

TO: BOARD OF DIRECTORS

FROM: MARIO E. IGLESIAS  
GENERAL MANAGER

DATE: JULY 7, 2023

**AGENDA ITEM**

**PUBLIC FACILITIES  
CORPORATION**

**A**

**JULY 12, 2023**

**NIPOMO COMMUNITY SERVICES DISTRICT  
PUBLIC FACILITIES CORPORATION**

**ITEM**

Annual Meeting of the Nipomo Community Services District Public Facilities Corporation

**BACKGROUND**

The Nipomo Community Services District Public Facilities Corporation is required to meet annually in the month of July to review corporate activities, take action as needed, and review and approve the previous meeting's Board minutes. The only action needed at this time is to approve the meeting minutes of the July 13, 2022, meeting of the Nipomo Community Services District Public Facilities Corporation. These Board minutes were included in the regular NCSD meeting minutes but were not separately approved by the corporation. The minutes are being presented today for approval.

**FISCAL IMPACT**

Funds for staff time and effort to support the annual meeting of the Nipomo Community Services District Public Facilities Corporation are included in the Budget.

**STRATEGIC PLAN**

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

**RECOMMENDATION**

Staff recommends that your Board approve the Minutes of the Nipomo Community Services District Public Facilities Corporation meeting held on July 13, 2022.

**ATTACHMENT**

A. Minutes of July 13, 2022

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JULY 12, 2023

ITEM A

ATTACHMENT A

Nipomo Community Services District  
REGULAR MEETING  
MINUTES

- E-4) APPROVE SECOND AMENDED AND RESTATED AGREEMENT WITH SAN LUIS OBISPO INTEGRATED WASTE MANAGEMENT AUTHORITY ("IWMA") AND AUTHORIZE PRESIDENT TO EXECUTE ON BEHALF OF THE DISTRICT [RECOMMEND APPROVE SECOND AMENDED AND RESTATED AGREEMENT AND AUTHORIZE BOARD PRESIDENT TO EXECUTE]

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

*Director Gaddis: Of the 7 city representatives to the IWMA, 6 approved having 2 representatives for the 12 special districts. Only 1 city representative voted no, and would only approve 1 representative to the IWMA for the 12 special districts. When asked by Director Gaddis which city voted no, the General Manager said it was the City of Pismo Beach.*

*Craig Steele, General Counsel, answered questions from the Board.*

*There were no public comments.*

*Upon the motion of Director Armstrong and seconded, the Board approved the Resolution. Vote 3-1.*

YES VOTES	NO VOTES	ABSENT
Directors Armstrong, Woodson, and Eby	Gaddis	Malvarose

*President Eby announced that the Board will take a 5 minute recess.*

NCS D PUBLIC FACILITIES CORPORATION ANNUAL MEETING

President Eby adjourned to the NCS D Public Facilities Corporation Annual Meeting.

ROLL CALL

*At Roll Call, Director Armstrong, Woodson, Gaddis, and Eby were present. Director Malvarose was absent.*

- A. APPROVE MINUTES OF THE JULY 21, 2021 and JANUARY 26, 2022 MEETINGS

*There were no public comments.*

*Upon the motion of Director Armstrong and seconded, the Board unanimously approved the minutes of July 21, 2021 and January 26, 2022. Vote 4-0.*

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

President Eby adjourned to NCS D Regular Board Meeting.

- F. GENERAL MANAGER'S REPORT

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

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER



DATE: July 7, 2023

# AGENDA ITEM

# F

JULY 12, 2023

## GENERAL MANAGER'S REPORT

### ITEM

Standing report to your Honorable Board -- *Period covered by this report is June 11, 2023 through July 8, 2023.*

### 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 June data, the most recent data available.

#### OFFICE ACTIVITIES

	June 23	Jan 23 - June 23
Reports of Water Waste	0	0
Leak Adjustments	3	13
Leak Adjustment Amount	\$528	\$4,305
Late Fee Waivers	11	68
Late Fee Waiver Adjustment Amount	\$1,968	\$6,697

#### Water Resources

For the twelve 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 1,715 AF. As has been the trend of late, imported water through the Joshua Road Pump Station was greater than the groundwater production. This trend will continue through the year as the District strives to maintain the 50% groundwater reduction goal and the District's contract take amount of 1,000 AFY minimum.

Table 1. Total Production Acre Feet (AF)

	June - 23	Jul 22 - June 23
Groundwater Production	64.1	600.7
Supplemental Water Imported	<u>100.3</u>	<u>1,114.4</u>
Total Production	164.4	1,715.1

#### 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 NSW. 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. Table 2, below, captures this data.

