

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

NOVEMBER 28, 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.

A. CALL TO ORDER AND FLAG SALUTE

Vice President Gaddis called the Regular Meeting of November 28, 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, Directors Woodson, Armstrong, Blair and Gaddis were present. President Eby had a planned absence.

Travis Young, NCSO customer, asked for leniency on the late fee policy as it relates to his situation.

The Board directed the General Manager to follow up with the customer.

Mario Iglesias, General Manager, introduced the District's newest employee, Cole Viker, Water Operator I to the Board of Directors.

Vice President Gaddis announced that Item E-3 would be next.

E-3) CONSIDER RESOLUTION APPROVING SECOND AMENDMENT TO A MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF SAN LUIS OBISPO AND NIPOMO COMMUNITY SERVICES DISTRICT REGARDING THE TRANSFER OF OWNERSHIP IN COUNTY-OWNED REAL PROPERTY [RECOMMEND ADOPT RESOLUTION]

Mario Iglesias, General Manager, presented the item and answered questions from the Board regarding the proposed Jim O. Miller Park.

Phil D'Acri, Real Property manager for the County of San Luis Obispo, stated the second amendment to the Memorandum of Understanding (MOU) would provide continuity and a more efficient process going forward. Mr. D'Acri stated a signed Second Amendment by the District is needed by Thursday (11/29/18) in order for it to be placed on the Board of Supervisor's agenda for approval at their December meeting (their last meeting of the year). Otherwise, the MOU will expire on December 31, 2018.

Whitney McDonald, District Legal Counsel, handed out suggested changes (a red-lined version) to the Resolution that was included in the Board packet.

The Board of Directors requested additional language be put in the Second Amendment

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Ms. McDonald requested this item be tabled while she and Mr. D'Acri work on additional language that could be added that would be agreeable to both parties.

Vice President Gaddis granted Ms. McDonald's request and stated Item E-1 would be next.

- E-1) FINANCIAL AUDIT REPORT FOR FISCAL YEAR 2017-18 [RECOMMEND BY MOTION AND ROLL CALL VOTE ACCEPT AND DIRECT STAFF TO FILE 2017-2018 AUDIT REPORT]

Lisa Bognuda, Finance Director, introduced Mr. Terry Shea, CPA of Rogers, Anderson, Maloldy & Scott. Mr. Shea presented the Comprehensive Annual Financial Report (CAFR) for Fiscal Year Ended June 30, 2018.

There were no public comments.

Upon motion of Director Armstrong and seconded, the Board unanimously accepted the CAFR for the fiscal year ended June 30, 2018.

Vote 4-0.

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

Vice President Gaddis announced that Item C-2 would be next.

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

Director Woodson

- *November 26, attended SCAC meeting.*

Director Gaddis

- *November 19, attended Board Officer's meeting.*

There were no public comment.

D. CONSENT AGENDA

- D-1) WARRANTS [RECOMMEND APPROVAL]

- D-2) APPROVE NOVEMBER 14, 2018 REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]

- D-3) AWARD CONSTRUCTION CONTRACT FOR SOUTHLAND WASTEWATER TREATMENT FACILITY SLUDGE DRYING BED COVER PROJECT TO SPIESS CONSTRUCTION CO., INC. [RECOMMEND, BY MOTION AND ROLL CALL VOTE, ADOPT RESOLUTION AWARING CONTRACT TO SPIESS CONSTRUCTION CO., INC. IN THE AMOUNT OF \$121,900, AUTHORIZE STAFF TO EXECUTE CONTRACT, AUTHORIZE CHANGE ORDER CONSTRUCTION CONTINGENCY IN THE AMOUNT OF \$6,100 AND APPROVE BUDGET ADJUSTMENT]

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- D-4) ADOPT RESOLUTION AMENDING SECTION 3010 AND SECTION 3020 OF THE NCSD EMPLOYEE HANDBOOK [RECOMMEND BY MOTION AND ROLL CALL VOTE ADOPT RESOLUTION AMENDING THE EMPLOYEE HANDBOOK]

There was no public comment.

