


TO: BOARD OF DIRECTORS  
REVIEWED: MARIO IGLESIAS   
GENERAL MANAGER  
FROM: PETER V. SEVCIK, P.E.  
DIRECTOR OF  
ENGINEERING & OPERATIONS  
DATE: SEPTEMBER 22, 2022

**AGENDA ITEM  
E-2  
SEPTEMBER 28, 2022**

**AUTHORIZE STAFF TO PURCHASE REPLACEMENT SECURITY  
CAMERA SYSTEM FOR OPERATIONS YARD**

**ITEM**

Authorize staff to purchase replacement security camera system for the District's operations yard and authorize budget adjustment to FY 22-23 Fixed Asset Schedule, Fund #110, in the amount of \$10,000 [RECOMMEND ADOPT RESOLUTION].

**BACKGROUND**

The District has a security camera system at the Operations Yard. The District was recently notified by the District's IT vendor that HIKvision equipment was identified by the US government as a cybersecurity risk. The District's IT vendor recommended that the District immediately isolate the security system from the District's business network and replace the system. The estimated cost of a replacement system is \$10,000. The existing system will be scrapped and does not have any residual value.

The FY 22-23 Budget does not include funding for a replacement security camera system. Thus, the FY 22-23 Fixed Asset schedule, Fund #110, needs to be amended to include funding for the project in the amount of \$10,000.

**STRATEGIC PLAN**

Goal 5. OPERATIONS. Maintain a proactive program to ensure readiness of systems and cost-effectiveness of operations.

**FISCAL IMPACT**

Sufficient reserves are available to provide funding for the budget adjustment for the FY 22-23 Fixed Asset Schedule, Fund #110, in the amount of \$10,000, for the project.

**RECOMMENDATION**

Staff recommends that the Board, by motion and roll call vote, adopt the resolution authorizing staff to purchase a replacement security camera system for the operations yard and authorizing a budget adjustment to the FY 22-23 Fixed Asset Schedule, Fund #110, in the amount of \$10,000.

**ATTACHMENTS**

- A. Resolution 2022-16XX, Replacement Operations Security Camera System

SEPTEMBER 28, 2022

ITEM E-2

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2022-16XX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE NIPOMO COMMUNITY SERVICES DISTRICT  
AUTHORIZING PURCHASE OF REPLACEMENT SECURITY CAMERA SYSTEM FOR THE  
OPERATIONS YARD AND AMENDING FY 2022/23 BUDGET**

**WHEREAS**, the District's operations yard security camera system equipment has been identified by the District's IT vendor as a cybersecurity risk and needs to be replaced; and

**WHEREAS**, the estimated cost of a replacement security camera system is \$10,000; and

**WHEREAS**, the District's existing FY 22-23 Fixed Asset budget does not include funding for a replacement security camera system; and

**WHEREAS**, a budget amendment is required to provide funding for the replacement security camera system.

**NOW, THEREFORE**, the Board of Directors of the Nipomo Community Services District does hereby resolve, declare, determine and order as follows:

- 1) The above recitals are true and correct.
- 2) The Board of Directors does hereby authorize a budget adjustment to the FY 22-23 Fixed Asset Schedule, Fund #110, in the amount of \$10,000.
- 3) The Board of Directors does hereby approve the purchase of a replacement security camera system in the amount of \$10,000.
- 4) The existing security camera system will be scrapped and does not have any residual value.

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

AYES:  
NOES:  
ABSENT:  
CONFLICTS:

The foregoing resolution is hereby adopted this 28<sup>th</sup> day of September 2022.

