

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



PRESENTATIONS AND REPORTS

The following presentations and reports are scheduled:

- C-1) PRESENTATION ON IMPLEMENTATION OF SENATE BILL 1383 FOR SOLID WASTE COLLECTION AND POTENTIAL GRANT OPPORTUNITY
- C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS. Receive Announcements and Reports from Directors
- C-3) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS

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



CONSENT AGENDA

The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item removed. If discussion is desired, the item may be removed from the Consent Agenda by a Board member and will be considered separately at the conclusion of the Administrative Items. Individual items on the Consent Agenda are approved by the same vote that approves the Consent Agenda, unless an item is pulled for separate consideration. The recommendations for each item are noted in bracket. Members of the public may comment on the Consent Agenda items.

**Questions or clarification may be made by the Board members
without removal from the Consent Agenda**

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE OCTOBER 25, 2023, REGULAR BOARD MEETING MINUTES
[RECOMMEND APPROVE MINUTES]
- D-3) AUTHORIZE DESIGNATED OFFICIALS OF THE DISTRICT TO TAKE SPECIFIED
ACTIONS WITH REGARD TO DISTRICT INVESTMENTS [RECOMMEND ADOPT
RESOLUTION]
- D-4) CONSIDER PARTICIPATION IN THE CENTRAL COAST REGIONAL BIOSOLIDS
COOPERATIVE [RECOMMEND PARTICIPATION AND APPROVAL FOR GENERAL
MANAGER TO SIGN MEMORANDUM OF UNDERSTANDING]

TO: BOARD OF DIRECTORS

REVIEWED: RAYMOND DIENZO *R.D.*
GENERAL MANAGER

FROM: JANA ETTEDDGUE *Jw*
FINANCE DIRECTOR

DATE: NOVEMBER 2, 2023

**AGENDA ITEM
D-1(A)
NOVEMBER 8, 2023**

WARRANTS

COMPUTER CHECKS GENERATED – SEE ATTACHED	\$ 1,145,243.33
HAND WRITTEN CHECKS	NONE
VOIDED CHECKS	NONE

Item D-1(A) Warrants NOVEMBER 8, 2023

Nipomo Community Services District

By Payment Number

Payment Dates 11/08/2023 - 11/08/2023

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 11686				
Achievement House, Inc.	Nipomo Clean Streets - July	75331	11/08/2023	4,930.00
Achievement House, Inc.	Nipomo Clean Streets -August	75547	11/08/2023	3,825.00
Achievement House, Inc.	Nipomo Clean Streets - Sept	75465	11/08/2023	4,760.00
Payment 11686 Total:				13,515.00
Payment: 11687				
Allweather Landscape	LMD	49145	11/08/2023	325.00
Payment 11687 Total:				325.00
Payment: 11688				
Aqua-Metric Sales, Co.	(63) - single port smart points	INV0097439	11/08/2023	13,168.23
Aqua-Metric Sales, Co.	(1) - 3" Omni C2	INV0097432	11/08/2023	506.36
Payment 11688 Total:				13,674.59
Payment: 11689				
AT&T	Telephone	000020712502	11/08/2023	111.94
AT&T	Telephone	000020712500	11/08/2023	32.54
AT&T	Telephone	000020712501	11/08/2023	28.42
Payment 11689 Total:				172.90
Payment: 11690				
AT&T Mobility	Cell service	287318508827X11022023	11/08/2023	1,237.29
Payment 11690 Total:				1,237.29
Payment: 11691				
Banda, Raymundo	Reimburesment - OIT	OCT2023	11/08/2023	125.00
Payment 11691 Total:				125.00
Payment: 11692				
Beasley, Caroline	Filing fee reimbursement -	OCT2023	11/08/2023	76.49
Payment 11692 Total:				76.49
Payment: 11693				
Bognuda, Lisa	Mileage reimbursement - SLO	OCT2023	11/08/2023	32.09
Payment 11693 Total:				32.09
Payment: 11694				
Brenntag Pacific, Inc.	Sodium hypochlorite	BPI380836	11/08/2023	641.92
Brenntag Pacific, Inc.	Sodium hypochlorite	BPI374304	11/08/2023	524.25
Brenntag Pacific, Inc.	Sodium hypochlorite	BPI384804	11/08/2023	755.58
Payment 11694 Total:				1,921.75
Payment: 11695				
Cahua, Luisa	Filing fee reimbursement -	OCT2023	11/08/2023	76.49
Payment 11695 Total:				76.49
Payment: 11696				
Carahsoft	WaterGEMS/SewerGEMS	IN1518365	11/08/2023	10,806.00
Payment 11696 Total:				10,806.00
Payment: 11697				
City of Santa Maria	Water sales 07/01/2023 to	94408	11/08/2023	773,917.16
Payment 11697 Total:				773,917.16
Payment: 11698				
Clever Ducks	Computer expense	35267	11/08/2023	4,575.29
Payment 11698 Total:				4,575.29
Payment: 11699				
Electricraft, Inc.	Electrical repair - Quad Tanks	19448	11/08/2023	653.63
Payment 11699 Total:				653.63

