non-payment of disputed amounts as referenced in paragraph 6, above:

A. The Parties agree in good faith to attempt to resolve amicably disputed amounts. In the event that any dispute cannot be resolved through direct discussions, the Parties agree to endeavor to settle the dispute by mediation. Either Party may make a written demand for mediation, which demand shall specify the facts of the

dispute. The matter shall be submitted to a mediator who shall hear the matter and provide an informal nonbinding opinion and advice in order to resolve the dispute. If the Parties are unable to agree on a mediator, then either Party can request the Presiding Judge of the San Luis Obispo County Superior Court to appoint a mediator. Said appointment shall be binding on the Parties. The mediator's fee shall be shared equally by the Parties. If the dispute is not settled by mediation, then the Parties agree to submit the dispute to binding arbitration as provided in Section B, below.

B. Either Party may demand arbitration by filing a written demand with the other Party within thirty (30) days from the date of the informal non-binding opinion of the mediator, in accordance with the prevailing provisions of the California Arbitration Act at the time of the written demand. The arbitration procedures are as follows:

(1) The parties may agree on one arbitrator. If they cannot agree on one arbitrator, there shall be three: one named in writing by each of the parties within five days after demand for arbitration is given, and a third chosen by the two appointed. Should either party refuse or neglect to join in the appointment of the arbitrator(s) or to furnish the arbitrator(s) with any papers or information demanded, the arbitrator(s) may proceed ex parte.

(2) A hearing on the matter to be arbitrated shall take place before the arbitrator(s) within the County of San Luis Obispo, State of California, at the time and place selected by the arbitrator(s). The arbitrator(s) shall select the time and place promptly and shall give each party written notice of the time and place at least sixty (60) days before the date selected. The procedures of the California Arbitration Act are incorporated herein by reference.

(3) If there is only one arbitrator, his or her decision shall be binding and conclusive on the parties, and if there are three arbitrators, the decision of the two shall be binding and conclusive. The submission of a dispute to the arbitrator(s) and the rendering of a decision by the arbitrator(s) shall be binding on the parties. A judgment confirming the award may be given by any Superior Court having jurisdiction, or that Court may vacate, modify, or correct the award in accordance with the prevailing provision of the California Arbitration Act.

(4) If three arbitrators are selected, but no two of the three are able to reach an agreement regarding the determination of the dispute, then the matter shall be decided by three new arbitrators who shall be appointed and shall proceed in the same manner, and the process shall be repeated until a decision is agreed on by two of the three arbitrators selected.

(5) The costs of the arbitration shall be borne by the losing party or shall be borne in such proportions as the arbitrator(s) determine(s).

**22. PROGRESS AND PERFORMANCE OF SERVICES.** No claim, potential claim, dispute or controversy, except non-payment by NCSO of undisputed amounts, shall interfere with the progress and performance of the Services or any changes thereto,

and Consultant shall proceed as directed by the NCSD in all instances with its Services, including any disputed Services, or any changes thereto and any failure of Consultant to proceed shall be deemed a material breach of this Agreement entitling NCSD to all remedies available under Section 19 or other provision of the Agreement and/or applicable law. Except as provided elsewhere in this Agreement, NCSD shall continue to make payments in accordance with the Agreement.

**23. NCSD NOT OBLIGATED TO THIRD PARTIES.** NCSD shall not be obligated or liable for payment hereunder to any party other than the Consultant.

**24. NON-DISCRIMINATION.** Consultant shall not discriminate in any way against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition or marital status in connection with, or related to, the performance of this Agreement.

**25. UNAUTHORIZED ALIENS.** Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should the any liability or sanctions be imposed against NCSD for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse NCSD for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by NCSD. Consultant shall comply with all the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein.

**26. PREVAILING WAGE.** Consultant shall keep informed and take all measures necessary to ensure compliance with Labor Code requirements, including, but not limited to Section 1720 *et seq.* of the Labor Code regarding public works, limitations on use of volunteer labor (Labor Code Section 1720.4) and payment of prevailing wages to workers and professionals for work done under this Agreement, as determined by the Director of Industrial Relations of the State of California pursuant to California Labor Code Part 7, Chapter 1, Article 2. Copies of prevailing wage determinations are on file at NCSD offices or otherwise available on the Web at [www.cslp.ca.gov](http://www.cslp.ca.gov).

**27. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.**

A. All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than NCSD without prior written authorization from the NCSD Manager, except as may be required by law.

B. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the NCSD Manager or unless requested by the NCSD Legal Counsel of NCSD, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives NCSD notice of such court order or subpoena.

C. If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then NCSD shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Consultant's conduct.

D. Consultant shall promptly notify NCSD should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there-under. NCSD retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with NCSD and to provide NCSD with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by NCSD to control, direct, or rewrite said response.

**28. ASSIGNMENT.** The expertise and experience of Consultant are material considerations for this Agreement. NCSD has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon Consultant under this Agreement. In recognition of that interest, Consultant shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Consultant's duties or obligations under this Agreement without the prior written consent of the NCSD Board of Directors. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling NCSD to any and all remedies at law or in equity, including summary termination of this Agreement. NCSD acknowledges, however, that Consultant, in the performance of its duties pursuant to this Agreement, may utilize subcontractors.

**29. COSTS AND ATTORNEY'S FEES.** Except for disputes that are resolved by non-binding mediation, the prevailing party in any action between the parties to this Agreement brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs and attorney's fees expended in connection with such an action from the other party.

**30. SECTION HEADINGS.** The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

**31. SEVERABILITY.** If any term, provision or any portion of a provision contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such term, provision or portion of a provision shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect the remaining portion of the provision or any other provision hereof; and this Agreement shall be construed as if such invalid, illegal or unenforceable term, provision or any portion of a provision had not been contained herein.

**32. REMEDIES NOT EXCLUSIVE.** Except for (a) disputes related solely to the payment for Services performed by Consultant and (b) the termination provisions of Section 19 (E), no remedy herein conferred upon or reserved to the Parties is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

**33. NONEXCLUSIVE AGREEMENT.** Consultant understands that this is not an exclusive Agreement and that NCSD shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by Consultant as the NCSD desires.

**34. NON-LIABILITY OF NCSD OFFICERS AND EMPLOYEES.** No officer or employee of NCSD will be personally liable to Consultant, in the event of any default or breach by the NCSD or for any amount that may become due to Consultant.

**35. INTERPRETATION OF THIS AGREEMENT.** The parties acknowledge that each party and its attorney had the opportunity to review, negotiate and revise this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any document executed and delivered by any party in connection with the obligations contemplated by this Agreement.