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

ATTEST:

APPROVED AS TO FORM  
AND LEGAL EFFECT:

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

\_\_\_\_\_  
CRAIG STEELE  
District Legal Counsel

TO: BOARD OF DIRECTORS  
FROM: MARIO IGLESIAS  
GENERAL MANAGER  
DATE: SEPTEMBER 23, 2022

**AGENDA ITEM  
F  
SEPTEMBER 28, 2022**

**GENERAL MANAGER'S REPORT**

**ITEM**

Standing report to your Honorable Board -- *Period covered by this report is September 11, 2022 through September 24, 2022.*

**DISTRICT BUSINESS**

**Administrative**

The District encourages residents to provide reports of any observed water waste. The District also keeps an accounting of leak adjustments as a measure of non-revenue water lost to leaks, as well as tracking late fee waivers. The table below provides August and Calendar Year-to-date data for these items.

**OFFICE ACTIVITIES**

	Aug 22	Jan 22 - Aug 22
Reports of Water Waste	0	1
Leak Adjustments	1	16
Leak Adjustment Amount	\$293	\$5,534
Late Fee Waivers	0	22
Late Fee Waiver Adjustment Amount	\$0	\$758

The District will begin normal billing operations in September of this year, to include assessing late fees, providing customer payment arrangements, and discontinuance of water services for delinquent accounts. The first instance of assessing late fees will be September 27<sup>th</sup> for unpaid balances on August 2022 water/sewer usage. For unpaid July 2022 balances, water service is scheduled to be discontinued, also on September 27<sup>th</sup>. Staff develop a list to estimate the number of customers subject to these conditions and will send a notice to customers who are subject for discontinuance of service. Those notices will be sent 10 business days before the scheduled action. The District last discontinued water service for non-payment in January 2020.

The District enrolled in the state and federal Low Income Household Water Assistance Program (LIHWAP) to assist customers in avoiding having their water discontinued. To date, eight customers have applied for funds. Many more applications have been provided by the District to customers and it is expected that additional customers will sign up and gain funds from the program. The program will operate through August 31, 2023.

**Water Resources**

For the first two months of the 2022-23 Fiscal Year, the District's total combined production, including groundwater production wells and supplemental water imported through the Joshua Road Pump Station, registered 397.7 AF. Imported water through the Joshua Road Pump Station

was greater than the groundwater production. This trend will continue through the next several months as the District strives to maintain the 50% groundwater reduction goal.

	Aug - 22	Jul 22 - Aug 22
Groundwater Production	87.9	188.9
Supplemental Water Imported	<u>110.9</u>	<u>208.8</u>
Total Production	198.9	397.7

**NCSD GW Reduction**

The District's purveyor customers, Golden State Water Company and Woodlands Mutual Water Company, each are responsible for 16.66% (cumulatively 33.33%) of the imported water NCSD brings onto the basin through the NSWP. Of the 1,000 AF minimum imported water from the City of Santa Maria, 333 AF or 33.33% of the total imported water – whichever is greater – 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.

	Aug -22	Jul 21 – Aug 22
NCSD GW Well Production	87.9	188.9
Purveyor Customer Credit (33.3% of Import Water)	<u>36.9</u>	<u>69.6</u>
NCSD Total Calculated GW Production	124.8	258.5
Average GW Production for 2009-2013	<u>284.7</u>	<u>575.9</u>
NCSD Percentage of GW Reduction	56%	55%

**2022 Fiscal Year Groundwater Pumping Forecast**

	Aug-22	Year-to-Date Jul-Jun 2023	Target	Over/(Under)
NCSD GW Well Production	87.9	854.7		
Purveyor Customer Credit (33.3% of Import Water)	<u>36.9</u>	<u>370.4</u>		
NCSD Total Calculated GW Production	124.9	1,225.1	1,266.7	42 AcFt
Average GW Production for 2009-2013	<u>284.7</u>	<u>2,533.4</u>	2,533.4	
NCSD Percentage of GW Reduction	56%	51.6%	50.0%	

Table 3 projects the District's groundwater pumping reduction for the 2022-23 Fiscal Year. Under the current Stage 4 of the NMMA Water Shortage Response Stages, the District's

targeted groundwater pumping reduction goal is to pump no more than 1,266 AFY (50% of 2009-2013 average District GW Pumping). 2022 actual production is combined with historic production from September 2021 through June 2021 to provide a projected estimate year end status. This data is used by operations to meter the groundwater pumping throughout the year in an effort to meet the District's self-imposed, voluntary groundwater pumping reduction.

