

TO: BOARD OF DIRECTORS
FROM: RAY DIENZO, P.E. R.D.
GENERAL MANAGER
DATE: NOVEMBER 1, 2023



**REVIEW AND FILE NOTICE OF VACANCY ON
THE NIPOMO COMMUNITY SERVICES DISTRICT'S
GOVERNING BOARD OF DIRECTORS**

ITEM

Review and discuss the appropriate response to the vacancy on the Nipomo Community Services District's ("District") Governing Board. [RECOMMEND RECEIVE, DISCUSS, AND PROVIDE DIRECTION TO STAFF REGARDING FILLING THE VACANCY]

BACKGROUND

With the vacancy on the District's Governing Board, the District's legal counsel has provided discussion points in a memorandum [Attachment A] for the Board of Directors to consider when addressing the matter of filling the post.

FINANCIAL IMPACT

No financial impact.

STRATEGIC PLAN

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

RECOMMENDATION

It is recommended that the Board of Directors review and discuss how best to address the current vacancy on its Board and direct staff.

ATTACHMENTS

- A. RWG Memorandum – Notice of Vacancy on the Governing Board and Options for Filling the Vacancy

NOVEMBER 8, 2023

ITEM E-2

ATTACHMENT A



Craig A. Steele

T 805.439.3515
F 800.552.0078
E csteale@rwglaw.com

847 Monterey Street, Suite 206
San Luis Obispo, California 93401
rwglaw.com

MEMORANDUM

TO: Honorable President and Members of the Board

CC: Raymond Dienzo, General Manager

FROM: Craig A. Steele, General Counsel

DATE: November 8, 2023

SUBJECT: Notice of Vacancy on the Governing Board and Options for Filling the Vacancy

Director William D. Woodson has resigned from the Board of Directors as of October 31, 2023. Under Government Code Section 1770(a), this memorandum constitutes notice to the Board that Director Woodson's office is now vacant. Government Code Section 1780 provides the procedures the Board must follow to fill the vacancy. Those steps are summarized in this memorandum, and all of the deadlines stated below are based on the November 8, 2023 notice date to the Board.

First, the District must notify the county elections official of the vacancy no later than 15 days after the Board was notified of the vacancy. The deadline for this notification is **November 23, 2023**. The General Manager will provide this written notice after the Board meeting.

Typically, the remaining members of the Board can fill the vacancy within 60 days after the Board was notified of the vacancy, either by making an appointment to fill Director Woodson's office temporarily, or by calling an election. The deadline for making this decision is January 7, 2024. However, because the 60th day falls on a Sunday, the deadline will be extended to **Monday January 8, 2024**. However, because Director Woodson's term will expire as of the November 2024 District election the Board's options are limited.

If the Board chooses to appoint a person to Director Woodson's office, the District must first post a notice of vacancy in at least three conspicuous places in the District at least 15 days before the Board makes the appointment. Director Woodson's term would have expired with the November 2024 District election. Under Government Code Section 1780(d)(2), because less than half of the four year term in which Director Woodson was serving remains as of the date the Board was notified of the vacancy **and** there are more than 130 days prior to the next

general District election, any person appointed to the office would serve only until the next general District election scheduled for November 2024. The office would be filled for a full four-year term at that time.

Unfortunately, the Board will not have time to call a special election to fill the remaining portion of Director Woodson's term. Under Government Code Section 1780(e)(2), a special election must be held on the "next established election date...that is 130 or more days after the date the district board calls the election." Under Elections Code Section 1000, the next "established election date" that will be at least 130 days after the Board calls the election will be **November 5, 2024**. This is because the deadline to call a special election on the March 5, 2024 statewide primary election date was October 27, 2023 - before Director Woodson's resignation was effective.

If the Board does not fill the vacancy by appointment or call an election within 60 days, the San Luis Obispo County Board of Supervisors may call an election or appoint a person to fill the vacancy within 90 days of the date the District Board is notified of the vacancy. If the Board of Supervisors does not act by the 90th day, then the District Board **must** call an election to fill the vacancy.

No formal action to fill the vacancy will be proposed at the November 8, 2024 meeting, because the District must first take the preliminary steps noted above. The Board will have at least one regular meeting scheduled before the **January 8, 2024** deadline to act.

RECOMMENDATION:

Staff and counsel recommends that your Board discuss the options and, if there is a consensus to pursue an appointment, direct staff to start that process immediately. If the Board intends to make an appointment, we suggest that you provide staff with direction as to what process the Board would use to choose a candidate. Some boards take applications from interested persons and conduct interviews. Other boards simply discuss known candidates and make an appointment. There is no specified appointment process the Board is required to follow, other than to discuss and make any appointment in an open meeting and follow the notice requirements specified above.

If the Board directs that the vacancy will be held by election, staff will present the appropriate resolution for consideration by the Board at the next Board meeting.

