

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

MAY 8, 2019 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

President Eby called the Regular Meeting of May 8, 2019, to order at 9:01 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.

The following member of the public spoke:

Alfredo Ruiz, NCSO customer, encouraged the Board of Directors to remove the water drought restrictions.

C. PRESENTATIONS AND REPORTS

C-1) QUARTERLY ENGINEER'S REPORT – DIRECTOR OF ENGINEERING AND OPERATIONS REPORT ON DISTRICT PROJECTS SYSTEM-WIDE [RECOMMEND RECEIVE AND FILE REPORT]

Peter Sevcik, Director of Engineering and Operations, presented the item and answered questions from the Board.

There were no public comments.

C-2) SOLID WASTE RATE ADJUSTMENT EVALUATION AND REVIEW [RECOMMEND RECEIVE REPORT AND DIRECT STAFF]

William Statler, Rate Consultant, presented his report and findings on the South County Sanitary Services rate increase request.

There were no public comments.

The Board of Directors directed Staff to work with Mr. Statler to find out what the rate increase would be assuming a 10% franchise fee and prepare for the next steps to initiate the Prop 218 process.

C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS [RECEIVE ANNOUNCEMENTS AND REPORTS FROM DIRECTORS]

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Director Blair

- May 6, attended meeting with Congressman Carbajal.

Director Gaddis

- April 29, attended Board Officers' meeting.

Director Armstrong

- May 1, attended WRAC meeting.

Director Eby

- April 29, attended Board Officers' meeting.
- May 1, attended WRAC meeting.
- May 7, attended Blacklake Master Association meeting.

C-4) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS

There were no public comments.

Upon the motion of Director Armstrong and seconded, the Board unanimously approved receiving and filing presentations and reports.

Vote 5-0.

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

D. CONSENT AGENDA

D-1) WARRANTS [RECOMMEND APPROVAL]

D-2) APPROVE APRIL 24, 2019 REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]

D-3) APPROVAL OF THE ENGINEER'S LEVY REPORT AND DECLARATION OF INTENTION TO LEVY ANNUAL ASSESSMENTS FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2019-2020 [RECOMMEND ADOPT RESOLUTION]

D-4) ACCEPT THIRD QUARTER FISCAL YEAR 2018-2019 QUARTERLY FINANCIAL REPORT [RECOMMEND ACCEPT AND FILE REPORT]

There were no public comments.

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

Vote 5-0.

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

**RESOLUTION 2019-1506
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
APPROVING THE ANNUAL ENGINEER'S LEVY REPORT,
DECLARING ITS INTENTION TO LEVY ANNUAL ASSESSMENTS
FOR STREET LANDSCAPE MAINTENANCE DISTRICT NO. 1
FOR FISCAL YEAR 2019-2020, AND SETTING A PUBLIC HEARING THEREON**

E. ADMINISTRATIVE ITEMS

- E-1) AUTHORIZE STAFF TO BID SUPPLEMENTAL WATER PROJECT NIPOMO AREA PIPELINE IMPROVEMENTS, CONSIDER SECOND ADDENDUM TO THE PREVIOUSLY-CERTIFIED ENVIRONMENTAL IMPACT REPORT FOR THE SUPPLEMENTAL WATER PROJECT, AMEND FY 2018-2019 BUDGET, AND ADOPT ASSOCIATED RESOLUTION [RECOMMEND AUTHORIZE STAFF TO BID AND ADOPT ATTACHED RESOLUTION]

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

President Eby suggested edits to the Resolution to clarify the proposed project is to construct a portion of the remaining Phase I and II improvements to support delivery up to 3,000 acre feet of water and not 6,200 acre feet of water. President Eby also suggests edits to the EIR Addendum #2 to add a footnote to Section 2.2 to clarify that Phase III improvements to allow more than 3,000 acre feet would require additional funding, design work, and Board authorization.

The following members of the public spoke.

