

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER *MI*

DATE: SEPTEMBER 17, 2020



**INTRODUCE ORDINANCE AMENDING CHAPTER 4.12
OF THE NIPOMO COMMUNITY SERVICES DISTRICT CODE
TO ADD PROVISIONS RELATING TO SEWER SERVICE FEES
FOR ACCESSORY DWELLING UNITS**

ITEM

Introduce ordinance amending CHAPTER 4.12 OF THE NIPOMO COMMUNITY SERVICES DISTRICT CODE to add provisions relating to sewer service fees for Accessory Dwelling Units ("ADU") [RECOMMEND REVIEW AND DISCUSS REVISIONS, INTRODUCE ORDINANCE, READ BY TITLE ONLY AND WAIVE FURTHER READING OF ORDINANCE]

BACKGROUND

The State of California ("State") has an interest in reducing rules and regulations governing the permitting and construction of accessory dwelling units ("ADU") as a means of increasing the State's housing stock. On October 9, 2019, California Governor Gavin Newsom signed several bills to further facilitate the development of accessory dwelling units (ADUs). Specifically, the signing of SB 13, AB 68, and AB 881 made significant changes to State ADU Law. The County of San Luis Obispo implemented the provisions of the new State ADU Law when the three (3) bills became effective on January 1, 2020.

District staff has reviewed its Ordinance relative to sewer service fees and charges and is proposing to amend Chapter 4.12 of the District Code ("Chapter"). Staff is proposing to add language to the Chapter that addresses ADU fees and charges in accordance with State and County changes. The amendments have been reviewed by District General Counsel and do comply with State and County laws and regulations. The changes address how and when the District sets and collects appropriate fees and charges from District customers who add ADUs to their property.

Specifically, the Ordinance amendments as proposed would define:

- the term "Accessory Dwelling Unit",
- how the District would calculate capacity charges and fees for an ADU,
- how sewer connections for ADUs will be managed,
- when the District would begin billing for sewer services of a newly constructed ADU.

FINANCIAL IMPACT

With the recent changes in State law, the District cannot treat most new ADUs as a new residential use, and cannot collect capacity fees and charges from a property owner who adds an ADU to

their property. With the current fee schedule, this equates to a loss of approximately \$22,000 per ADU (sewer and water capacity charges). These fees and charges pay for the added infrastructure needs to support new users. These costs, normally paid for by those who benefit from the added infrastructure, instead will be absorbed by all customers in the District based on the State's decision to facilitate as many ADUs as possible. The ongoing financial impact on the community these changes bring will depend on the number of customers who choose to build an ADU. The District will charge normal service rates to an ADU.

STRATEGIC PLAN

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

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

RECOMMENDATION

It is recommended that your Board introduce the Ordinance, read the full title, waive further reading of 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 introduce AN ORDINANCE OF BOARD OF THE DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING NIPOMO COMMUNITY SERVICES DISTRICT CODE SECTION 4.12 ADDING PROVISIONS RELATED TO SEWER SERVICE FEES FOR ACCESSORY DWELLING UNITS, 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. Draft Ordinance, Amend Chapter 4.12 of District Code to Add Provisions Relating to Sewer Service Fees for Accessory Dwelling Units

SEPTEMBER 23, 2020

ITEM E-2

ATTACHMENT A

**AN ORDINANCE OF BOARD OF THE DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING CHAPTER 4.12 OF THE
NIPOMO COMMUNITY SERVICES DISTRICT CODE TO ADD
PROVISIONS RELATING TO SEWER SERVICE FEES FOR ACCESSORY DWELLING UNITS**

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

SECTION 1. The California State Legislature has adopted laws that generally permit the construction of "Accessory Dwelling Units" by right on residential properties. The County of San Luis Obispo is charged with reviewing and issuing building permits and certificates of occupancy for "Accessory Dwelling Units," and the District must provide services to such residential units.

SECTION 2. The District does not regularly receive notice of final approval and occupancy of "Accessory Dwelling Units," and it is the intent of this Ordinance to provide a fair and efficient way for the District to start to bill for sewer service on "Accessory Dwelling Units."

SECTION 3. Section 4.12.160 is hereby added to the Nipomo Community Services District Code ("District Code") to read as follows:

"4.12.160 - Accessory Dwelling Units.