Item D-1(A) Warrants NOVEMBER 8, 2023

Payment Dates: 11/08/2023 - 11/08/2023

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 11700				
Famcon Pipe and Supply Inc.	Meter adapters, hand pump	S100114076.001	11/08/2023	276.23
Famcon Pipe and Supply Inc.	(8) - 1" x 3/4" ball valves	S100098123.006	11/08/2023	715.31
Payment 11700 Total:				991.54
Payment: 11701				
Frontier Communications	BL Telephone	NOV2023	11/08/2023	62.86
Payment 11701 Total:				62.86
Payment: 11702				
GLM Landscape Management	Landscape maintenance	CI-2673	11/08/2023	935.00
Payment 11702 Total:				935.00
Payment: 11703				
Great Western Alarm and	Alarm monitoring service	231002062101	11/08/2023	80.00
Great Western Alarm and	Alarm monitoring service	231002107101	11/08/2023	80.00
Payment 11703 Total:				160.00
Payment: 11704				
Hadronex, Inc	Southland Influent Pump Station 27634		11/08/2023	6,193.86
Hadronex, Inc	Southland Influent Pump sensor 27951		11/08/2023	1,053.52
Payment 11704 Total:				7,247.38
Payment: 11705				
Home Depot Credit Services	Tools, cutting wheels, saw	OCT2023	11/08/2023	617.24
Payment 11705 Total:				617.24
Payment: 11706				
HPS Mechanical, Inc.	Southland WWTF Influent Lift	SWWTF-2	11/08/2023	92,150.00
Payment 11706 Total:				92,150.00
Payment: 11707				
Icnix Waterworks (US) Inc.	Bolt sets, meter flanges, saw	U2316043690	11/08/2023	538.84
Payment 11707 Total:				538.84
Payment: 11708				
Iglesias, Mario	Reimbursement for County	OCT2023	11/08/2023	77.50
Payment 11708 Total:				77.50
Payment: 11709				
Integrated Industrial Supply, Inc.	Disposable gloves, straight pipe	94805	11/08/2023	573.63
Payment 11709 Total:				573.63
Payment: 11710				
Maldonado, Francisco	Reimbursement for Collections	3OCT2023	11/08/2023	108.00
Payment 11710 Total:				108.00
Payment: 11711				
Miner's Ace Hardware	Supplies	OCT2023	11/08/2023	979.63
Payment 11711 Total:				979.63
Payment: 11712				
Mission Uniform Service	Uniforms	520339807	11/08/2023	218.57
Mission Uniform Service	Uniforms	520294927	11/08/2023	231.77
Payment 11712 Total:				450.34
Payment: 11713				
MNS Engineers, Inc.	CM - Branch St Waterline	84473	11/08/2023	41,805.41
Payment 11713 Total:				41,805.41
Payment: 11714				
Newton Geo-Hydrology	Litigation support through 10-	OCT2023	11/08/2023	5,550.00
Payment 11714 Total:				5,550.00
Payment: 11715				
Office Depot	Office supplies	337671419001	11/08/2023	4.02
Office Depot	Office supplies	336172044001	11/08/2023	189.48
Office Depot	Office supplies	335030425001	11/08/2023	117.29
Office Depot	Office supplies	337656185001	11/08/2023	53.67
Payment 11715 Total:				364.46