**36. TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

**37. NO WAIVER OF DEFAULT.** No delay or omission of NCSD to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default of an acquiescence therein; and every power and remedy given by this Agreement to NCSD shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of NCSD.



### **38. EXTRA SERVICES.**

A. Should Consultant propose to provide services that NCSD considers to be beyond the Scope of Services, Consultant shall present a written request to amend the Scope of Services and a proposal for compensation for additional services to the NCSD. The NCSD Contract Administrator will make due consideration of the request to amend the Scope of Services and compensation for additional services. Consultant shall not provide additional services until Consultant has received a written amendment to this Agreement. . Should Consultant elect to proceed prior to the amendment being approved by the NCSD for additional services, the Consultant does so at Consultant's own risk and with the understanding that the NCSD will not be obligated for payment of additional compensation.

B. Should NCSD request Consultant to provide services that are beyond the Scope of Services, Consultant shall provide the NCSD with a written proposal for additional services. The NCSD will make due consideration of the proposal. Consultant shall not provide additional services until Consultant has received a written amendment to this Agreement. Should Consultant elect to proceed prior to the amendment being approved by the NCSD for additional services, the Consultant does so at Consultant's own risk and with the understanding that the NCSD will not be obligated for payment of additional compensation.

**39. ENTIRE AGREEMENT AND AGREEMENT.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and Agreement of the parties and there have been no promises, representations, Agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral Agreements, course of conduct, waiver or estoppel.

**40. SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

**41. CALIFORNIA LAW.** This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of San Luis Obispo, if in state court, or in the federal court nearest to San Luis Obispo County, if in federal court.

**42. EXECUTION OF COUNTERPARTS.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

**43. PRECEDENCE.** In the event of a conflict between the Exhibits and this Agreement, the provisions of this Agreement shall control.

**44. RECITALS.** Recitals A through B are incorporated herein by reference as though set forth at length.

**45. AUTHORITY TO EXECUTE.** All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity (ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, Consultant hereby warrants that it shall not have breached the terms or conditions of any other contract or Agreement to which Consultant is obligated, which breach would have a material effect hereon.

**IN WITNESS WHEREOF**, the parties have executed this Agreement to be effective on the date executed by the NCSD.

**CONSULTANT:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**NIPOMO COMMUNITY SERVICES DISTRICT:**

\_\_\_\_\_  
Michael S. LeBrun, General Manager  
Nipomo Community Service District

\_\_\_\_\_  
Date

TO: BOARD OF DIRECTORS  
REVIEWED: MARIO IGLESIAS  
GENERAL MANAGER  
FROM: PETER SEVCIK  
DIRECTOR OF ENGINEERING  
AND OPERATIONS  
DATE: JUNE 21, 2018



**AUTHORIZE COLLECTION OF FY 2018-2019  
STREET LANDSCAPE MAINTENANCE DISTRICT ASSESSMENTS**

**ITEM**

Public Hearing - authorize collection of FY 2018-2019 Street Landscape Maintenance District Assessments. [RECOMMEND CONDUCT HEARING, AMEND ENGINEER'S REPORT IF NECESSARY AND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION APPROVING ENGINEER'S REPORT AND AUTHORIZING COLLECTION OF ASSESSMENTS]

**BACKGROUND**

On April 11, 2018, the Board of Directors adopted Resolution 2018-1469 entitled:

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT INITIATING PROCEEDINGS FOR ANNUAL LEVY OF ASSESSMENTS FOR THE STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2018-2019 PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

and thereby initiated the process of annual levy assessment for Street Landscape Maintenance District Number 1. Peter Sevcik, P.E., Director of Engineering and Operations, prepared the annual levy report. Pursuant to Proposition 218 and the Petition Requesting Formation of the Landscape Maintenance District, the annual levy may be increased by a percentage equal to the Consumer Price Index (CPI). While the CPI defines the maximum rate the District may increase the levy each year, the actual amount to be assessed is based on the annual budget and may be less than the maximum rate. Property owners within the assessment district must approve any proposed assessment that exceeds the adjusted maximum rate based on the CPI.

The Board of Directors adopted Resolution 2018-1474 on May 23, 2018 which provided for 1) the approval of the Engineer's Report, and 2) declaration of intention to levy the annual assessment. Today's public hearing and proposed action, adoption of a resolution confirming approval the Final Engineer's Report and authorizing levy and collection of the assessment, completes the process of annual assessment levy.

It is recommended that the assessment be \$435.00 for fiscal year 2018-2019 (See Page 4 of Engineer's Levy Report). The County of San Luis Obispo adds a \$2.00 per parcel handling fee for processing special district benefit assessments on the tax roll. Total amount of \$437.00 per parcel will be billed on the tax roll. The computed Maximum Assessment Allowable is \$497.30.

With the proposed assessment, the Maintenance District is projected to have an approximate gain of \$2,210 in 2018-2019 and reserve balance at the end of FY 2018-2019 of \$14,710 which is short of the cash reserve goal of \$20,000. In FY 2017-2018, drought tolerant landscaping was installed bordering the frontage of lots 15 and 16 at a cost of \$9,971. Installation of drought tolerant landscaping is planned along Lot 1 in FY 2019-2020 at an estimated cost of \$5,000.

As the history of the Maintenance District's annual levy (below) shows, the levy can be raised or lowered in the future to meet cash goals.

Period Covered	Amount Assessed per Parcel	Maximum Allowable Assessment
Fiscal Year 2003-2004 (first year of assessment)	\$345.00	\$345.00
Fiscal Year 2004-2005	\$346.96	\$346.96
Fiscal Year 2005-2006	\$354.94	\$354.94
Fiscal Year 2006-2007	\$365.34	\$365.34
Fiscal Year 2007-2008	\$365.34	\$376.75
Fiscal Year 2008-2009	\$387.74	\$387.74
Fiscal Year 2009-2010	\$301.78	\$391.14
Fiscal Year 2010-2011	\$303.57	\$400.60
Fiscal Year 2011-2012	\$303.57	\$408.85
Fiscal Year 2012-2013	\$315.00	\$423.29
Fiscal Year 2013-2014	\$330.00	\$433.40
Fiscal Year 2014-2015	\$330.00	\$442.19
Fiscal Year 2015-2016	\$360.00	\$450.59
Fiscal Year 2016-2017	\$380.00	\$463.84
Fiscal Year 2017-2018	\$380.00	\$479.05
Fiscal Year 2018-2019	\$435.00	\$497.30

**RECOMMENDATION**

Conduct public hearing, consider testimony, amend Engineer's Report if necessary, and by motion and roll call vote, adopt Resolution 2018-XXXX LMD confirming approval of the Engineer's Report and authorizing collection of assessments.