- A. For the purposes of this Section, the term "Accessory Dwelling Unit ('ADU')" has the meaning set forth in Government Code Section 65852.2(j)(1), as the same may be amended from time to time.
- B. The District shall not consider an ADU to be a new residential use for the purpose of calculating capacity fees or capacity charges for sewer service, unless the ADU is detached and built with the construction of a new residential dwelling.
- C. For ADUs constructed within the space of an existing home or existing accessory structure, or for new attached ADUs built concurrently with a new single family home, the District shall not require a new or separate sewer connection and shall not impose capacity charges or capacity fees for the new ADU.
- D. The District shall charge normally applicable sewer service rates, as specified in this Code and any applicable appendix, for the ADU. For purposes of collecting monthly sewer service rates, an ADU is considered an equivalent dwelling unit to a single family residence and charged accordingly. The District shall begin to charge the active sewer service rate on the first billing statement immediately following the date that is six (6) calendar months following the issuance of the District's Will-Serve Letter for the ADU. If the ADU has not been certified for occupancy by the County of San Luis Obispo as of that date, the property owner or customer shall receive a credit for the ADU sewer service charges between the first billing and the date a certificate of occupancy is issued by making application to the District and providing documentation of the date the certificate of occupancy was issued. The General Manager shall have the authority to make other adjustments in the date billing begins for an ADU based on unique circumstances."

SECTION 4. 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 5. 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 Board of Directors hereby declares that it would have passed this Ordinance and each

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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 6. The Board of Directors of the District finds, to the best of their knowledge, 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, to the best of their knowledge, 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.

SECTION 7. This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage. Before the expiration of the fifteenth (15th) day after passage, this Ordinance shall be published, in accordance with Government Code section 25124(b)(2), 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 August 26, 2020, and PASSED and ADOPTED by the Board of Directors of the Nipomo Community Services District at its regular meeting on _____, 2020, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

CONFLICTS:

DAN ALLEN GADDIS
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MARIO IGLESIAS
General Manager and
Secretary to the Board

CRAIG A. STEELE
District Legal Counsel

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER

DATE: SEPTEMBER 17, 2020

AGENDA ITEM

E-3

SEPTEMBER 23, 2020

**REVIEW AND CONSIDER ADVANCING SOLID WASTE PROGRAMS
FOR FISCAL YEAR 2021 THAT BENEFIT THE COMMUNITY**

ITEM

Review and discuss the solid waste fund and consider options that will provide services to the community. [RECOMMEND REVIEW AND CONSIDER SOLID WASTE PROGRAMS AND DIRECT STAFF]

BACKGROUND

South County Sanitary Services (SCSS) provides solid waste collection services to homes throughout southern San Luis Obispo County. SCSS provides these services to Nipomo Community Services District ("District") customers under a franchise agreement with the District.

Under the active Franchise Agreement ("Agreement"), the District is required to administer annual lien process for the collection of delinquent solid waste payments and administer Proposition 218 Rate proceedings that are required to adopt solid waste rate increases. The District charges the solid waste fund 15% against annual franchise income for administering the solid waste franchise.

The Solid Waste Fund #300, as identified in the District Annual Budget, is funded solely from the franchise fee it collects from SCSS. The fees are to cover solid waste activities such as Nipomo Clean Streets, Creek Clean-up, garbage collection in the downtown area, and for SCSS to respond to and remove illegally dumped materials in the public road right-of-ways within the District's service boundaries. For Fiscal Year 2021, revenue from the franchise fee is budgeted at \$178,000.

The District's most recent Cash Reserve Policy ("Policy") is found in Resolution No. 2018-1489. The Policy identifies the Targeted Criteria for the Solid Waste Fund to be minimum of \$150,000. The Solid Waste Fund started the fiscal year with a balance of \$450,000. Expenditures for the year total \$339,550. Adding collected franchise fee (\$178,000) to the beginning balance (\$450,000) and subtracting the budgeted expenditures (\$339,550) brings the year end estimated balance for the Solid Waste Fund to approximately \$290,000.

RATE HOLIDAY

Included in this year's budgeted expenditures is a rate holiday; a one-month period where the District uses franchise fees to pay for its customer's solid waste fees. The last rate holiday was approved by your Board in December 2017 at a cost of \$125,000. It is anticipated that a rate holiday, if approved by the Board for this fiscal year, would cost approximately \$150,000

CLEAN-UP WEEK PROGRAM

The Agreement requires SCSS to provide "[a]t least once per year throughout..., Franchisee shall provide, in addition to regularly scheduled service, a one week collection event pursuant to guidelines established by the Franchisee and approved by the District General Manager for solid

waste placed at the curb by residential customers in addition to each customer's normal collection service." The current guidelines approved by the District General Manager is a program that has two days per year of additional curbside pickup service: once in the Spring Season and once in the Fall Season. A new program is proposed to improve this service by providing customers with control over their dates of additional service. Customers will be able to call for these services twice, anytime throughout the year, to exercise their access to additional curbside service. Twice a year, SCSS would notify customers, through their routine billing notice, that this service is available, a description of the service, and how to request the service.