**Table 4. FY 2022 vs. FY 2021 Groundwater Pumping**

	Aug-22	Jul 22 - Aug 22	Aug-21	Jul 21 - Aug 21
NCS D GW Well Production	87.9	188.9	103.3	212.3
Purveyor Customer Credit (33.3% of Import Water)	36.9	69.6	33.0	65.8
NCS D Total Calculated GW Production	124.9	258.5	136.2	278.1
Average GW Production for 2009-2013	284.7	575.9	284.7	575.9
NCS D Percentage of GW Reduction	56%	55%	52%	52%

Above, Table 4 compares groundwater pumping for the same periods in 2022 and 2021. This view of the data provides operations with insight into year-end water production values and assists operational personnel in their efforts to balance import and groundwater production with the purpose of reducing groundwater pumping to meet the self-imposed 50% pumping groundwater reduction – the current stage IV objective.

**Rainfall Gauge**

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
September 2022 Total	0.94	0.00 <sup>1</sup>
July-2022 through Sept-2022 (Season Total)	0.94	0.00
Sept 23 2022, Oct 1, 2022	0.00	0.00
Total Rainfall to date	0.94	0.00
County Reported Avg. Ann. Year Rainfall	18.00	14.00
2006 - 2020 Avg. Ann. Year Rainfall <sup>2</sup>	15.39	13.30
2006 - 2020 Median Ann. Rainfall*	12.64	11.30

Note:

1. County Site not recording (no data available)
2. Data from County website

**Connection Report**

WATER	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Water Connections - Total	4500	4500	4500	4501	4501	4501	4501	4505				
New Water Connections	4	0	0	1	0	0	0	4				
<b>SEWER CONNECTIONS</b>												
Sewer Town connections	2729	2729	2729	2730	2730	2730	2731	2734				
Sewer Blacklake connections	559	559	559	559	559	559	559	559				
Subtotal	3288	3288	3288	3289	3289	3289	3290	3293	0	0	0	0
Galaxy and PSSH at Orchard and Division Sewer connections billed to the County	481	481	481	481	482	482	482	482				
Sewer Connections - Total	3769	3769	3769	3770	3771	3771	3772	3775	0	0	0	0
New Sewer Connections Town and Blacklake	4	0	0	1	0	0	1	3				
New Sewer Connections Galaxy	0	0	0	0	1	0	0	0				

The Connection Report as of September 9, 2022

**Safety Program**

No Reportable Safety Issues  
All-Staff Quarterly Safety Meeting Scheduled for September 23, 2022

**Supplemental Water Capacity Accounting**

Summary Since January 25, 2008

	Number of Equivalent Meters	AFY
Supplemental Water Available for Allocation	947	500.0
Supplemental Water Reserved (Will Serve Letter Issued)	138	-72.9
Subtotal Net Supplemental Water Available for Allocation	<b>809</b>	<b>427.1</b>
Supplemental Water Assigned (Intent-to-Serve Issued)	164.6	-86.9
<b>Total Remaining Supplemental Water Available for Allocation</b>	<b>644</b>	<b>340.3</b>

Updated September 7, 2022

**Other Items**

- COVID19 NCSD Response Plan Update [Attachment A]
- Dana Reserve – Schedule [Attachment B]