**ATTACHMENT**

- A. Resolution 2018-XXXX LMD Approval

JUNE 27, 2018

ITEM E-2

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2018-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT  
ORDERING THE LEVY AND COLLECTION OF  
ASSESSMENTS FOR THE STREET LANDSCAPE MAINTENANCE  
DISTRICT NO. 1 FOR FISCAL YEAR 2018-2019**

**WHEREAS**, the Board of Directors of the Nipomo Community Services District (“NCS D”) has by previous Resolutions initiated proceedings, declared its intention to levy assessments, and approved the Engineer’s Annual Levy Report (hereinafter referred to as the “Report”) that describes the assessments against parcels of land within the Nipomo Community Services District Street Landscape Maintenance Assessment District No. 1 (hereafter referred to as “Street Landscape Maintenance District No. 1”) for the Fiscal Year commencing July 1, 2018, and ending June 30, 2019, pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereafter referred to as the “Act”) to pay the costs and expenses of operating, maintaining, and servicing the improvements located within Street Landscape Maintenance District No. 1; and

**WHEREAS**, the Engineer’s Report has been prepared and filed with the NCS D Secretary and General Manager, and the District General Manager has presented to the NCS D Board of Directors a Report in connection with the proposed levy and collection of assessments upon eligible parcels of land within the Street Landscape Maintenance District No. 1 and the Board did by previous Resolution approve such Report; and

**WHEREAS**, the improvements within Street Landscape Maintenance District No. 1 include the maintenance and operation of and the furnishing of services and materials for landscaping which include trees, shrubs, grasses and other ornamental vegetation, and appurtenant facilities, including irrigation systems (hereinafter referred to as “Improvements”) within the district; and

**WHEREAS**, the NCS D Board of Directors desires to levy and collect assessments against parcels of land within the Street Landscape Maintenance District No. 1 for the Fiscal Year commencing July 1, 2018, and ending June 30, 2019, to pay the costs and expenses of operating, maintaining, and servicing the Improvements; and

**WHEREAS**, the NCS D Board of Directors and its Legal Counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of the California State Constitution; and

**WHEREAS**, Pursuant to Sections 22552, 22553, and 22626 of the Act and Section 6061 of the Government Code, the NCS D has given notice of the time and place of the public hearing for the levy and collection of assessments against the parcels of land within Street Landscape Maintenance District No. 1 for fiscal year commencing July 1, 2018, and ending June 30, 2019; and

NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2018-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT  
ORDERING THE LEVY AND COLLECTION OF  
ASSESSMENTS FOR THE STREET LANDSCAPE MAINTENANCE  
DISTRICT NO. 1 FOR FISCAL YEAR 2018-2019

**WHEREAS**, based upon the review and amendments, as applicable, to the Report and based on the Staff Report and all oral and written statements, protests and communications made and filed by interested persons regarding these matters, the NCS D Board of Directors finds and determines that:

- A. The land within the Street Landscape Maintenance District No. 1 will receive special benefit by the operation, maintenance, and servicing of the Improvements located within the boundaries of Street Landscape Maintenance District No. 1; and
- B. The Street Landscape Maintenance District No. 1 includes all of the lands so benefited; and
- C. The net amount to be assessed upon the lands within the Street Landscape Maintenance District No. 1 in accordance with the Report for the Fiscal Year commencing July 1, 2018, and ending June 30, 2019, is apportioned by a formula and method established by the Petition for Formation of Nipomo Community Services District Street Landscape Maintenance District No. 1 ("Petition for Formation"), which fairly distributes the net amount among all eligible parcels in proportion to the estimated benefits to be received by each parcel from the Improvements and services.
- D. The Petition for Formation provides that the annual assessment for each fiscal year shall be increased in an amount necessary to reflect the increase in the costs of operating and maintaining the Improvements due to inflation and that such increased costs shall be based, exclusively, on the percentage increase in the consumer price index for Urban Wage Earners and Clerical Workers in San Francisco/San Jose ("CPI") for March 31 of the current year over the previous year's index on the same date.
- E. The levy of assessments described in the Report do not exceed the amounts authorized in the Petition for Formation.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AS FOLLOWS:**

Section 1. The Report and assessments as presented to the NCS D Board of Directors and on file in the Office of the General Manager are hereby confirmed as filed. (Exhibit "A")

Section 2. The maintenance, operation, and servicing of the Improvements and appurtenant facilities, in accordance with the Act are hereby ordered and approved.

Section 3. The County Auditor of the County of San Luis Obispo shall enter on the County Assessment Roll opposite each eligible parcel of land the amount of levy so apportioned by the formula and method outlined in the Report, and such levies shall be collected at the same time and in the same manner as the County taxes are collected pursuant to Chapter 4, Article 2, Section 22646 of the Act. After collection by the County, the net amount of the levy shall be paid to the NCS D.

Section 4. The General Manager or his/her designee shall deposit all money representing assessments collected by the County for Street Landscape Maintenance District No. 1 to the credit of a fund known as the "Nipomo Community Services District Landscape and Maintenance Assessment

NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2018-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
NIPOMO COMMUNITY SERVICES DISTRICT  
ORDERING THE LEVY AND COLLECTION OF  
ASSESSMENTS FOR THE STREET LANDSCAPE MAINTENANCE  
DISTRICT NO. 1 FOR FISCAL YEAR 2018-2019

District No. 1" and such money shall be expended only for the maintenance, operation, and servicing of the Improvements as described in above.

Section 5. The adoption of this Resolution constitutes the Street Landscape Maintenance District No. 1 levy for the fiscal year commencing July 1, 2018, and ending June 30, 2019.

Section 6. The General Manager or his/her designee is hereby authorized and directed to file the levy with the County Auditor upon adoption of this Resolution pursuant to Chapter 4, Article 1, Section 22641, of the Act.

Section 7. The above Recitals are true and correct and incorporated herein by reference.

Section 8. The NCSD Board of Directors and such employees of the NCSD as are appropriate are authorized to execute such other documents and take such further actions as shall be consistent with the adoption consistent with this Resolution.

Section 9. The Assessments authorized herein do not constitute a waiver of the District's right to levy the maximum authorized assessments for future fiscal years.

On the motion Director \_\_\_\_\_, seconded by Director \_\_\_\_\_ and on the following roll call vote, to wit:

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

the foregoing resolution is hereby adopted this 27<sup>TH</sup> day of June 2018.