NIPOMO CLEAN STREETS

Also included in the expenditures for this fiscal year is funding to restart the Nipomo Clean Streets program. This program was suspended when the District terminated a grant agreement with the Nipomo Chamber of Commerce on November 1, 2016. Since that time, an interest in reviving the program has been expressed by the community. Should your Board decide reviving this program brings a benefit to the community, funding is available in the 2021 fiscal year budget.

FINANCIAL IMPACT

The financial impact on the Solid Waste Fund is dependent on your Board's direction to staff. The Board could direct staff to develop programs that draw down the fund balance or hold back on programs resulting in an increase of the fund balance. The budget for fiscal year 2021 is funded sufficiently to provide for the programs described above while maintaining the minimum required cash reserves for the Solid Waste Fund specified in the District's Cash Reserve Policy.

STRATEGIC PLAN

Goal 8. ADDITIONAL COMMUNITY SERVICES.

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

It is recommended that the Board of Directors review and discuss the Solid Waste Fund policies and practices, consider a rate holiday and/or other solid waste programs and direct staff.

ATTACHMENTS

A. NCSD Resolution 2018-1489; Cash Reserve Policy

SEPTEMBER 23, 2020

ITEM E-3

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2018-1489**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("District") intends that the District will at all times have sufficient capital available to meet its operating, replacement, capital projects and debt service payments; and

WHEREAS, the District desires to establish sound financial policies to promote favorable bond ratings in capital markets so that bonds may be used for future financing of District projects; and

WHEREAS, the District desires to reserve capital for unanticipated and unforeseeable expenses; and

WHEREAS, the District desires to establish a buffer should revenue estimates in any year not meet projections; and

WHEREAS, the Cash Reserve Policy has been amended and is hereby presented at this meeting and it is appropriate at this time for the Board of Directors to consider approval of the adoption of the amended Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Cash Reserve Policy, as amended, in the form presented at this meeting attached hereto Exhibit "A" are hereby approved and adopted.

SECTION 3. The officers of the District are hereby directed to do and cause to be done any and all acts and things necessary or proper in order to effectuate the purposes of this resolution.

SECTION 4. This resolution shall take effect immediately.

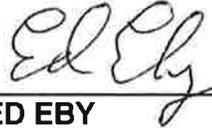
Upon a motion by Director Armstrong, seconded by Director Blair, on the following roll call vote, to wit:

AYES: Director Armstrong, Blair, Woodson, Gaddis and Eby
NOES: None
ABSTAIN: None
ABSENT: None

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2018-1489**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

The foregoing resolution is hereby adopted this 24^d day of October 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

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

PURPOSE

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Nipomo Community Services District (District) will strive at all times to have sufficient funding available to meet its operating, capital and debt service obligations as well as to protect its creditworthiness. The District is committed to maintaining a financial structure that provides adequate and predictable revenues at the lowest possible cost to meet forecasted needs and operational objectives.

It should be noted that the District has a Debt Management Policy that establishes parameters for evaluating, issuing and managing the District's debt. The District's Debt Management Policy should be considered prior to committing to any new financial obligations.

The adequacy of the targeted cash reserve year-end balance ranges and/or annual contributions to each fund will be reviewed annually during the budgeting process or when a major change in conditions threatens the reserve levels established within this policy.

OPERATING FUNDS

WATER FUND (FUND #125)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Water Fund cash reserves, including the Water Rate Stabilization Fund #128, should be equal to or greater than twelve months (360 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from Water Fund #125 to the Funded Replacement Water Fund #805.

TOWN SEWER FUND (FUND #130)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Town Sewer Fund cash reserves, including the Town Sewer Rate Stabilization Fund #135, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may Approve a transfer of the excess balance from the Town Sewer Fund #130 to the Funded Replacement Town Sewer Fund #810.

BLACKLAKE SEWER FUND (FUND #150)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Blacklake Sewer Fund cash reserves, including the Blacklake Sewer Rate Stabilization Fund #155, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from the Blacklake Sewer fund #150 to the Funded Replacement Blacklake Sewer Fund #830.