Item D-1(A) Warrants NOVEMBER 8, 2023

Payment Dates: 11/08/2023 - 11/08/2023

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 11716				
One Cool Earth	Conservation and Solid Waste	1173	11/08/2023	15,000.00
				Payment 11716 Total: 15,000.00
Payment: 11717				
Patrick Nelson	Labor and materials for security	803	11/08/2023	1,784.93
				Payment 11717 Total: 1,784.93
Payment: 11718				
Raminha Construction, Inc	Branch Street Waterline	5	11/08/2023	73,078.33
				Payment 11718 Total: 73,078.33
Payment: 11719				
Sancon Technologies, Inc	Rehab of (9) manholes on	28280	11/08/2023	58,194.00
				Payment 11719 Total: 58,194.00
Payment: 11720				
Simplot Grower Solutions	CAN 17	780164927	11/08/2023	1,004.98
				Payment 11720 Total: 1,004.98
Payment: 11721				
SoCalGas	Heat - shop/office	OCT2023A	11/08/2023	22.95
SoCalGas	Heat - shop/office	OCT2023B	11/08/2023	17.42
				Payment 11721 Total: 40.37
Payment: 11722				
Sterling Communications	Spare radio for trucks	0011206-IN	11/08/2023	880.15
				Payment 11722 Total: 880.15
Payment: 11723				
Tuckfield & Associates	TO#2023-1 Annexed Parcels	0712	11/08/2023	10,675.00
				Payment 11723 Total: 10,675.00
Payment: 11724				
Tyler Technologies, Inc.	Billing software conversion	025-443434	11/08/2023	130.00
				Payment 11724 Total: 130.00
Payment: 11725				
US Bank National Association	Safety meeting supplies	OCT2023D	11/08/2023	511.15
US Bank National Association	Operating supplies	OCT2023F	11/08/2023	863.92
US Bank National Association	Storage unit	OCT2023G	11/08/2023	257.00
US Bank National Association	Training seminar	OCT2023I	11/08/2023	1,023.88
US Bank National Association	Fuel	OCT2023K	11/08/2023	59.85
US Bank National Association	Travel and meals	OCT2023B	11/08/2023	933.15
US Bank National Association	Office supplies	OCT2023H	11/08/2023	899.78
US Bank National Association	Board meeting supplies	OCT2023A	11/08/2023	29.00
US Bank National Association	Recording fees	OCT2023J	11/08/2023	21.49
US Bank National Association	Software subscriptions	OCT2023C	11/08/2023	2,097.04
US Bank National Association	Postage	OCT2023E	11/08/2023	268.60
				Payment 11725 Total: 6,964.86
Payment: 11726				
USA Bluebook	Ashcroft gauge with guard,	INV00175275	11/08/2023	1,124.81
USA Bluebook	Zero oxygen standard, filters,	INV00178610	11/08/2023	796.11
USA Bluebook	Ashcroft gauge with guard	INV00178664	11/08/2023	1,126.01
				Payment 11726 Total: 3,046.93
Payment: 11727				
Waste Connections	Waste collection - Southland	8297327U120	11/08/2023	308.46
Waste Connections	Waste collection - Old Town	8297007U120	11/08/2023	349.00
Waste Connections	Waste collection - Office	8296187U120	11/08/2023	65.81
				Payment 11727 Total: 723.27

TO: BOARD OF DIRECTORS

REVIEWED: RAYMOND DIENZO *R.D.*
GENERAL MANAGER

FROM: JANA ETTEDDGUE *J*
FINANCE DIRECTOR

DATE: NOVEMBER 2, 2023

**AGENDA ITEM
D-1(B)
NOVEMBER 8, 2023**

WARRANTS – BLACKLAKE ASSESSMENT DISTRICT 2020-1

COMPUTER CHECKS GENERATED – SEE ATTACHED	\$683,841.71
VOIDED CHECKS	#118,119

Item D-1(B) Warrants NOVEMBER 8, 2023

Nipomo Community Services District

By Payment Number

Payment Dates 11/08/2023 - 11/08/2023

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 120 PG&E	Service extension agreement -	121956065-2023	11/08/2023	4,222.60
				Payment 120 Total: 4,222.60
Payment: 121 R. Baker, Inc.	Blacklake Sewer System	BL A/D 6	11/08/2023	679,619.11
				Payment 121 Total: 679,619.11