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

	June - 23	Jul 22 – June 23
NCSD GW Well Production	64.1	600.7
Purveyor Customer Credit (33.3% of Import Water)	33.4	371.3
NCSD Total Calculated GW Production	97.5	972.0
Average GW Production for 2009-2013	263.6	2,533.4
NCSD Percentage of GW Reduction	63.0%	61.6%

**2022 Fiscal Year Groundwater Pumping Forecast**

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). The twelve months of fiscal year 2022-23 actual – July through June – shows a actual groundwater pumping reduction of 61.6%.

**Table 3. Projected Groundwater Pumping**

	Year-to-Date		Target	Over_(Under)	AcFt
	Jun-23	Jul-Jun 2022			
NCSD GW Well Production	64.1	600.7			
Purveyor Customer Credit (33.3% of Import Water)	33.4	371.3			
NCSD Total Calculated GW Production	97.5	972.0	1,266.7	295	
Average GW Production for 2009-2013	263.6	2,533.4	2,533.4		
NCSD Percentage of GW Reduction	63%	61.6%	50.0%		

As demonstrated in Table 3 above, the District has achieve its 50% groundwater pumping reduction target by 295 AcFt under the conditions stated in the previous paragraph.

Below, Table 4 compares groundwater pumping for the same periods in 2023 and 2022.

**Table 4. FY 2023 vs. FY 2022 Groundwater Pumping**

	Jun-23	Jul 22 - Jun 23	Jun-22	Jul 22 - Jun 23
NCSD GW Well Production	64.9	600.7	86.6	785.1
Purveyor Customer Credit (33.3% of Import Water)	33.0	371.3	32.9	334.7
NCSD Total Calculated GW Production	97.9	972.0	119.5	1,119.8
Average GW Production for 2009-2013	199.0	2,533.4	199.0	2,533.4
NCSD Percentage of GW Reduction	50.8%	61.6%	39.9%	55.8%

The Table 4 data provides operations personnel with insight into year-end water production values and assists 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**

Since January, the rainy season has produced record rainfall. This accounts for the District's ability to reduce its groundwater pumping to the extent demonstrated in the comparison table, Table 4. Below is the most recent available rain data.

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
June 2023 Total	0.71	0.43
July-2022 through June-2023 (Season Total)	38.78	26.88
Jul 1, through Jul 7, 2023	.00	0.00
Total Rainfall to date	38.78	26.88
County Reported Avg. Ann. Year Rainfall <sup>1</sup>	18.00	14.00
2006 - 2020 Avg. Ann. Year Rainfall <sup>1</sup>	15.39	13.30
2006 - 2020 Median Ann. Rainfall <sup>1</sup>	12.64	11.30

Note:

1. Data from County website

**Connection Report**

Nipomo Community Services District  
Water and Sewer Connections

END OF MONTH REPORT

	1/31/23	2/28/23	3/31/23	4/30/23	5/31/23	6/30/23	7/31/23	8/31/23	9/30/23	10/31/23	11/30/23	12/31/23
Water Connections (Total)	4506	4508	4508	4508	4509	4509						
Sewer Town connections	2735	2736	2736	2736	2736	2736						
Sewer Blacklake connections	559	559	559	559	559	559						
Subtotal	3294	3295	3295	3295	3295	3295	0	0	0	0	0	0
Galaxy and PSSH at Orchard and Division Sewer connections billed to the County	484	484	484	484	484	484						
Sewer Connections (Total)	3778	3779	3779	3779	3779	3779	0	0	0	0	0	0
New Water Connections	0	2	0	0	1	0	0	0	0	0	0	0
New Sewer Connection	0	1	0	0	0	0	0	0	0	0	0	0
New Sewer Connection-Galaxy and PSH	0	0	0	0	0	0	0	0	0	0	0	0

The Connection Report as of July 7, 2023

**Other Items**

- Recruiting Efforts
  - General Manager Recruitment interviews: July 10<sup>th</sup> & 26<sup>th</sup>
  - Wastewater Utility Worker 1 interviews: July 13<sup>th</sup> & 14<sup>th</sup>

**Safety Program**

No Safety Issues

**Supplemental Water Capacity Accounting**  
Summary Since January 25, 2008

	Number of Equivalent Meters	AFY
Supplemental Water Available for Allocation	947.0	500.0
Supplemental Water Reserved (Will Serve Letter Issued)	149.0	-78.1
Subtotal Net Supplemental Water Available for Allocation	<b>798.0</b>	<b>421.9</b>
Supplemental Water Assigned (Intent-to-Serve Issued)	179.6	-94.8
<b>Total Remaining Supplemental Water Available for Allocation</b>	<b>618.4</b>	<b>327.1</b>