WATER RATE STABILIZATION FUND (FUND #128)

Purpose: To serve as a buffer to water rates during any period where there are unexpected increases in operating costs or decreases in revenues. In addition, in a severe drought or extremely wet conditions, it is reasonable to expect that water sales could fluctuate significantly. As such, this fund will absorb these types of fluctuations in operations and help stabilize rates and enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$400,000.

TOWN SEWER RATE STABILIZATION FUND (FUND #135)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$300,000 set by Bond Indenture Agreement for the Revenue of Certificates of Participation Series 2012.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT"A"

BLACKLAKE SEWER RATE STABILIZATION FUND (FUND #155)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$50,000.

BLACKLAKE STREET LIGHTING (FUND #200)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing street lighting services for Blacklake Village. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of \$30,000.

LANDSCAPE MAINTENANCE DISTRICT (FUND #250)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing landscape maintenance to the property owners of Tract 2409. (Funded by annual assessment to property owners in Tract 2409 aka Vista Verde Estates)

Target Criteria: Minimum reserve requirement of \$20,000.

SOLID WASTE (FUND #300)

Purpose: To ensure sufficient cash resources are available to fund solid waste programs, rate stabilization and to cover operating costs in the event that the District may find itself operating solid waste collection, disposal and recycling functions should its business partner now franchised to do these functions be unable to continue to provide these services due to an unforeseen event. This reserve provides assurance that solid waste services remain uninterrupted during an extended disruption to service provider. (Funded by Franchise Fees)

Target Criteria: Minimum reserve requirement of \$150,000.

DRAINAGE (FUND #400)

Purpose: To ensure sufficient cash resources are available to operate and maintain the Nipomo Drainage Maintenance District 76-02 (storm water conveyance system and basin serving Folkert Oaks Mobile Home Park and adjacent properties on Juniper Street). (Funded by a 1% ad valorem property tax rate)

Target Criteria: Minimum reserve requirement of \$50,000.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

FUNDED REPLACEMENT- WATER (FUND #805)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future water rates. (Funded by water rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- TOWN SEWER (FUND #810)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future town sewer rates. (Funded by Town sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- BLACKLAKE SEWER (FUND #830)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future Blacklake sewer rates. (Funded by Blacklake sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

NON-OPERATING FUNDS

SUPPLEMENTAL WATER FUND (#500)

Purpose: The revenue generated from the Supplemental Water Capacity Charge accumulates in this fund and its use is restricted to projects, programs and expenditures that reduce the District's reliance on groundwater as its sole water supply. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

PROPERTY TAX (FUND #600)

Purpose: District's share of the 1% ad valorem tax on real property collected by the County of San Luis Obispo and distributed to the District pursuant to Article XIII A of the California Constitution. (Funded by property taxes and interest earnings)

Target Criteria: No minimum target is maintained, however, the annual property tax revenue stream is pledged to pay the annual debt service for the 2013 Certificates of Participation and the 2013 Refunding Revenue Bonds.

WATER CAPACITY CHARGES (FUND #700)

Purpose: The revenue generated from the Water Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest)

Target Criteria: No minimum target is maintained.

TOWN SEWER CAPACITY CHARGES (FUND #710)

Purpose: The revenue generated from the Town Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

TO: BOARD OF DIRECTORS
 FROM: MARIO IGLESIAS
 GENERAL MANAGER *MIG*
 DATE: SEPTEMBER 18, 2020

AGENDA ITEM
F
SEPTEMBER 23, 2020

GENERAL MANAGER'S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is September 6, 2020 through September 19, 2020.*

DISTRICT BUSINESS

Administrative

The following office activities are up to date as of September 18, 2020.

Office Activities

	Sept 20	Mar 20 - Sept 2020
Reports of Water Waste	0	0
Leak Adjustments	1	12
Leak Adjustment Amount	\$158	\$3,957
Late Fee Waivers	0	15
Late Fee Waiver Adjustment Amount	\$0	\$2,940
Official Payment (Count March-June)	19	78
Official Payments cost to District	\$75	\$304

Water Resources

Table 1. Total Production Acre Feet (AF)

	Aug-20	Jul 20 - Jun 21
Groundwater Production	98.2	218.3
Supplemental Water Imported	<u>113.1</u>	<u>205.9</u>
Total Production	211.3	424.2