\_\_\_\_\_  
**ED EBY**  
President of the Board

ATTEST:

APPROVED AS TO FORM AND  
LEGAL EFFECT:

\_\_\_\_\_  
**MARIO IGLESIAS**  
General Manager and Secretary to the Board

\_\_\_\_\_  
**WHITNEY G. McDONALD**  
District Legal Counsel

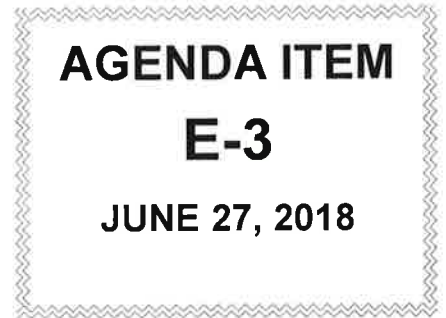


TO: BOARD OF DIRECTORS

FROM: WHITNEY MCDONALD  
DISTRICT COUNSEL

REVIEWED BY: MARIO E. IGLESIAS  
GENERAL MANAGER *MEI*

DATE: JUNE 21, 2018



**ADOPT ORDINANCE AMENDING  
NIPOMO COMMUNITY SERVICES DISTRICT  
CODE SECTION 3.03.190**

**ITEM**

Adopt an ordinance amending Nipomo Community Services District Code Section 3.03.190 [RECOMMEND READ FULL TITLE, WAIVE FURTHER READING, ADOPT ORDINANCE, AND DIRECT DISTRICT COUNSEL AND STAFF TO PREPARE AND PUBLISH SUMMARY OF ORDINANCE PER GOVERNMENT CODE SECTION 25124]

**BACKGROUND**

At your June 13, 2018 regular meeting, your Board introduced an ordinance amending Section 3.03.190 of the Nipomo Community Services District ("District") Code. It is recommended that your Board now adopt that ordinance.

Section 3.03.190 of the District Code addresses the use of the tax roll and recorded certificates and liens to collect unpaid charges, fees, and penalties owed to the District. Currently, Section 3.03.190 states:

**3.03.190 - Collection of delinquent charges with taxes.**

- A. The board of directors adopts the procedures for the collection of rates, charges and fees for nonpayment of delinquent bills established in Government Code Sections 61621, 61621.2, 61621.3 or any successor statutes.
- B. Remedies for collection and enforcement for nonpayment of delinquent rates, charges and fees are cumulative and may be pursued alternatively or consecutively by the district. The general manager or his/her designee is authorized to record a certificate specifying the amount of such charges and fees and the name and address of the persons liable therefor, sixty days after the payment becomes delinquent, pursuant to Government Code Section 61621.

(Ord. 97-86 § 2, 1997)

Following enactment of this section, the Legislature repealed the Government Code sections referenced therein, namely sections 61621, 61621.2, and 61621.3, and replaced them with Government Code section 61115. The attached ordinance will amend District Code Section 3.03.190 to reference the new Government Code section 61115 and makes additional minor changes to the language for clarification purposes.

The new language reads as follows:

**3.03.190 - Collection of delinquent charges on the tax roll or by recorded certificate and lien.**

- A. The board of directors adopts the procedures for the collection of rates, charges, fees, and penalties for nonpayment of delinquent bills established in Government Code Section 61115 or any successor statute.
- B. The general manager or his/her designee is authorized to record a certificate and lien for the amount of charges, fees, and penalties owed, and the name and address of the persons liable therefor, sixty days after the payment becomes delinquent, pursuant to Government Code Section 61115 or any successor statute.
- C. Remedies for collection and enforcement for nonpayment of delinquent rates, charges, fees, and penalties are cumulative and may be pursued alternatively or consecutively by the district.

A redline version of District Code section 3.03.190 is attached to this staff report that depicts the changes to the existing code.

This ordinance was introduced at your June 13, 2018 regular Board meeting pursuant to Government Code sections 61060(a) and 25131 and is now proposed for adoption. A summary of the ordinance, prepared by District Counsel, was published in accordance with Government Code section 25124 and Board direction. If your Board adopts the ordinance today, another summary of the ordinance will be prepared by District Counsel and published as required by Government Code section 25124. The ordinance will become effective on July 27, 2018. The full text of the ordinance will be posted on the District's website, also in accordance with Government Code section 25124.

**FISCAL IMPACT**

The proposed ordinance amendment will continue to allow the District to collect unpaid charges, fees, and penalties through the mechanisms authorized by state law, which includes collection on the tax roll or by recordation of certificates and liens.

**STRATEGIC PLAN**

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

**4.A. ACTIVITIES FOR COMPLETION**

A.2 Ensure billing processes are efficient, cost effective and fair...

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

**6.A. ACTIVITIES FOR COMPLETION**

A.1. Periodically review, update and reaffirm District policies and procedures.

**RECOMMENDATION**

It is recommended that your Board read the full title, waive further reading and adopt the ordinance, and direct District Counsel and staff to prepare and publish a summary of the ordinance, utilizing the following language: "I move that we adopt AN ORDINANCE OF BOARD OF THE DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING NIPOMO COMMUNITY SERVICES DISTRICT CODE SECTION 3.03.190, waive further reading of the ordinance, and direct District Counsel and staff to prepare and publish a summary of the ordinance in accordance with Government Code section 25124."

**ATTACHMENTS**

- A. Ordinance 2018-XXXX, AN ORDINANCE OF BOARD OF THE DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING NIPOMO COMMUNITY SERVICES DISTRICT CODE SECTION 3.03.190
- B. Ordinance 2018-XXXX, Redline depicting changes to existing District Code Section 3.03.190

JUNE 27, 2018

ITEM E-3

ATTACHMENT A

**ORDINANCE NO. 2018-XXXX**

**AN ORDINANCE OF BOARD OF THE DIRECTORS OF  
THE NIPOMO COMMUNITY SERVICES DISTRICT  
AMENDING NIPOMO COMMUNITY SERVICES DISTRICT  
CODE SECTION 3.03.190**

The Board of Directors of the Nipomo Community Services District ordains as follows:

SECTION 1. Section 3.03.190 of the Nipomo Community Services District Code, referenced herein as "District Code," shall be amended and replaced in its entirety to read as follows:

**3.03.190 - Collection of delinquent charges on the tax roll or by recorded certificate and lien.**

- A. The board of directors adopts the procedures for the collection of rates, charges, fees, and penalties for nonpayment of delinquent bills established in Government Code Section 61115 or any successor statute.
- B. The general manager or his/her designee is authorized to record a certificate and lien for the amount of charges, fees, and penalties owed, and the name and address of the persons liable therefor, sixty days after the payment becomes delinquent, pursuant to Government Code Section 61115 or any successor statute.
- C. Remedies for collection and enforcement for nonpayment of delinquent rates, charges, fees, and penalties are cumulative and may be pursued alternatively or consecutively by the district.