**Meetings (September 12 through September 23)**

*Meetings Attended (telephonically or in person):*

- Sept 12, Staff Mtg. - Admin Supervisor Mtg.
- Sept 13, One Cool Earth Education Program
- Sept 13, RWG Legal Team Meeting
- Sept 14, Rotary
- Sept 14, NCSD Regular Board Meeting
- Sept 14, Executive Team After-Board Meetin
- Sept 15, Paulding Presentation
- Sept 16, Staff Mtg. - Cust. Service Specialist
- Sept 16, NCSD Board Officers Mtg.
- Sept 19, Staff Mtg. - Admin Supervisor Mtg.
- Sept 20, NCSD Management Team Mtg.
- Sept 20, PG&E Representative Q3 Meeting
- Sept 21, Rotary
- Sept 21, Water Audit Review MKN
- Sept 22, NMMA-TG Meeting
- Sept 22, SLO Co. PW Meeting State Water
- Sept 23, Staff Mtg. - Cust. Service Specialist
- Sept 23, NMMA-TG Manager's Meeting
- Sept 23, LAFCO Meeting – Annexation Issues

**Meetings Scheduled (September 25 through October 1):**

*Upcoming Meetings (telephonically or in person):*

- *Sept 25, Staff Mtg. - Admin Supervisor Mtg.*
- *Sept 25, PG&E PSPS Training*
- *Sept 26, Eng/Admin Coordination Mtg.*
- *Sept 27, Aug 24, Rotary*
- *Sept 27, NCSD Regular Board Meeting*
- *Sept 27, After-Board Exec. Team Meeting*
- *Sept 30, Staff Mtg. - Cust. Service Specialist*
- *Sept 30, NCSD Board Officer Meeting*

**Upcoming Water Resource and Other Meetings**

*Upcoming Standing Meetings:*

- *NMMA-TG: October (Thursday) @ 10:00 AM, Zoom Meeting*
- *RWVG: Nothing Scheduled*
- *WRAC: Nothing Scheduled*
- *NMMA Manager's Meeting: October (Friday) @ 10:00 AM, Zoom Meeting*
- *NCSD Board Officer Meeting: September 30<sup>th</sup> (Friday) @ 2:00 pm, NCSD Conf. Rm.*

**RECOMMENDATION**

Staff seeks direction and input from your Board

**ATTACHMENTS**

- A. COVID19 - NCSD Response Plan (Updated)
- B. Dana Reserve Schedule (Updated)



SEPTEMBER 28, 2022

ITEM F

ATTACHMENT A

Date: September 28, 2022 Board Meeting  
Response Activities to COVID19 Health Emergency  
Prepared by: Mario Iglesias, General Manager

## DISTRICT RESPONSE TO COVID-19, Updated September 23, 2022

### New Actions

Taking effect Friday (September 23,2022) is the end of state-ordered mandatory masking in jails and prisons, homeless shelters, and emergency and cooling centers located in counties with a low COVID-19 community level, as defined by the U.S. Centers for Disease Control and Prevention.

### Personnel on Quarantine

Office Personnel: 0 (No Change)  
Operational Personnel: 0 (Change, down 1 since last reported)  
Vaccine Update: (No Change)

### Ongoing Actions

1. Testing available for Employees to test (Voluntary)
2. Following SLO Co. Masking guidelines (Voluntary)
3. Following Cal/OSHA guidelines

### Previous Actions

1. For the Month of September, District Staff Tested 44 times (all negative results)
2. Mask Mandate Requirement Update – As of September 1, 2021, masks must be worn indoors at public facilities.
3. COVID19 Rapid Test Kits secured from SLO County at no cost to provide weekly work-place testing.
4. NCSO Board Passes Resolution Declaring Emergency in District [Res. 2020-1550, Mar. 24, 2020]
5. Admin Office Closed to the Public
  - a. Meetings are virtual – Conference Calls
6. Discontinued: Split staff into two teams
  - a. See schedule on Response Plan
7. Received directions for FEMA Public Assistance – Cost Tracking Guidance
8. Governor’s Executive Order – No Water Turn-offs
  - a. District instituted this policy as well as a No Late Fee – No Penalty Fees
9. Wipe-down between shifts
10. Each operator in separate designated vehicle.
11. Received additional PPE. Administration Staff will be on normal schedule 8-4:30 starting Monday May 18th
12. Operations Staff are on normal 7:00 am to 3:30 pm work schedule as of Monday, May 4<sup>th</sup>. County opened up construction sites.
13. Expanded Customer Service Work to include site visits for investigations (high bills, meter issues) week of May 11
14. Trailers for quarantine have been returned – May 1
15. District to begin wastewater sampling in conjunction with County effort to determine presence of COVID19 in communities – May 11