NCSD GW Reduction

Table 2. NCSD GW Production (NCSD GW Well Production plus Purveyor Credit)

	Aug-20	Jul 20 - Jun 21
NCSD GW Well Production	98.2	218.3
Purveyor Customer Credit (33.3% of Import Water)	<u>37.7</u>	<u>68.6</u>
NCSD Total Calculated GW Production	135.9	286.9
Average GW Production for 2009-2013	<u>284.7</u>	<u>575.9</u>
NCSD Percentage of GW Reduction	52%	50%

2021 Fiscal Year Groundwater Pumping Forecast

Table 3. Projected Groundwater Pumping

	Aug-20	Year-to-Date Jul-Jun 2021	Target	Over/(Under)	
NCSD GW Well Production	98.2	1,002.8			
Purveyor Customer Credit (33.3% of Import Water)	37.7	334.9			
NCSD Total Calculated GW Production	135.9	1,337.8	1,266.0	(71.76)	AcFt
Average GW Production for 2009-2013	284.7	2,533.3	2,533.3		
NCSD Percentage of GW Reduction	52%	47%	50.0%		

Table 4. FY 2020 v. FY 2021 Groundwater Pumping

	Aug-20	Jul 20 -Jun 21	Aug-19	Jul 19-Jun 20
NCSD GW Well Production	98.2	1,002.8	119.7	1,026.0
Purveyor Customer Credit (33.3% of Import Water)	37.7	334.9	28.3	323.1
NCSD Total Calculated GW Production	135.9	1,337.8	148.0	1,349.1
Average GW Production for 2009-2013	284.7	2,533.3	284.7	2,533.3
NCSD Percentage of GW Reduction	52%	47%	48%	47%

Rainfall Gauge – (gathered from the following websites)

Note 1: SLO County Website

https://wr.slocountywater.org/site.php?site_id=3&site=935e7af7-0e94-4042-bc11-e02906d5ba44

Note 2: SLO County Website

https://wr.slocountywater.org/site.php?site_id=2&site=878bfdbf-5c40-4398-8226-418372e4039b

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
August 2020 Total	0.0	0.0
July-2020 through June-2021 (Season Total)	0.0	0.0
August 1, 2020 to August 7, 2020	0.0	0.0
Total Rainfall to date	0.0	0.0
Average Annual Year Rainfall	18.0 ¹	14.0 ²

Supplemental Water Capacity Accounting

	Number of Equivalent Meters	AFY
Supplemental Water Available for Allocation	947	500
Supplemental Water Reserved (Will Serve Letter Issued)	123	-64.9
Subtotal Net Supplemental Water Available for Allocation	824	435.1
Supplemental Water Assigned (Intent-to-Serve Issued)	137	-72.3
Total Remaining Supplemental Water Available for Allocation	687	362.7

As of August 20, 2020

Safety Program

No Items

Other Items

- COVID19 NCSD Response Plan Update [ATTACHMENT A]
- Update on Water Rate Proceedings (Prop 218) Schedule & Protest Count

Connection Report

Nipomo Community Services District Water and Sewer Connections	END OF MONTH REPORT							
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Water Connections (Total)	4441	4444	4444	4445	4449	4452	4459	4465
Sewer Connections (Total)	3208	3211	3211	3213	3217	3220	3227	3231
New Water Connections	0	3	0	1	4	5	7	6
New Sewer Connection	1	3	0	2	4	1	7	4
Galaxy & PSHH at Orchard and Division Sewer Connections billed to the County	476	476	476	476	476	476	477	477

The Connection Report is current through September 1, 2020.

Meetings (September 6, through September 19)

Meetings Attended (telephonically or in person):

- Sept. 7, Labor Day Holiday
- Sept. 8, Vacation Day Taken
- Sept. 9, Rotary
- Sept. 9, Regular NCSD Board Meeting
- Sept. 9,, Exec. Team After-Board Meeting
- Sept.10, Eng/Admin Coordination Meeting
- Sept 10, Developer Meeting – R. Sweet
- Sept 11, Staff Mtg. – Cust. Service Specialist
- Sept 11, Staff Mtg. – Cust. Service Specialist
- Sept 11, Interviews – Administration Supervisor

- Sept 14, NCSD Management Team
- Sept 14, Board Officer Meeting
- Sept 15, Staff Mtg. – Cust. Service Specialist
- Sept 16, Rotary
- Sept 16, SLO County EOC Briefing
- Sept 16, CSDA Managers Meeting
- Sept 17, Bid Opening – SWWTP Screw Press
- Sept 18, Staff Mtg. – Cust. Service Specialist
- Sept 18, SLO County EOC Briefing