SECTION 2. Any sections, portions of sections, or subsections of the District Code not specifically amended and replaced herein shall remain in full force and effect.

SECTION 3. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, ineffective or in any manner in conflict with the laws of the United States, or the State of California, such decision shall not affect the validity of the remaining portions of this Ordinance. The Governing Board of the District hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsection, sentence, clause or phrase be declared unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California.

SECTION 4. The Board of Directors of the District finds that this Ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15378(b)(2) and 15378(b)(4) because it constitutes general policy and procedure making and government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. The Board of Directors further finds that the adoption of this Ordinance is not a project as defined in CEQA Guidelines Section 15378 because it can be seen with certainty that it will not result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. The District General Manager is directed to prepare and file an appropriate notice of exemption.

**ORDINANCE NO. 2018-XXXX**

**AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
AMENDING NIPOMO COMMUNITY SERVICES DISTRICT  
CODE SECTIONS 3.03.190**

SECTION 5. This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage. Before the expiration of the fifteenth (15<sup>th</sup>) day after passage this Ordinance shall be published once with the names of the members of the Board of Directors voting for or against the Ordinance in a newspaper of general circulation within the District.

INTRODUCED at its regular meeting of the Board of Directors held on June 13, 2018, and PASSED and ADOPTED by the Board of Directors of the Nipomo Community Services District at its regular meeting on the 27th day of June, 2018, by the following roll call vote, to wit:

AYES:  
NOES:  
ABSENT:  
CONFLICTS:

\_\_\_\_\_  
ED EBY  
President, Board of Directors

ATTEST:

APPROVED AS TO FORM AND LEGAL  
EFFECT:

\_\_\_\_\_  
MARIO IGLESIAS  
General Manager and  
Secretary to the Board

\_\_\_\_\_  
WHITNEY G. McDONALD  
District Legal Counsel

JUNE 27, 2018

ITEM E-3

ATTACHMENT B

ORDINANCE NO. 2018-XXXX

AN ORDINANCE OF BOARD OF THE DIRECTORS OF  
THE NIPOMO COMMUNITY SERVICES DISTRICT  
AMENDING NIPOMO COMMUNITY SERVICES DISTRICT  
CODE SECTION 3.03.190

The Board of Directors of the Nipomo Community Services District ordains as follows:

SECTION 1. Section 3.03.190 of the Nipomo Community Services District Code, referenced herein as "District Code," shall be amended and replaced in its entirety to read as follows:

**3.03.190 - Collection of delinquent charges on the tax roll or by recorded certificate and lien with taxes.**

- A. The board of directors adopts the procedures for the collection of rates, charges, ~~fees,~~ and ~~penalties~~ fees for nonpayment of delinquent bills established in Government Code ~~Section 61115~~ Sections 61621, 61621.2, 61621.3 or any successor ~~statute~~ statutes.
- B. ~~Remedies for collection and enforcement for nonpayment of delinquent rates, charges and fees are cumulative and may be pursued alternatively or consecutively by the district. The general manager or his/her designee is authorized to record a certificate and lien for specifying the amount of such charges, fees, and penalties owed, fees and the name and address of the persons liable therefor, sixty days after the payment becomes delinquent, pursuant to Government Code Section 61115 or any successor statute. 61621.~~
- C. ~~Remedies for collection and enforcement for nonpayment of delinquent rates, charges, fees, and penalties are cumulative and may be pursued alternatively or consecutively by the district.~~

SECTION 2. Any sections, portions of sections, or subsections of the District Code not specifically amended and replaced herein shall remain in full force and effect.

SECTION 3. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, ineffective or in any manner in conflict with the laws of the United States, or the State of California, such decision shall not affect the validity of the remaining portions of this Ordinance. The Governing Board of the District hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsection, sentence, clause or phrase be declared unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California.

SECTION 4. The Board of Directors of the District finds that this Ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15378(b)(2) and 15378(b)(4) because it constitutes general policy and procedure making and government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. The Board of Directors further finds that the adoption of this Ordinance is not a project as defined in CEQA Guidelines Section 15378 because it can be seen with certainty that it will not result in either a



**ORDINANCE NO. 2018-XXXX**

**AN ORDINANCE OF THE NIPOMO COMMUNITY SERVICES DISTRICT  
AMENDING NIPOMO COMMUNITY SERVICES DISTRICT  
CODE SECTIONS 3.03.190**

direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. The District General Manager is directed to prepare and file an appropriate notice of exemption.

SECTION 5. This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage. Before the expiration of the fifteenth (15<sup>th</sup>) day after passage this Ordinance shall be published once with the names of the members of the Board of Directors voting for or against the Ordinance in a newspaper of general circulation within the District.

INTRODUCED at its regular meeting of the Board of Directors held on June 13, 2018, and PASSED and ADOPTED by the Board of Directors of the Nipomo Community Services District at its regular meeting on the 27th day of June, 2018, by the following roll call vote, to wit:

AYES:  
NOES:  
ABSENT:  
CONFLICTS:


\_\_\_\_\_  
ED EBY  
President, Board of Directors

ATTEST:

APPROVED AS TO FORM AND LEGAL  
EFFECT:

\_\_\_\_\_  
MARIO IGLESIAS  
General Manager and  
Secretary to the Board

\_\_\_\_\_  
WHITNEY G. McDONALD  
District Legal Counsel

TO: BOARD OF DIRECTORS  
 FROM: MARIO IGLESIAS  
 GENERAL MANAGER   
 DATE: JUNE 22, 2018

**AGENDA ITEM  
 F  
 JUNE 27, 2018**

**GENERAL MANAGER'S REPORT**

**ITEM**

Standing report to your Honorable Board -- *Period covered by this report is June 10, 2018 through June 23, 2018.*

**DISTRICT BUSINESS**

**Administrative**

The District encourages residents to provide reports of any observed water waste. The District keeps an accounting of leak adjustments as a measure of non-revenue water lost to leaks. The May data below is the most current.

**Office Activities**

	May-18	Jul-May 2018
Reports of water waste followed up on	1	2
Leak Adjustments	0	24
Leak Adjustment Amount	\$0	\$7,037

**Water Resources**

**Table 1. Total Production (AF)**

	May-18	Jul - May 18
Groundwater Production	107.1	909.6
Supplemental Water Imported	<u>77.7</u>	<u>899.8</u>
Total Production	<u>184.8</u>	<u>1,809.3</u>

NCSD imported 76.1 AF of water over the 30 day period in May averaging 574 gallons per minute for a daily total of 826,560 gallons per day. For fiscal year 2017-18 [July-2017 through June-2018] the District must import 800 AF of supplemental water. During summer months, it is possible that additional import water up to the distribution systems capacity of 85 AF per month may be reached.