Updated July 7, 2023

**Meetings (June 11 through July 8)**

*Meetings Attended (telephonically or in person):*

- Jun 12, Staff Mtg. - Admin Supervisor Mtg.
- Jun 12, LAFCO Annexation Policy Discussion
- Jun 12, IWMA Task Force Meeting
- Jun 13, NMMA-TG Meeting
- Jun 13, NCSD Eng./Admin Coordination Meeting
- Jun 13, BLMAINCSO Oversight Committee
- Jun 14, Rotary
- Jun 14, NCSD Regular Board Meeting
- Jun 14, After-Board Exec. Team Meeting
- Jun 15, Biennial Ethics Training – Board/Exec. Staff
- Jun 16, Staff Mtg. - Cust. Service Specialist
- Jun 16, NCSD All-Staff Safety Meeting
- Jun 19, Staff Mtg. - Admin Supervisor Mtg.
- Jun 19, MBS Investment Preparation
- Jun 20, NMMA-TG Manager’s Meeting
- Jun 20, MBS Investment Execution
- Jun 20, MKN Eng. SW Import Scenario Discussion
- Jun 21, Rotary
- Jun 21, GM Candidate Review – Ad-hoc Comm.
- Jun 22, Mario Vacation Begins
- July 3, Staff Mtg. - Admin Supervisor Mtg.
- July 4, Holiday
- July 5, Management Team Meeting
- July 6, Board Officer Meeting
- July 6, Collaboration Solutions – Leadership Team Training
- July 7, Staff Mtg. - Cust. Service Specialist
- July 8, GM Recruiting Ad-hoc Comm.



**Meetings Scheduled (July 9 through July 15):**

*Upcoming Meetings (telephonically or in person):*

- July 10, Staff Mtg. - Admin Supervisor Mtg.
- July 10, GM Interviews – Round 1
- July 11, Dana Reserve Update Meeting
- July 11, NCSD Eng./Admin Coordination Meeting
- July 12, , Rotary
- July 12, NCSD Regular Board Meeting
- July 12, After-Board Exec. Team Meeting
- July 13, City of Santa Maria – Utility Dept.
- July 13, SLO County Water Funding
- July 14, Staff Mtg. - Cust. Service Specialist

**Upcoming Water Resource and Other Meetings**

*Upcoming Standing Meetings:*

- NMMA-TG: July 20<sup>th</sup> (Thursday) @ 10:00 AM, Zoom Meeting
- RWMG: No Meeting Scheduled for the Month
- WRAC: No Meeting (Wednesday) @ 1:30 pm, County Library
- NMMA Manager's Meeting: July 20<sup>th</sup> (Thursday) @ 9:00 AM, Zoom Meeting
- NCSD Board Officer Meeting: June 20<sup>th</sup> (Tuesday) @ 3:30 pm, NCSD Board Rm
- BLMA: August 1<sup>st</sup> (Tuesday) 2:00 pm, BL Community Center

**RECOMMENDATION**

Staff seeks direction and input from your Board

**ATTACHMENTS**

- A. Dana Reserve Schedule (No Change)
- B. Desal Meeting Schedule (No Change)

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JULY 12, 2023

ITEM F

ATTACHMENT A

DANA RESERVE REVIEW SCHEDULE (AS OF 7/8/2023)

Status Update: No Change

Date	Description	Comment
April 24, 2022	NCS D 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
Nov. 17, 2022	NOTICE OF PETITION OF APPLICATION FOR ANNEXATION #30 DANA RESERVE <sup>1</sup>	60 Day Letter
Jan. 9, 2023	Ad-hoc Com. – Response to Notice of Petition	Prepare for Jan. 11 <sup>th</sup> Board Mtg.
August 30, 2023	County Planning Commission <sup>2</sup>	Two days (8/30 & 8/31)
October 2023	1 <sup>st</sup> Meeting: County Board of Supervisors	Consider recommendation of PC to Certify EIR, General Plan Amendment, Approve Subdivision Map, Issue Conditional Use Permits
November 2023	2 <sup>nd</sup> Meeting: County Board of Supervisors	
Q-1 2023	LAFCO Inquiry of NCS D (Service Provisions) <sup>3</sup>	
November 2023	NCS D Board	Adopt Annexation Agreement
December 2023	LAFCO Review & Approval	After Tax Sharing Agreement

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. NCS D Staff will provided a staff report at the January 11<sup>th</sup> Board Meeting that provided the Board of Directors with more information and possible actions.
2. The Commission action is to consider a recommendation to the Board of Supervisors to: Certify the Final EIR, Adopt the CEQA findings, Approve the Specific Plan, Approve the Vesting Tentative Tract Map, Approve related General Plan and Ordinance amendments, Approve a related Conditional Use Permit.
3. Developer shifted to an annexation process that focuses first on LAFCO application and second the District's application process. Under this format, LAFCO will be the agency that coordinates communication between the Developer and NCS D.  
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.  
  