Date: September 28, 2022 Board Meeting  
Response Activities to COVID19 Health Emergency  
Prepared by: Mario Iglesias, General Manager

16. Temporary Admin Support Workers brought back to Office (Provider incentivized due to PPP Funds) – June 1
17. Lobby Modifications: Glass is equipped with speaker plates to allow the communication between customer and clerk without opening the sliding window.
18. Board Meetings open to the public.
19. County Offices Continued Closed with Appointments provided to some departments as needed.
20. 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.
21. The customer counter window modifications at the office are completed.
22. Capital Improvement Projects continue to be impacted and schedules for completion continue to be pushed back due to material delivery delays.
23. Administrative Office open to public – April 19, 2021
24. Mask Mandate in SLO County (reinstated on September 1<sup>st</sup>) will be lifted when:
  - a. The county reaches the yellow, “moderate” level of COVID-19 community transmission, as defined by the Centers for Disease Control and Prevention (CDC), and stay there for at least 10 days, and
  - b. Public Health Officer Dr. Penny Borenstein determines that COVID-19 hospitalizations are low and stable and area hospitals are able to meet the needs of patients.
25. County Health provided COVID19 Rapid Test that will get us through January 2022. NCSO requesting additional tests for February and March. The District has sufficient tests to sustain routine testing practices through January 2022.
26. February 16, 2022, Indoor Mask Mandate Lifted in San Luis Obispo County for vaccinated individuals.

#### Mask Mandate Status:

- Effective March 1, 2022, the requirement that unvaccinated individuals mask in indoor public settings will move to a strong recommendation that all persons, regardless of vaccine status, continue indoor masking.
- Universal masking shall remain required in specified high-risk settings.
- After March 11, 2022, the universal masking requirement for K-12 and Childcare settings will terminate. CDPH strongly recommends that individuals in these settings continue to mask in indoor settings when the universal masking requirement lifts.

#### September 23, 2022: Masks in California are required when:

Taking effect Friday (September 23, 2022) is the end of state-ordered mandatory masking in jails and prisons, homeless shelters, and emergency and cooling centers located in counties with a low COVID-19 community level, as defined by the U.S. Centers for Disease Control and Prevention.

SEPTEMBER 28, 2022

ITEM F

ATTACHMENT B

DANA RESERVE REVIEW SCHEDULE (AS OF 9/23/2022)

Date	Description	Comment
April 24, 2022	NCSO Review "Utility" Section of EIR	
June 16, 2022	Release of EIR	Extended from May 16, 2022
July 14, 2022	SLO County Planning Comm. Study Session	Zoom Meeting
July 21, 2022	LAFCO Study Session	County Lead Agency (9:00 am)
Aug. 1, 2022 <sup>1</sup>	Close Public Comment - DEIR	Was June 20, 2022 (Mario on Vaca)
Sept. 2022	Consider Ad-hoc Comm. (Annexation Agr.)	Establish January 2023
Q-1 2023	County Board of Supervisors	Accept EIR
Q-2 2023	NCSO Board	Annexation Application
Q-2 2023	LAFCO Review	

The above schedule is suggested and drawn from conversations with staff from the County, LAFCO, and the Developer. This schedule is a rough outline and is subject to change over time.

Notes:

1. Developer mailed letter September 20, 2022 to residents in Nipomo directing their attention to District website and the three reports addressing utilities – focus on explaining water situation.
2. RWG submitted comments on the Dana Reserve Specific Plan DEIR, August 1, 2022, to the County of San Luis Obispo supervision planner, Jennifer Guetschow.