**Table 2. FY 2018 Total Demand To-date Compared to 2013**

	May-18	Jul - May 2018
Total Production (AF) for FY 2017-18	184.8	1,809.3
Total Production (AF) for 2013	<u>265.4</u>	<u>2,373.4</u>
Reduction	<u>80.6</u>	<u>564.1</u>
Percentage Reduction	30.4%	23.8%

Table 2 compares the District's total demand for the month of May and the Fiscal Year's year-to-date total against the 2013 water demand (pre-drought demand). The community's water conservation effort reached 32% compared to May 2013. The District's Year-to-Date conservation effort for the past 11 months of the fiscal year is approximately 23%.

### NCSW GW Reduction

The District's purveyor customers, Golden State Water Company and Woodlands Mutual Water Company, each claim 16.66% (cumulatively 33.33%) of the imported water NCSW brings onto the basin through the NSWP. Of the 800 AF minimum imported water from the CSM, 266.6 AF 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 3 below demonstrates the calculus for determining the District's groundwater reduction.

**Table 3. NCSW GW Reduction (NCSW GW Well Production plus Purveyor Credit)**

	May-18	Jul - May 18
NCSW GW Well Production	107.1	909.6
Purveyor Customer Credit (33.3% of Import Water)	<u>25.9</u>	<u>299.8</u>
NCSW Total Calculated GW Production	133.0	1,209.4
Average GW Production for 2009-2013	<u>261.6</u>	<u>2,376.8</u>
NCSW Percentage of GW Reduction	51%	49%

Taking into consideration the above referenced purveyor customer credit, the District can claim a groundwater pumping reduction of 51% for the month of May compared to the 5-year average from 2009 to 2013. For the past 11 months of the fiscal year, the cumulative groundwater pumping reduction reached 49%. At the current Stage IV level of NMMA's Water Shortage Condition and Response Plan, the District has targeted groundwater reduction level of 50% for the year.

Table 4 below is a forecasting tool used to track the District projection as it targets a 50% reduction in groundwater pumping. NCSW Total Calculated GW Production is calculated by projecting an estimate of 85 AF/month of supplemental water for each remaining month and subtracting this amount from last year's corresponding total monthly demand. Using these figures the District will need to reduce its groundwater pumping by 20.82 AF next month to reach a 50% pumping reduction. This projection includes 977 AFY of imported water.

**Table 4. Year-end Projection: NCSW Groundwater Pumping**

	May-18	Jun-18	Jul-May 2018	Target	Over/Under
NCSW GW Well Production	107.1	105.7	1,015.3		
Purveyor Customer Credit (33.3% of Import Water)	<u>25.9</u>	<u>26.0</u>	<u>299.9</u>		
NCSW Total Calculated GW Production	133.0	131.7	1,341.1	1,320.3	-20.82 AcFt
Average GW Production for 2009-2013	<u>261.6</u>	<u>263.6</u>	<u>2,640.5</u>	2,640.5	
NCSW Percentage of GW Reduction	51%	50%	49.2%	50.0%	

**Rainfall Gauge**

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
May 2018 Total	0	0
July-2017 through May-2018 (Seasonal Total)	9.62	8.78
Average Annual Year Rainfall	18	16

**Safety Program**

No incidents

**Other Items and News of Interest**

Quarterly Newsletter and Consumer Confidence Report post cards mailed.

**Supplemental Water Capacity Accounting**

The District is not currently accepting applications for new water service.

<b>Supplemental Water Available for Allocation</b>	500	AFY
<b>Supplemental Water Reserved (Will Serve Letters Issued)</b>	-23.2	AFY
<b>Subtotal Net Supplemental Water Available for Allocation</b>	476.8	AFY
<b>Supplemental Water Assigned (Intent-to-Serve Issued)</b>	-79.1	AFY
<b>Total Remaining Supplemental Water Available for Allocation</b>	397.1	AFY

This information is accurate through May 2018.

**Connection Report**

The Connection Report is current through April 2018 – May data presented at the 2<sup>nd</sup> Board Meeting of the month.

Nipomo Community Services District  
 Water and Sewer Connections

**END OF MONTH REPORT**

	18-Jan	18-Feb	18-Mar	18-Apr	18-May
Water Connections (Total)	4405	4405	4405	4405	4405
Sewer Connections (Total)	3174	3174	3174	3174	3174
New Water Connections	3	0	0	0	0
New Sewer Connection	3	0	0	0	0
Galaxy & PSHH at Orchard and Division Sewer Connections billed to the County	473	473	473	473	473

**Meetings (June 10 through June 23)**

Meetings Attended (telephonically or in person):

- June 12, Engineering/Administration Meeting
- June 12, NCSD/Blacklake Ad Hoc Committee

- June 13, Rotary
- June 13, Regular Board Meeting
- June 13, General Counsel/Management Team
- June 14, Area Business Symposium
- June 15, County Site Meeting – Nipomo Clean Up Day
- June 18, Interviews – NCSD Assistant Engineer
- June 18, Board Officer Meeting
- June 19, Management Team
- June 20, Rotary
- June 21, ASCE Awards Lunch

**Meetings Scheduled (June 24 through June 30):**

*Upcoming Meetings (telephonically or in person):*

- June 25, NMMA-TG
- June 26, Engineering/Administration Meeting
- June 27, Rotary
- June 27, Regular Board Meeting
- June 27, General Counsel/Management Team
- June 28, July 4<sup>th</sup> Parade Meeting
- June 28, NMMA Purveyor Manager's
- June 29, NCSD Quarterly All-crew Meeting

**Upcoming Water Resource and Other Meetings**

- NMMA-TG: TBD May 25 @ 10:00 AM, NCSD Board Room
- RWMG: August 1<sup>st</sup> @ 10:00 AM, SLO Library
- WRAC: August 1<sup>st</sup> @ 1:30 PM, SLO Library
- NMMA Purveyor Meeting: June 28<sup>th</sup> @ 1:30 PM, NCSD Admin Office
- NCMA/NMMA Managers Meeting: TBD
- Nipomo Chamber of Commerce: June 28, 2018 @ 11:45, Regional Park (Bring your Own Lunch)

**RECOMMENDATION**

Staff seeks direction and input from your Honorable Board

**ATTACHMENTS**

- A. Consumer Confidence Report

JUNE 27, 2018

ITEM F

ATTACHMENT A



# Nipomo Community Services District

## 2017 CONSUMER CONFIDENCE REPORT

### Annual Tests Show Nipomo's Water Meets Quality Standards

This report contains important information regarding your drinking water provided by the Nipomo Community Services District during 2017. If needed, you may choose to translate it or speak with someone who understands the report.