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



**APPROVE OCTOBER 25, 2023
REGULAR BOARD MEETING MINUTES**

ITEM

Approve action minutes from previous Board meetings. [RECOMMEND APPROVE MINUTES]

BACKGROUND

The draft minutes are a written record of the previous Board Meeting action.

RECOMMENDATION

Approve Minutes

ATTACHMENT

- A. October 25, 2023 draft Regular Board Meeting Minutes

NOVEMBER 8, 2023

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community since 1965

DRAFT REGULAR MINUTES

OCTOBER 25, 2023 AT 9:00 A.M.

JON S. SEITZ BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

RICHARD MALVAROSE, **PRESIDENT**
DAN ALLEN GADDIS, **VICE PRESIDENT**
ED EBY, **DIRECTOR**
DAN WOODSON, **DIRECTOR**
GARY HANSEN, **DIRECTOR**

PRINCIPAL STAFF

RAY DIENZO, **GENERAL MANAGER**
LISA BOGNUDA, **ASST GENERAL MANAGER**
JANA ETTEDDUE, **FINANCE DIRECTOR**
PETER SEVCIK, **DIRECTOR OF ENG. & OPS.**
CRAIG STEELE, **GENERAL COUNSEL**

Mission Statement:

Provide our customers with reliable, quality, and cost-effective services now and in the future.

A. CALL TO ORDER AND FLAG SALUTE

President Malvarose called the Regular Meeting of October 25, 2023, to order at 9:00 a.m. and led the flag salute.

B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, Director Hansen, Gaddis and Malvarose were present. Directors Eby and Woodson were absent.

There were no public comments.

C. PRESENTATIONS AND REPORTS

C-1) MARIO IGLESIAS APPRECIATION RESOLUTION

Director Malvarose presented a resolution to Mario Iglesias, former NCSO General Manager.

C-2) ENGINEER'S QUARTERLY REPORT

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

C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS. Receive Announcements and Reports from Directors

Director Gaddis

- *October 17, attended Board Officers' Meeting*

Director Malvarose

- *October 17, attended Board Officers' Meeting*

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

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
DRAFT REGULAR MEETING
MINUTES

There were no public comments.

*Upon the motion of Director Hansen and seconded, the Board unanimously approved receiving and filing presentations and reports.
Vote 3-0.*

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

D. CONSENT AGENDA

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE OCTOBER 11, 2023, REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]
- D-3) INVESTMENT POLICY – QUARTERLY REPORT [RECOMMEND ACCEPT AND FILE REPORT]
- D-4) AUTHORIZE THE GENERAL MANAGER TO SECURE FINANCING FOR THE PURCHASE OF A VACTOR TRUCK [RECOMMEND ADOPT THE RESOLUTION AND AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A 10-YEAR, FULLY AMORTIZED, LOAN WITH MUNICIPAL FINANCE CORPORATION]

Staff answered questions on D-1.

There were no public comments.

*Upon the motion of Director Hansen and seconded, the Board unanimously approved the Consent Agenda.
Vote 3-0.*

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

RESOLUTION NO. 2023-1685
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION WITH THE ACQUISITION OF A VACTOR TRUCK

E. ADMINISTRATIVE ITEMS

- E-1) CONSIDER REQUEST FOR WATER AND SOLID WASTE SERVICE (INTENT-TO-SERVE LETTER) FOR A 2 PARCEL RESIDENTIAL SUBDIVISION LOCATED AT 1067 EVERGREEN WAY, APN 091-284-043 [RECOMMEND CONSIDER INTENT-TO-SERVE LETTER AND APPROVE WITH CONDITIONS].