Upon the motion of Director Armstrong and seconded, the Board unanimously approved the Consent Agenda.

Vote 4-0.

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

RESOLUTION NO. 2018-1493

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AWARDDING THE BID FOR THE CONSTRUCTION OF SOUTHLAND WWTF DRYING BED COVER PROJECT TO SPIESS CONSTRUCTION CO., INC. IN THE AMOUNT OF \$121,900, AUTHORIZING CONSTRUCTION CONTINGENCY OF \$6,100, AND AMENDING FY 2018/2019 BUDGET

RESOLUTION NO. 2018-1494

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING SECTION 3010 AND 3020 OF THE EMPLOYEE HANDBOOK

- E-2) SCHEDULE PUBLIC HEARING FOR BLACKLAKE SEWER RATES AND AUTHORIZE PROP 218 NOTICE OF RATE HEARING [RECOMMEND BY MOTION AND ROLL CALL VOTE SET DATE FOR RATE ADOPTION HEARING, AND APPROVE NOTICE OF RATE HEARING]

Mario Iglesias, General Manager, presented the item and answered questions from the Board.

There was no public comment.

Upon the motion of Director Armstrong and seconded, the Board unanimously approved setting the Public Hearing for the Blacklake Sewer Rate increase for January 23, 2018 and directed Staff to mail out the Prop 218 notice.

Vote 4-0.

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

F. MANAGER'S REPORT

Mario Iglesias, General Manager, presented the item and answered questions from the Board.

There was no public comment

G. COMMITTEE REPORTS

None

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H. DIRECTORS' REQUEST TO STAFF AND SUPPLEMENTAL REPORTS

None

Vice President Gaddis announced the Board would return to Item E-3, previously tabled from earlier in the meeting.

Ms. McDonald, District Legal Counsel, stated she and Mr. D'Acri mutually agreed upon adding the following language to the Second Amendment to the Memorandum of Understanding between the County of San Luis Obispo and the Nipomo Community Services District regarding the transfer of ownership in County-owned property, subject to Board approval:

5. Adding new Paragraph 21 as follows:

Termination of MOU: In the event that the County enters into a Memorandum of Understanding or an agreement with an entity other than the District for the development and operation of the Park, this MOU shall be terminated and shall have no further force or effect.

There were no public comments.

Upon the motion of Director Armstrong and seconded, the Board unanimously approved setting the Second Amendment with the addition of the language presented above and approved the Resolution, as amended.
Vote 4-0.

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

RESOLUTION NO. 2018-1495

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ADOPTING A SECOND AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT AND THE COUNTY OF SAN LUIS OBISPO REGARDING THE TRANSFER OF OWNERSHIP IN COUNTY-OWNED REAL PROPERTY

Vice President Gaddis announced that Item C-1 would be next.

C-1) DISCUSSION OF SENATE BILL 998 REGARDING DISCONTINUATION OF RESIDENTIAL WATER SERVICE [RECOMMEND RECEIVE, DISCUSS, AND FILE REPORT

Whitney McDonald, District Legal Counsel, presented an overview of Senate Bill 998 signed by the Governor on September 28, 2018 and answered questions from the Board.

In the coming year, District Staff will work on policies to address the requirements of SB 998 which must be implemented by February 1, 2020.

There were no public comments.

I. CLOSED SESSION ANNOUNCEMENTS

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

- a) SMWWCD 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)

Whitney McDonald, District Legal Counsel, stated there was no need for Closed Session.

There were no public comment.

ADJOURN

Vice President Gaddis adjourned the meeting at 10:25 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	2 hours 25 minutes
Closed Session	0 hours 00 minutes
TOTAL HOURS	2 hours 25 minutes

Respectfully submitted,


12-12-18

Mario Iglesias, General Manager and Secretary to the Board Date