<Name Mail Merge>  
<Address>  
Nipomo CA 93444

Dana Reserve  
110 S. Mary Ave  
Ste 2 PMB 128  
Nipomo, CA 93444

Dear Nipomo Neighbor,

My name is Nick Tompkins, and I am the Managing Partner for the Dana Reserve – a new home community proposed in Nipomo, located south of Willow Road and east of Pomeroy. As a fifth-generation family in Nipomo that still lives less than a mile from the Dana Reserve, we want to create a project that maximizes the benefits for Nipomo and surrounding areas. Through hundreds of internal meetings, over 50 community stakeholder discussions, thousands of pages of analysis, and 31 iterations of the design, we have created the current Dana Reserve development proposal which we believe is a benefit for the community we call home.

**Today, I would like to address one community benefit of the project which is particularly important in Nipomo: Water.**

Prior to this letter, the Nipomo Community Services District (NCSD) contracted 3rd party engineering groups to perform three separate and exhaustive studies on the impact of the Dana Reserve on the Nipomo Basin’s sustainability, your rates for water and sewer, and the water and sewer infrastructure that services your home. The NCSD’s studies reveal that this project will not decrease water supply or place financial burden on current ratepayers.

**Study #1 The strength and sustainability of your water supply now and into the future**

**Finding:** Adopted by the NCSD Board of Directors in December 2021, this study demonstrates that not only is there sufficient water to serve the Dana Reserve, but that if every existing home added and utilized an ADU, and every vacant lot in the NCSD was built and included an ADU, and the Dana Reserve was fully built out and operational, the NCSD would have 400-acre feet (130,340,400 gallons) per year of excess water supply – even in times of extended drought.

**Study #2 The impacts on water rates and sewer rates for existing customers**

**Finding:** The NCSD contracted study, the Tuckfield report, estimates the Dana Reserve will reduce NCSD water rates and reduce sewer rates by a very substantial 30%. Dana Reserve customers will pay a higher water rate than existing customers because they will pay exclusively for more expensive imported water from the City of Santa Maria (which NCSD already has a contractual obligation to purchase). Dana Reserve will shield existing ratepayers from these costs which will solely burden existing ratepayers if new customers are not added to the NCSD.

# DANA RESERVE



## Study #3 The cost of any infrastructure that will be required to serve the Dana Reserve

**Finding:** The NCSO contracted study demonstrates the Dana Reserve will fund the improvements needed to serve the development and its retroactive share of existing infrastructure through one-time, upfront NCSO sewer and water connection fees (\$31,000,000). An additional commitment of \$4,500,000 by the Dana Reserve to NCSO will be dedicated to other needed infrastructure improvements as determined by their Board of Directors.

To read the studies, please visit [ncsd.ca.gov](http://ncsd.ca.gov) for the full reports or, additionally, see the following pages for more detailed information.

We raised our family in this community and have watched our own kids struggle to buy a home as they've returned. We've seen our friends' children move out of the area because they could not afford to live where they grew up. We believe we must provide affordable, yet responsible housing, and I know this project can do that.

Thank you for your time,

Nick Tompkins

## **More Detailed Study Summaries**

### **Study #1: NCSO Urban Water Management Plan (UWMP) Study –**

*<https://ncsd.ca.gov/wp-content/uploads/2021/12/MKN-NCSD-UWMP-2020-Final-Draft.pdf>*

*Study Prepared by MKN & Associates for Nipomo Community Services District – December 2021*

This 2020 study was adopted by the Board of Directors of the NCSO in December of 2021 to serve as a five-year update to the Urban Water Management Plan (UWMP) - a required document by the state of California, Department of Water Resources.