Ray Dienzo, General Manager, presented the item.

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
DRAFT REGULAR MEETING
MINUTES

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

There were no public comments.

Upon the motion of Director Hansen and seconded, the Board unanimously approved the Intent-To-Serve with conditions.

Vote 3-0.

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

F. GENERAL MANAGER'S REPORT

Ray Dienzo, General Manager, presented the item and answered questions from the Board.

There were no public comments.

G. COMMITTEE REPORTS

None.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

None.

I. CLOSED SESSION ANNOUNCEMENTS

Craig Steele, District Legal Counsel, announced that there would be closed session on item 1.

1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9

- a. SMVWCD V. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750, AND ALL CONSOLIDATED CASES

There were no public comments.

ADJOURN MEETING

President Malvarose adjourned the meeting at 10:08 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	0 hour 34 minutes
Closed Session	0 hour 34 minutes
TOTAL HOURS	1 hour 08 minutes

Respectfully submitted,

Ray Dienzo, General Manager and Secretary to the Board

Date

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



AUTHORIZE DESIGNATED OFFICIALS OF THE DISTRICT TO TAKE SPECIFIED ACTIONS WITH REGARD TO DISTRICT INVESTMENTS

ITEM

Authorize designated officials of the District to take specified actions with regard to District investments. [RECOMMEND ADOPT RESOLUTION]

BACKGROUND

On April 26, 2023, the District entered into an agreement with Multi-Bank Securities, Inc. ("MBS") to purchase securities through their no-cost platform eConnectDirect. The District also adopted Resolution 2023-1665, designating officials of the District to perform investment privileges outlined in the Resolution.

Any time there is a change in management staff, a resolution has to be adopted so this individual can be added as a designated official.

The attached Resolution (Attachment A) lists the District's new General Manager, Ray Dienzo, as a designated official, and removes Mario Iglesias and Lisa Bognuda as designated officials.

FISCAL IMPACT

None.

STRATEGIC PLAN

Goal 4. FINANCE. Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

- B.1 Evaluate, plan for and maintain finances that are adequate for all needs, stable, and reliable over the long-term.
- B.6 Maintain sound investment policy and investments.

RECOMMENDATION

Staff recommends that your Honorable Board approve the resolution authorizing designated named officials of the District to take specific actions with regard to district investments.

ATTACHMENT

- A. 2023-XXXX, Resolution Authorizing Designating Officials

NOVEMBER 8, 2023

ITEM D-3

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
AUTHORIZING DESIGNATING OFFICIALS OF THE DISTRICT TO TAKE SPECIFIED ACTIONS WITH
REGARD TO DISTRICT INVESTMENTS**

WHEREAS, the Nipomo Community Services District (herein "District") Board of Directors (herein "Board") is a local governmental agency formed and authorized to provide services within its jurisdiction, pursuant to Section 61000 et seq. of the California Government Code; and

WHEREAS, on April 26, 2023, the Board of Directors approved the opening of an account at Multi-Bank Securities, Inc. (MBS) and authorized the use of their eConnectDirect platform, and

WHEREAS, the District's adopted Investment Policy permits the following:

1. Engage in cash settlement transactions for the purchase of physical certificates of deposit(s) (CDs) purchased through eConnect Direct or through any introducing agent.
2. Engage in cash settlement transactions in the form of CDs held in safekeeping at federally insured financial institutions.
3. Engage in cash or DVP (delivery versus payment) settlement transactions in securities including CDs and Treasury bonds, notes and bills.
4. Receive on behalf of the Investor, or deliver to the Investor, or a designated third party, monies, bonds or other securities.
5. Sell, assign or endorse for transfer bonds, or other securities registered in the name of the Investor.
6. Establish and maintain safekeeping accounts with Fedwire and ACH privileges from which account funds are directly spent, and the responsibility for which its entirely that of the Investor. Said privileges will be limited to persons designated by the Investor. Each designated person named below, and their successors, can independently perform the prescribed privileges.