Meetings Scheduled (September 20 through September 26):

Upcoming Meetings (telephonically or in person):

- Sept 21, NCSD Management Team
- Sept 22, Staff Mtg. – Cust. Service Specialist
- Sept 22, Eng/Admin Coordination Meeting
- Sept 23, Rotary
- Sept 23, Regular NCSD Board Meeting
- Sept 23, Exec. Team After-Board Meeting
- Sept 24, NMMA-TG Meeting
- Sept 25, Staff Mtg. – Cust. Service Specialist
- Sept 25, SLO County EOC Briefing
- Sept 25, Monthly Admin Staff Meeting

Upcoming Water Resource and Other Meetings

Upcoming Standing Meetings:

- NMMA-TG: September 24th (Thursday) @ 10:00 AM, Conf. Call
- RWMG: No Schedule Posted –
- WRAC: October 7th (Wednesday) @ 1:30 PM, Zoom Meeting
- NMMA Purveyor Meeting: October 1st (Thursday) @ 10:00 AM, Zoom Meeting
- NCSD Board Officer Meeting: October 5th (Monday) @ 2:00 PM, NCSD Conf. Rm.

RECOMMENDATION

Staff seeks direction and input from your Board

ATTACHMENTS

- A. COVID19 - NCSD Response Plan Update
- B. NCSD Water Rate Adjustment Schedule - 2020

SEPTEMBER 23, 2020

ITEM F

ATTACHMENT A

Date: September 23, 2020
Response Activities to COVID19 Health Emergency
Prepared by: Mario Iglesias, General Manager

DISTRICT RESPONSE TO COVID 19

New Actions

1. The customer counter window modifications at the office are completed, but the installation is being questioned by District staff.

NO OTHER NEW ACTIONS

Ongoing Actions

1. Participate in SLO County Daily EOC Briefing
2. Review SLO County Daily EOC Status Report
3. Practicing Social Distancing

Previous Actions

1. NCSD Board Passes Resolution Declaring Emergency in District
2. Admin Office Closed to the Public
 - a. Meetings are virtual – Conference Calls
3. Discontinued: Split staff into two teams
 - a. See schedule on Response Plan
4. Received directions for FEMA Public Assistance – Cost Tracking Guidance
5. Governor’s Executive Order – No Water Turn-offs
 - a. District instituted this policy as well as a No Late Fee – No Penalty Fees
6. Wipe-down between shifts
7. Each operator in separate designated vehicle.
8. Received additional PPE. Administration Staff will be on normal schedule 8-4:30 starting Monday May 18th
9. Operations Staff are on normal 7:00 am to 3:30 pm work schedule as of Monday, May 4th. County opened up construction sites.
10. Expanded Customer Service Work to include site visits for investigations (high bills, meter issues) week of May 11
11. Trailers for quarantine have been returned – May 1
12. District to begin wastewater sampling in conjunction with County effort to determine presence of COVID19 in communities – May 11
13. Temporary Admin Support Workers brought back to Office (Provider incentivized due to PPP Funds) – June 1
14. Lobby Modifications: Glass will be equipped with speaker plates to allow the communication between customer and clerk without opening the sliding window.
15. Board Meetings open to the public.
16. County Offices Continued Closed with Appointments provided to some departments as needed.
17. June 18, 2020, Governor Order issued requiring face masks be worn in public places. District management purchased disposable face masks for staff, Board Members, and any public that attends District Board Meetings and lack a face mask.

SEPTEMBER 23, 2020

ITEM F

ATTACHMENT B

NCS D Water Rate Adjustment Schedule

2020

JANUARY	FEBRUARY	MARCH	APRIL
S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

MAY	JUNE	JULY	AUGUST
S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29

SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26

Date	Description
April 22, 2020	Board Meeting: Considers Rate Normalization
May 13, 2020	Board Meeting: Award Rate Study Contract
July 22, 2020	Board Meeting: Receives Rate Study Presentation
August 26, 2020	Board Meeting: Approves Rate Study, Initiate Prop. 218 Process
September 3, 2020	Mail 45-Day Prop 218 Notice
September 30, 2020	Community Outreach Meeting (Zoom Meeting)
October 28, 2020	Board Meeting: Board Approves Rates
January 1, 2021	Rate Becomes Effective