RWG submitted comments on the Dana Reserve Specific Plan DEIR, August 1, 2022, to the County of San Luis Obispo supervision planner, Jennifer Guetschow.

**Phasing Plan Schedule** – Defines the fee schedule for the development. (May slip do to key NCSD staff shortage)

Administrative Draft Final Report	June 2023
District Comments on Admin Draft Final Report	July 2023
Draft Final Report	July 2023
District Board Presentation	September 2023 (1 <sup>st</sup> Board Meeting)
Final Report	September 2023

JULY 12, 2023

ITEM F

ATTACHMENT B

Update: July 7, 2023  
 Mario Iglesias

County Water Action Team (CWAT)

County DESAL Meetings

Date	Speaker	Item/Issue/discipline	Company
1/10/2023	Dmitry Semenov	Financing Projects	Ridgeline Municipal Strategies, LLC
1/12/2023	Eric Miller	Fisheries Biologist	Miller Marin Science Consultants
1/17/2023	Did Not Attend		
1/19/2023	Tim Hogan	Biologist	TWB Environmental Research Consulting
2/6/2023	Rob Morrow	Engineering/Planning Team	WSC Inc. (Local Group)
2/7/2023	Did Not Attend		
2/7/2023	Lydia	Planning and Feasibility	Carollo Engineering
2/9/2023	Larry Kraemer	Engineering Firm	Cannon Eng.
2/9/2023	Daniel Heimel	Program Management/Engineering Services	Confluence Engineering Solutions
4/4/2023	Floyd Wicks	Sea-Well Buoy – Another solution	Seawell LLC
4/5/2023	Michael Wasgatt	Wind powered DESAL – Ocean Mounted	Offshore Wind Power Systems of Texas, Inc.
4/6/2023	Mr. Yamada		
4/24/2023	Neal Aronson	Oceanus Power and Water	is an infrastructure development company
4/25/2023	Antoine Vuillermet	Waterise (subsea tech)	subsea tech combined w/ membrane desal
6/2/2023	County CWAT Committee	Next Steps	(Conflicting Meeting – Didn't attend)
6/14/2023	Jennifer Jacobus	Everything but physically building a Plant	RINCON

1. **DESAL Plan participation:** The following agencies have adopted resolutions or submitted letters agreeing to participate: the Cities of San Luis Obispo, Arroyo Grande, Morro Bay, Paso Robles, the Community Services Districts of Avila Beach, Cambria, Los Osos, Nipomo, San Miguel, Templeton, Oceano and other water purveyors, such as Atascadero Mutual, Golden State, San Miguelito and Santa Barbara County
  - a. Grover is targeting next week for consideration
  
2. **DESAL Plan scope / grant:** We submitted an application (attached) to USBR and anticipate hearing about awards no later than June. To fit the timing required for USBR's grant (project must be completed w/in 24 months), Phase 2 was broken into Phase 2a and Phase 2b (snippet of 5 phases below)
  - a. **Phase 2a (proposed grant scope)**
    - i. Will be completed within 24 months and, if awarded grant, will cost District \$550K and USBR \$550K for total \$1.2M project
    - ii. Will include public engagement, identifying/vetting/analyzing project concept alternatives
    - iii. Outcome will be "short-list" of potential projects to further pursue and scope/schedule/budget to do so in Phase 2b

Update: July 7, 2023

Mario Iglesias

**b. Phase 2b (not proposed in grant scope)**

- i. Will include more detailed analysis/studies of projects on “short-list”
- ii. Outcome will be selection of single preferred project to move forward to Phase 3

**3. Desal planning meetings:**

- a. CWAT meetings (TBD) – we’ll be reaching out for your availability soon to schedule the next CWAT meeting and round of working group / consultant meetings
  - the request for your availability may come from Jenny Williamson in our office – please respond at your earliest convenience so we can continue coordination with the consultants’ availabilities, etc.
- b. Board of Supervisors (April) – The grant application requires the District to adopt a resolution within 60 days of submitting the grant application. We plan to go to our Board on April 18 with the required resolution, along with an update on the scope and request for direction to return with a consultant contract

**4. Misc. desal info just fyi**

- a. Glenn Farrel (CalDesal Executive Director) sent over the CalDesal Regulatory Committee Meeting Agenda Packet; it includes a brief write-up on Innovations in Desalination and newly-introduced legislation relevant to desal projects
- b. Paul Herman (GHD contact) sent over the International Weekly Desal Report; it includes a brief write-up on the CalDesal conference (key note: the SWRCB representative said the State’s desal siting guidelines anticipated this summer will be out for public comment in April!)