Tom Gerard, agent for Sharon Tanner, property owner outside NCSD boundary, commented on the issuance of Will Serve letters.

Glen Corbin, Real Estate Agent for property owner inside NCSD boundary, asked about the process to obtain a Will Serve letter.

Juan Altamirano, property owner inside NCSD boundary, has been waiting 5 years for a Will Serve Letter and would like a Will Serve Letter.

Alfredo Ruiz, NCSD customer, encouraged the Board of Directors to take action and vote favorably.

President Eby called for a recess at 10:38 a.m. to allow Staff time to make the suggested modifications to the Resolution and add Footnote to the Addendum #2.

At 10:55 a.m. President Eby reconvened the meeting and District Legal Counsel, Whitney McDonald, reviewed the proposed changes.

President Eby called for additional public comment.

There were no additional public comments.

Upon the motion of Director Armstrong, and seconded, the Board unanimously approved the revised Resolution, including budget amendment, and footnote to the Addendum #2, Vote 5-0.

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

**RESOLUTION 2019-1507
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AUTHORIZING STAFF TO BID THE SUPPLEMENTAL
WATER PROJECT NIPOMO AREA PIPELINE IMPROVEMENTS
PROJECT AND APPROVE BUDGET AMENDMENT**

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- E-2) (A) REVIEW DRAFT BUDGET FOR FISCAL YEAR 2019-2020 [RECOMMEND CONSIDER DRAFT BUDGET AND SCHEDULE FOR ADOPTION ON JUNE 12, 2019]

Lisa Bognuda, Finance Director, presented the item and answered questions from the Board. Pages 26, 30 and 31 will be removed and replaced with Pages 26(a), 30(a) and 31(a) based upon action taken in Item E-1 above. The Board suggested minor edits.

There were no public comments.

- (B) REVIEW THE DRAFT BUDGET FOR FISCAL YEAR 2019-2020 FOR THE NIPOMO SUPPLEMENTAL WATER PROJECT (NSWP) [RECOMMEND CONSIDER DRAFT BUDGET AND SCHEDULE FOR ADOPTION ON JUNE 12, 2019]

Lisa Bognuda, Finance Director, presented the item and answered questions from the Board.

There were no public comments.

Upon the motion of Director Armstrong, and seconded, the Board unanimously approved setting the Public Hearing to approve the Budgets on June 12, 2019. Vote.5-0.

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

F. GENERAL MANAGERS REPORT

Mario Iglesias, General Manager, presented the item and answered questions from the Board. Mr. Iglesias also stated Staff is working on setting up a guest WIFI for use in the Board Room and Conference Room.

There were no public comments.

G. COMMITTEE REPORTS

None.

H. DIRECTORS' REQUEST TO STAFF AND SUPPLEMENTAL REPORTS

Director Woodson requested Staff define a process to provide the public with access to the guest WIFI password.

I. CLOSED SESSION ANNOUNCEMENTS

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9
 - a) SMWWCD V. NCSO (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND A LITIGATION PURSUANT TO GC §54956.9 ALL CONSOLIDATED CASES)

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- b) BENING Company, LLC v. Nipomo Community Services District
(Court of Appeal, 2nd Dist., Case B286035

- 2. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: Significant exposure to litigation pursuant to Government Code § 54956.9(b), (d)(2) - Number of Potential Cases: 1

- 3. STEP ONE OF A TWO STEP ANNUAL PERFORMANCE REVIEW PROCESS OF DISTRICT LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION §54957

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There were no public comments.

Whitney McDonald, District Legal Counsel, announced that the Board discussed Item 1(a), 1(b), 2 and 3. The Board took no reportable action.

ADJOURN

President Eby adjourned the meeting at 12:20 p.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	2 hours 12 minutes
Closed Session	1 hour 08 minutes
TOTAL HOURS	3 hours 20 minutes

Respectfully submitted,



 Mario Iglesias, General Manager and Secretary to the Board

6-13-2019

 Date