NAME	TITLE
Raymond Dienzo	General Manager
Jana Etteddgue	Finance Director

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Nipomo Community Services District, as follows:

Nipomo Community Services District can open an account or accounts in its name with a safekeeping agent, introducing broker, or federally insured financial institution offering CD rates through eConnectDirect or through any introducing agent and that the persons named above, or their successors in office, may, on behalf of the Investor or any one of them acting individually, be and they are hereby authorized to:

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
AUTHORIZING DESIGNATING OFFICIALS OF THE DISTRICT TO TAKE SPECIFIED ACTIONS WITH
REGARD TO DISTRICT INVESTMENTS**

1. Give or submit orders in said account(s) for the purchase, sale or other disposition of CDs, bond and other securities listed on eConnectDirect or offered by any introducing broker;
2. Make, execute, deliver or submit directly or through the services of eConnectDirect any and all written endorsements and documents necessary to effectuate closure or the disbursements of funds of or from the Investor account;
3. May at any time while the account is open modify, amend, submit or enter into any other arrangement with the safekeeping agent of its CD or securities.

This authorization to each of said officers is to remain in full force and effect until other written notice of revocation is submitted to the safekeeping agent(s) and MBS.

Upon motion by Director _____, seconded by Director _____, on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICTS:

the foregoing resolution is hereby passed and adopted this 8th day of November, 2023.

RICHARD MALVAROSE
President of the Board

ATTEST:

APPROVED AS TO FORM:

RAY DIENZO
General Manager and Secretary to the Board

CRAIG A. STEELE
District Legal Counsel

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

**AGENDA ITEM
D-4
NOVEMBER 8, 2023**

**CONSIDER PARTICIPATION IN THE CENTRAL COAST REGIONAL
BIOSOLIDS COOPERATIVE**

ITEM

Consider authorizing the memorandum of understanding that expresses the Nipomo Community Services District's ("District") interest in participating in the Central Coast Regional Biosolids Cooperative. [RECOMMEND PARTICIPATION AND APPROVAL FOR GENERAL MANAGER TO SIGN MEMORANDUM OF UNDERSTANDING]

BACKGROUND

In mid-2020, the State of California required most agencies that operate wastewater systems to test their biosolids for polyfluorinated alkyl substances ("PFAS"), which are commonly referred to as "forever chemicals" due to their resistance to degradation in the environment. PFAS have been widely used in common household and personal care products for many years. In general, all agencies party to the memorandum have low levels of various PFAS in their biosolids. This raised concerns among the agencies regarding future State regulations to treat PFAS in their biosolids.

In 2021, the cities of Paso Robles and San Luis Obispo began to collectively explore ways to advance the processing of their biosolids and eliminate potential future liabilities associated with PFAS.

They discovered new technologies are available, such as high-temperature pyrolysis, which are capable of eliminating PFAS in biosolids and converting biosolids into valuable products such as biochar. These technologies would be very expensive for any individual agency to install and operate but may be cost-effective if all wastewater agencies in the region pool their biosolids waste streams and process it all at one regional facility.

In 2022 and 2023, the cities of Paso Robles and San Luis Obispo, along with other agencies ("Parties") convened a series of workshops, conducted by a professional facilitator, to explore interest in a regional biosolids cooperative. The Parties gleaned some good information, and in May and June 2023, representatives of the Parties each stated informally their commitment to participate in a cooperative to establish a regional facility capable of advanced processing of biosolids. The purpose of this memorandum of understanding is to formalize that commitment and clarify how the Parties will participate.

FISCAL IMPACT

No financial obligations or commitments are being sought at this time.

STRATEGIC PLAN

Goal 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT. Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.

B.2 NCSD shall maintain long-range infrastructure management, upgrade and replacement planning.

Goal 4. FINANCE. Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

RECOMMENDATION

The ongoing efforts to plan, provide for, and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations for the community of Nipomo now and in the future is one of the District's primary purposes. It is recommended that your Board of Directors authorize the memorandum of understanding for participation in the Central Coast Regional Biosolids Cooperative.