The adopted plan considered the water supply sustainability for NCSO ratepayers through 2045. To be conservative, the NCSO assumed that within the district, every vacant lot had been fully developed, 100% of homeowners built and utilized an Accessory Dwelling Unit (ADU), and the Dana Reserve was fully developed as planned.

# DANA RESERVE



Under these assumptions, the UWMP reached the conclusion that not only is there sufficient water to supply the Dana Reserve and existing NCSO customers - even in times of extended drought - but that there remains 400-acre feet per year of excess unallocated water. (UWMP, pg. 7-6)

The study demonstrates that under the existing Court ordered stipulation, NCSO must purchase additional imported water from the City of Santa Maria. The UWMP demonstrates that NCSO's groundwater pumping, including the Dana Reserve usage, will be approximately 25% of 2007 groundwater pumping amounts and 30% less than the current 2021 groundwater pumping.

Furthermore, with the inclusion of the Dana Reserve, which will exclusively use the water purchased from Santa Maria in perpetuity, more water will be added to the Nipomo aquifer than removed for the first time in NCSO history. The imported water from Santa Maria used in the homes of the Dana Reserve will percolate into the Nipomo Groundwater Basin through the return flows from the Nipomo Sanitation Plant. The imported water will contribute a new source of water to the basin's recharge portfolio.

## **Study #2: Dana Reserve Project Impact Study – Impact on Water and Sewer Rates –**

<https://ncsd.ca.gov/wp-content/uploads/2022/07/220517-NCSD-Dana-Reserve-Rate-Final-Report.pdf>

*Study Prepared by Tuckfield and Associates for the Nipomo Community Services District – May 17, 2022*

The NCSO is contractually obligated to purchase additional imported water from Santa Maria, commencing in 2025. This additional purchase of water from Santa Maria is mandated by a Court ordered stipulation. The cost of this imported water is approximately 3x the cost of current ground water pumped from the Nipomo Basin.

The Dana Reserve customers will pay a higher water rate than existing customers because they will be paying exclusively for imported water from the City of Santa Maria. Existing customers have the benefit of a blended water rate made up of groundwater and imported water costs, where groundwater is less expensive to provide. The Dana Reserve will exclusively utilize this more expensive Santa Maria water, reducing the future financial burden the more expensive water will bring on existing customers. Furthermore, the Dana Reserve will also connect to the NCSO Sanitation facility. The NCSO-ordered study indicates an adequate capacity for full build out of Nipomo and the Dana Reserve. The inclusion of the Dana Reserve will allow for existing fixed costs at the sanitation plant to be distributed over a larger number of ratepayers. The rate study estimates NCSO sewer bills will be reduced by 30% once the Dana Reserve is completed.

The study also demonstrates that the NCSO's financial health improves significantly with the Dana Reserve – allowing the NCSO to increase capital reserves.



# DANA RESERVE



## **Study #3: Dana Reserve Development Water and Waste-Water Service Evaluation**

[https://ncsd.ca.gov/wp-content/uploads/2022/07/Final-Dana-Reserve-Evaluation\\_021622.pdf](https://ncsd.ca.gov/wp-content/uploads/2022/07/Final-Dana-Reserve-Evaluation_021622.pdf)

*Study Prepared by MKN & Associates for Nipomo Community Services District – February 2022*

The NCS D contracted a study to examine both the infrastructure improvements that will be required as part of the Dana Reserve and upgrades to existing infrastructure that will improve service levels for both existing and new customers.

The Dana Reserve will pay in excess of \$31,000,000 one-time NCS D connection fees and charges to build the necessary infrastructure to serve the development. An additional commitment of \$4,500,000 by the Dana Reserve to NCS D will be dedicated to other needed infrastructure improvements as determined by their Board of Directors.

The study identifies those improvement costs specific to the Dana Reserve will be reimbursed through the developer's payment of connection fees. Payment from the Dana Reserve for its share of existing improvements – those constructed improvements needed to import water from Santa Maria – are included in the connection fees and charges.