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo o hable con alguien que lo entienda bien.

### High Quality Water Delivered to Your Tap

Last year, Nipomo Community Services District (District) tap water met all USEPA and State drinking water health standards. The District vigilantly safeguards its water supplies and we are proud to report that our system did not violate a maximum contaminant level or any other water quality standard. This brochure is a snapshot of last year's water quality. Included are details about where your water comes from, what it contains, and how it compares to State standards. We are committed to providing you with information because informed customers are our best allies.



### Questions

For more information about this report, or for any questions relating to your drinking water, please call (805) 929-1133 and ask for General Manager, Mario Iglesias, or visit our website at [www.ncsd.ca.gov](http://www.ncsd.ca.gov).



**NCS D Elected Board of Directors:** Ed Eby, President | Dan Allen Gaddis, Vice President  
Bob Blair, Director | Craig Armstrong, Director | Dan Woodson, Director

**District General Manager:** Mario Iglesias

# Results of 2017 Drinking Water Quality Tests

The tables on the next page list all of the drinking water contaminants that were detected during the most recent sampling. The presence of contaminants in the water does not necessarily indicate the water poses a health risk. State and Federal regulations require us to monitor for certain contaminants less frequently than once per year because the concentrations of those contaminants are not expected to vary significantly from year to year.

## TERMS AND ABBREVIATIONS

**Maximum Contaminant Level (MCL):** The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.

**Maximum Contaminant Level Goal (MCLG):** The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.

**Public Health Goal (PHG):** The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

**Maximum Residual Disinfectant Level (MRDL):** The highest level of a disinfectant

allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

**Maximum Residual Disinfectant Level Goal (MRDLG):** The level of a drinking water disinfectant below which there is no known or expected risk to health.

**Primary Drinking Water Standards (PDWS):** MCLs and MRDLs for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

**Secondary Drinking Water Standards (SDWS):** MCLs for contaminants that affect taste, odor, or appearance of the drinking water. Contaminants with SDWSs do not affect health at the MCL levels.

**Regulatory Action Level (AL):** The concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.

**Unregulated:** Unregulated contaminant monitoring helps U.S. EPA and the State Water Resources Control Board to determine where certain contaminants occur and whether the contaminants need to be regulated.

**LRAA:** Locational Running Annual Average

**NA:** Not Applicable

**ND:** Not Detected

**NL:** Notification Level

**NTU:** Nephelometric Turbidity Units

**ppm:** parts per million or milligrams per liter (mg/L)

**ppb:** parts per billion or micrograms per liter ( $\mu\text{g/L}$ )

**$\mu\text{S/cm}$ :** microsiemens per centimeter (unit of specific conductance of water)

## NOTES

(a) **Aluminum** also has a Secondary MCL of 200 ppb.

(b) **Arsenic** (10 ppb) is based on a running 1-year average. While your drinking water meets the federal and state standard for arsenic, it does contain low levels of arsenic. The arsenic standard balances the current understanding of arsenic's possible health effects against the costs of removing arsenic from drinking water. The U.S. Environmental Protection Agency continues to research the health effects of low levels of arsenic, which is a mineral known to cause cancer in humans at high concentrations and is linked to other health effects such as skin damage and circulatory problems.

(c) **Fluoride** is added to the City of Santa Maria water to help prevent cavities. Target fluoride levels are set by State Water Resources Control Board Division of Drinking Water.

(d) **Nitrate:** Nitrate in drinking water at levels above 10 mg/L is a health risk for infants of less than six months of age. Such nitrate levels in drinking water can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symp-

toms include shortness of breath and blueness of the skin. Nitrate levels above 10 mg/L may also affect the ability of the blood to carry oxygen in other individuals, such as pregnant women and those with certain specific enzyme deficiencies. If you are caring for an infant, or you are pregnant, you should ask advice from your health care provider.

(e) **City of Santa Maria - Total coliform MCL:** No more than 5% of monthly samples may be Total Coliform positive.

**NCS D - Total coliform MCL:** No more than 1 monthly sample may be Total Coliform positive.

(f) Compliance based on the locational running annual average (LRAA) of distribution system samples.

(g) **Turbidity:** Turbidity is a measure of the cloudiness of the water. We monitor it because it is a good indicator of water quality. High turbidity can hinder the effectiveness of disinfectants.

(h) All samples were below action levels.

(i) **Lead:** If present, elevated levels of lead can cause serious health problems, especial-

ly for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with the service lines and home plumbing. *Nipomo Community Services District* is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you do so, you may wish to collect the flushed water and reuse it for another beneficial purpose, such as watering plants. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>. on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>.

In 2017, three schools requested lead sampling.

(j) Water quality information from individual wells includes samples collected from 2017 and previous years as noted.



**PRIMARY DRINKING WATER STANDARDS - MANDATORY HEALTH-RELATED STANDARDS**

Parameter	Units	State MCL	PHG (MCLG)	PURCHASED CITY OF SANTA MARIA WATER			LOCAL GROUNDWATER (j)			MAJOR SOURCES
				RANGE	AVERAGE	YEAR	RANGE	AVERAGE	YEAR	
Aluminum (a)	ppb	1000	600	ND-110	66	2017	NA	NA	2017	Residue from water treatment; erosion of natural deposits.
Arsenic (b)	ppb	10	0.004	NA	NA	2017	3-5	4.3	2017	Residue from water treatment; erosion of natural deposits.
Hexavalent Chromium	ppb	10	0.02	NA	NA	2017	ND-1.2	.87	2017	Erosion of natural deposits; industrial wastes.
Fluoride (c)	ppm	2	1	.15-1.26	NA	2017	ND	ND	2017	Erosion of natural deposits; additive to promote strong teeth.
Nitrate as N (d)	ppm	10	10	<0.40-6.5	1.2	2017	1.4-10.2	5.1	2017	Leaching from fertilizers; erosion of natural deposits.
Selenium	ppb	50	30	NA	NA	2017	ND-11	5	2017	Erosion of natural deposits; industrial wastes.
Thallium	ppb	2	1	NA	NA	2017				Industrial wastes.
Gross Alpha	pCi/L	15	(0)	NA	NA	2017	2.5-11.2	5.5	2017	Erosion of natural deposits.
Uranium	pCi/L	20	0.43	NA	NA	2017	ND-4.8	4.8	2017	Erosion of natural deposits.