TO: BOARD OF DIRECTORS
 FROM: RAY DIENZO, P.E. R.D.
 GENERAL MANAGER
 DATE: NOVEMBER 2, 2023

**AGENDA ITEM
 F
 NOVEMBER 8, 2023**

GENERAL MANAGER'S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is October 22, 2023 to November 4, 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 October data which is the most recent monthly data available.

OFFICE ACTIVITIES			
		Oct 23	Jan 23 - Oct 23
Reports of Water Waste		0	0
Leak Adjustments		1	24
Leak Adjustment Amount		\$243.84	\$7,098.92
Late Fee Waivers		3	108
Late Fee Waiver Adjustment Amount		\$96.61	\$8,282

Water Resources

For the three months of the 2023-24 Fiscal Year, the District's total combined production, including groundwater production wells and supplemental water imported through the Joshua Road Pump Station, registered 181.7 AF; the previous month registered 178.7 AF. The District imported more water through the Joshua Road Pump Station than it produced from groundwater sources. This trend will continue through the year as the District strives to maintain the 50% groundwater reduction goal while also reaching the District's contract import water take amount of 1,000 AFY minimum.

<u>Table 1. Total Production Acre Feet (AF)</u>		
	Oct - 23	Jul 23 - Jun 24
Groundwater Production	71.8	344.5
Supplemental Water Imported	<u>109.9</u>	<u>401.4</u>
Total Production	181.7	745.9

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. Table 2, below, captures this data.

	Oct - 23	Jul 23 - June 24
NCSD GW Well Production	71.8	344.5
Purveyor Customer Credit (33.3% of Import Water)	36.6	133.7
NCSD Total Calculated GW Production	108.4	478.2
Average GW Production for 2009-2013	223.6	1,064.2
NCSD Percentage of GW Reduction	52%	55%

2023-24 Fiscal Year Groundwater Pumping Forecast

Below, Table 3 projects the District's groundwater pumping reduction for the 2023-24 Fiscal Year. Under the current Stage 4 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 first four months of fiscal year 2023-24 actual – July through October – shows a groundwater pumping reduction of 51.5% while projected year end groundwater reduction estimates a 61.0% level of reduction.

	Jul-23	Aug-23	Sep-23	Oct-23	Year-to-Date Jul-Jun 2024	Target	Over/(Under)	
NCSD GW Well Production	110.0	90.3	72.4	71.8	621.0			
Purveyor Customer Credit (33.3% of Import Water)	27.5	34.2	35.4	36.6	367.9			
NCSD Total Calculated GW Production	137.5	124.5	107.8	108.4	988.9	1,266.7	278	AcFt
Average GW Production for 2009-2013	291.2	284.7	264.7	223.6	2,533.4	2,533.4		
NCSD Percentage of GW Reduction	53%	56%	59%	51.5%	61.0%	50.0%		

As demonstrated in Table 3, the District anticipates it will achieve its 50% groundwater pumping reduction target by 278 AcFt under the conditions stated in the previous paragraph.

On the following page, 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.

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

Table 4. FY 2023 vs. FY 2022 Groundwater Pumping

	Oct-23	Jul 23 - Jun 24	Oct-22	Jul 22 - Jun 23
NCSW GW Well Production	71.8	344.5	64.3	600.7
Purveyor Customer Credit (33.3% of Import Water)	36.6	133.7	33.0	104.2
NCSW Total Calculated GW Production	108.4	478.2	97.2	704.9
Average GW Production for 2009-2013	223.6	1,064.2	223.6	1,064.2
NCSW Percentage of GW Reduction	51.5%	55.1%	56.5%	33.8%

Rainfall Gauge

Below is the most recent available rain data for the Fiscal Year 2023-24.

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
September 2023 Total	0.27	0.06
July-2023 through June-2024 (Season Total)	0.34	0.18
<u>Oct 1, thru Oct 31, 2023</u>	<u>0.02</u>	<u>0.06</u>
Total Rainfall to date	0.36	0.24
County Reported Avg. Ann. Year Rainfall ¹	18.00	14.00
2006 - 2020 Avg. Ann. Year Rainfall ¹	15.39	13.30
2006 - 2020 Median Ann. Rainfall ¹	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	4509	4509	4509	4509		
Sewer Town connections	2735	2736	2736	2736	2736	2736	2736	2736	2736	2736		
Sewer Blacklake connections	559	559	559	559	559	559	559	559	559	559		
Subtotal	3294	3295	3295	3295	3295	3295	3295	3295	3295	3295	0	0
Galaxy and PSSH at Orchard and Division Sewer connections billed to the County	484	484	484	484	484	484	484	484	484	484		
Sewer Connections (Total)	3778	3779	3779	3779	3779	3779	3779	3779	3779	3779	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 October 31, 2023

Other Items

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	500.0
Supplemental Water Reserved (Will Serve Letter Issued)	149	-78.1
Subtotal Net Supplemental Water Available for Allocation	798	421.9
Supplemental Water Assigned (Intent-to-Serve Issued)	175.8	-91.2
Total Remaining Supplemental Water Available for Allocation	625	330.6

Updated November 2, 2023

Meetings (October 22 through October 28)

Meetings Attended (telephonically or in person):

- Oct 23-24, SLO County Planning Commission
- Oct 25, NCSD Regular Board Meeting
- Oct 25, After-Board Exec. Team Meeting
- Oct 26, CSDA SLO County Chapter Meeting
- Oct 27, Staff Mtg, Cust. Service Specialist

Meetings Scheduled (October 29 through November 4):

Upcoming Meetings (telephonically or in person):

- Oct 30, Staff Mtg. – Management Team
- Oct 31, NCSD Board Officer Mtg
- Nov 1, WRAC Meeting
- Nov 2, KSBY
- Nov 2, Leadership Training, Team Building Session
- Nov 3, Staff Mtg. – Discuss OMOU for GSWC and WMWC
- Nov 3, Board Packet deliveries

Upcoming Water Resource and Other Meetings

Upcoming Standing Meetings:

- IWMA Local Task Force: Nov 13th and Dec 11th (Monday) @1:00 PM
- Advance Clean Fleets Roundtable Discussion: Nov 15th (Wed) @ 2:00 PM
- NMMA-TG: November 27th (Monday) @ 10:00 AM, Zoom Meeting
- BLMA: December 5th (Tuesday) 1:00 pm, BL Community Center
- NCSD Board Officer Meeting: December 5th (Tuesday) @ 2:00 PM
- General Managers Monthly Meeting: December 6th (Wednesday) @12 noon
- RWMG: No Meeting Scheduled for the Month
- WRAC: December 6th (Wednesday) @ 1:30 pm, County Library
- All NCSD Staff Safety Meeting: December 15th (Friday) @ 11:00 AM
- County Water Action Team (CWAT): December 19th (Tuesday) @ 2:30 PM

RECOMMENDATION

Staff seeks direction and input from your Board.

ATTACHMENTS

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

NOVEMBER 8, 2023

ITEM F

ATTACHMENT A

DANA RESERVE REVIEW SCHEDULE (AS OF 11/2/2023)

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 ¹	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 ¹	60 Day Letter
Jan. 9, 2023	Ad-hoc Com. – Response to Notice of Petition	Prepare for Jan. 11 th Board Mtg.
July 24, 2023	SCAC – Town Hall Meeting, Nipomo H.S.	Community Meeting
August 30, 2023	County Planning Commission ² (Postponed)	Two days (8/30 & 8/31)
September 28	Planning Commission Study Session ³	
October 2023 ⁵	Tax Sharing Agreement (NCS D/SLO County)	Start Negotiations with the County
October 23 & 24	Planning Commission Hearing ⁴	Two days of testimony
November 2023	Review of revised EIR impact	
January 2024	1 st Meeting: County Board of Supervisors	Consider recommendation of PC to Certify EIR, General Plan Amendment, Approve Subdivision Map, Issue Conditional Use Permits
February 2024	2 nd Meeting: County Board of Supervisors	
March 2024	NCS D Board Negotiations with Developer [Infrastructure Improvements/Costs]	Adopt Annexation Agreement Between Developer and NCS D
April 2024	LAFCO Review & Approval	

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 provide a staff report at the January 11th Board Meeting that provided the Board of Directors with more information and possible actions.
2. The Commission action was to continue the project hearing until the October 23 & 24 Special Planning Commission Meeting.
3. September 28th, Study Session with Planning Commission & Public – held at County Sups Chamber
4. Will consider a recommendation to provide 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.

5. Previously September 2023. This will take place after the Planning Commission meetings are concluded.
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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 NCSD.

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 due to key NCSD staff shortage)

Administrative Draft Final Report	June 2023
District Comments on Admin Draft Final Report	July 2023
Draft Final Report	August 2023 ¹
District Board Presentation	Dec 2023 ²
Final Report	Jan 2024 ³

¹ Previously July 2023 (Changed on the 7/26/2023 Report)

² Previously September 2023 (Changed on 10/25/2023 Report) – staff awaiting final Planning Commission recommendations which got pushed to Oct 23&24, 2023

³ Previously September 2023 (Changed on 10/25/2023 Report)

NOVEMBER 8, 2023

ITEM F

ATTACHMENT B

Update: November 2, 2023 (changes)
 Ray Dienzo

County Water Action Team (CWAT) No Changes from July Report

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: November 2, 2023 (changes)

Ray Dienzo

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

c. CWAT meeting 12/19/2023 – Discuss grant status

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
- c. **CWAT meeting 12/19/2023 – Discuss grant status**

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!)