**DISTRIBUTION SYSTEM MONITORING**

Total Chlorine Residual	ppm	MRDL = 4.0	MRDLG = 4.0	0.4-2.9	2.2	2017	.74-3.48	1.9	2017	Measure of the disinfection of the water.
Total Coliform Bacteria (e)	NA	See note(c)	(0)	NA	0.0%	2017	0	0	2017	Naturally present in the environment.
Total Trihalomethanes (f)	ppb	80	NA	18.5-44.5	30.6	2017	ND-61.0	30.5	2017	Byproduct of drinking water chlorination.
Haloacetic Acids (f)	ppb	60	NA	7.4-19.9	13.5	2017	ND-24	15.75	2017	Byproduct of drinking water chlorination.

**SECONDARY DRINKING WATER STANDARDS - AESTHETIC STANDARDS**

Chloride	ppm	500	NA	11-130	56	2017	48-57	53.5	2017	Runoff/leaching from natural deposits; seawater influence.
Iron	ppb	300	NA	NA	NA	2017	ND-520	520	2017	Runoff/leaching from natural deposits; industrial wastes.
Odor Threshold	Units	3	NA	1-2	1.7	2017	ND	ND	2017	Naturally-occurring organic materials.
Specific Conductance	µS/cm	1600	NA	150-390	280	2017	662-1000	847.3	2017	Substances that form ions when in water; seawater influence.
Sulfate	ppm	500	NA	18-52	35	2017	139-283	212.3	2017	Runoff/leaching from natural deposits; industrial wastes.
Total Dissolved Solids	ppm	1000	NA	83-370	191	2017	420-680	557.5	2017	Runoff/leaching from natural deposits.
Turbidity (g)	NTU	5	NA	.04-67	.21	2017	0.3-0.8	0.5	2017	Soil runoff.

**ADDITIONAL PARAMETERS (UNREGULATED)**

Alkalinity (Total) as CaCO <sub>3</sub>	ppm	NA	NA	34-156	46	2017	100-160	133	2017	Runoff/leaching from natural deposits; seawater influence.
Boron	ppb	NL = 1000	NA	120-250	183	2017	ND-0.1	0.1	2017	Runoff/leaching from natural deposits; seawater influence.
Calcium	ppm	NA	NA	9-22	15	2017	51-90	71	2017	Runoff/leaching from natural deposits; seawater influence.
Hardness (Total) as CaCO <sub>3</sub>	ppm	NA	NA	34-120	72	2017	218-393	310	2017	Leaching from natural deposits.
Magnesium	ppm	NA	NA	2.7-16	8.4	2017	22-41	33	2017	Runoff/leaching from natural deposits; seawater influence.
pH	pH units	NA	NA	7.3-8.9	8.0	2017	7.0-7.7	7.4	2017	Runoff/leaching from natural deposits; seawater influence.
Potassium	ppm	NA	NA	1.3-4.1	2.5	2017	NA	NA	2016	Runoff/leaching from natural deposits; seawater influence.
Sodium	ppm	NA	NA	17-87	44	2017	51 - 60	54	2017	Runoff/leaching from natural deposits; seawater influence.
Vanadium	ppb	NL = 50	NA	3.3-4.7	3.8	2017	0.011-0.012	0.012	2017	Runoff/leaching from natural deposits; combustion of fossil fuels

**LEAD AND COPPER SAMPLING PROGRAM - SAMPLING OCCURRED IN SEPTEMBER 2015**

Parameter	Units	Samples Collected	90th Percentile Level Detected	Number of Sites Exceeding AL	AL	PHG	MAJOR SOURCES
Copper (h)	ppm	30	.37	0	1.3	0.3	Plumbing system corrosion; erosion of natural deposits.
Lead (h)(i)	ppb	30	2.4	0	15	0.2	Plumbing system corrosion; erosion of natural deposits.

# Our Water Quality Professionals Provide Around-the-Clock Service

Our water quality professionals maintain, treat, and test the water system ensuring quality water is delivered to your home or business. On-call personnel are available after hours 7 days a week.

## GENERAL INFORMATION

Sources of drinking water (both tap and bottled water) include rivers, lakes, streams, ponds, reservoirs, spring, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

**Microbial contaminants**, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations and wildlife.

**Inorganic contaminants**, such as salts and metals, which can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining or farming.

**Pesticides and herbicides**, that may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.

**Radioactive contaminants**, that can be naturally-occurring or the result of oil and gas production and mining activities.

**Organic chemical contaminants**, including synthetic and volatile organic chemicals, that are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural application and septic systems.

## ENSURING WATER SAFETY

In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (USEPA) and the California State Water Resources Control Board (State Board) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. State Board regulations also establish limits for contaminants in bottled water that provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA's Safe Drinking Water Hotline (800-426-4791).

## PEOPLE WITH SPECIAL NEEDS

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care provider. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline: (800-426-4791).

## YOUR NCSD WATER

The Nipomo Community Services District is committed to producing the highest quality drinking water from two sources of supply: District water wells located in the Nipomo Mesa, and City of Santa Maria water delivered to the District via the Nipomo Supplemental Water Project interconnect. City of Santa Maria Water is a blend of groundwater and surface water. In 2017, the District received about 48 percent of its water from the City of Santa Maria.

All water is disinfected and introduced to the District water distribution system. The District's water distribution system includes over ninety miles of piping and 5 storage tanks with 4 million gallons of combined capacity. Ground elevation relative to the tanks controls the water pressure throughout the system.

## WATER SOURCE ASSESSMENT AND SECURITY

An assessment of the drinking water sources for the Nipomo Community Services District was completed in 2001. The sources are considered most vulnerable to the following activities associated with contaminants detected in the water supply: historic gas stations, low and high density septic systems and wastewater treatment plants. A copy of the complete assessment is available at the District office or from SWRCB, DDW, 1180 Eugenia PL, Suite 200, Carpenteria, CA 93013, 1-805-566-1326.

The District has implemented security systems to protect the distribution and storage of the drinking water. These measures are part of our ongoing operation and ensure the safe treatment and delivery of your drinking water.

## STAY CONNECTED

NCSD Regular Board meetings are open to the public. Meetings take place every second and fourth Wednesday at 9:00 AM in the NCSD Board Room, 148 S Wilson St, Nipomo.

If you have questions regarding the information in this report, please call the District at 929-1133 Monday - Friday 8AM - 4:30PM or email [info@ncsd.ca.gov](mailto:info@ncsd.ca.gov)



**Nipomo Community Services District**

148 S Wilson St, PO Box 326, Nipomo, CA 93444 | (805) 929-1133 | [info@ncsd.ca.gov](mailto:info@ncsd.ca.gov) | [www.ncsd.ca.gov](http://www.ncsd.ca.gov)