ATTACHMENTS

A. Memorandum of Understanding for Central Coast Regional Biosolids Cooperative

NOVEMBER 8, 2023

ITEM D-4

ATTACHMENT A

Memorandum of Understanding for Central Coast Regional Biosolids Cooperative

This Memorandum of Understanding (“MOU”), effective as of the last date signed below, is by and among the following government entities in the Central Coast region of California: City of San Luis Obispo, City of Paso Robles, City of Santa Maria, City of Atascadero, San Luis Obispo County Public Works Department, City of Morro Bay, Cayucos Sanitary District, South San Luis Obispo County Sanitation District, Avila Beach Community Services District, San Miguelito Mutual Water Company, Templeton Community Services District, San Miguel Community Services District, Cambria Community Services District, City of Pismo Beach, Nipomo Community Services District, and the City of Santa Barbara. These agencies are individually referred to herein as a “Party,” and collectively as “Parties”.

Whereas, all the Parties operate wastewater treatment systems that generate biosolids. The volume of biosolids each Party generates varies, depending on the size and type of its wastewater system (e.g., ponds systems vs. mechanical treatment processes), but all Parties have a similar need to properly dispose biosolids.

Whereas, biosolids contain pollutants and are closely regulated by the State of California (Central Coast Regional Water Quality Control Board) and U.S. Environmental Protection Agency. The County of San Luis Obispo has a moratorium on land application of biosolids. Landfill regulations recently changed and biosolids may no longer be disposed in landfills. Due to a lack of local disposal options, most Parties haul their biosolids to facilities in Santa Maria or Kern County, where it is mixed with other organic waste streams and composted, then applied to land.

Whereas, the State of California recently required most Parties to test their biosolids for polyfluorinated alkyl substances (PFAS), which are commonly referred to as “forever chemicals” due to their resistance to degradation in the environment. PFAS have been widely used in common household and personal care products for many years. In general, all Parties have low levels of various PFAS species in their biosolids.

Whereas, composting does not break down PFAS, because very high temperatures are required to break the strong carbon-fluorine bonds in PFAS. Consequently, compost derived from biosolids contains PFAS. Compost also contains micro-plastics, which is an emerging concern for local farmers. Existing biosolids receiving facilities do not have plans to address these issues, and rather, are counting on classification as PFAS passive receivers in order to be exempt from liability, which is uncertain.

Whereas, in 2021, representatives of the Cities of Paso Robles and San Luis Obispo began to collectively explore ways to advance the processing of their biosolids and eliminate potential future liabilities associated with PFAS. They discovered new technologies are available, such as high-temperature pyrolysis, which are capable of

eliminating PFAS in biosolids and converting biosolids into valuable products such as biochar. These technologies would be very expensive for any individual Party to install and operate, but may be cost-effective if all wastewater agencies in the region pool their biosolids waste streams and process it all at one regional facility.

In 2022 and 2023, the Parties convened a series of workshops, conducted by a professional facilitator, to explore interest in a regional biosolids cooperative. The Parties learned:

- a. Most of the communities between northern San Luis Obispo County and northern Santa Barbara County already cooperate on a variety of common areas of interest, including water and solid waste management;
- b. Pending regulatory changes at the State and Federal level could lead to a prohibition of land application of biosolids or compost derived from biosolids;
- c. Cooperating would enable a facility to be large enough that it would be economical to install advanced processing equipment;
- d. A local facility would reduce out-of-county truck trips, thus help control long-term costs and reduce greenhouse gas emissions;
- e. Advanced processing would greatly reduce the volume of biosolids and convert the material into valuable products such as renewable natural gas and biochar. These products may be sold to markets and the revenue may be used to offset the cost of an advanced processing facility;
- f. Cooperating increases the likelihood that private enterprises will participate in establishing a new facility, by ensuring the facility receives enough feedstock to justify a large expenditure for advanced equipment;
- g. Several regional biosolids cooperatives are presently forming throughout California;
- h. State Senate Bill (SB) 1383 has created demand for new facilities that divert organic waste streams from landfills and process it into valuable products such as renewable natural gas;
- i. Grant funding is available from the State of California for establishment of new organic waste processing facilities;
- j. There may be potential to further improve the economics of a regional facility by making it large enough to receive and process all organic waste streams, including green waste collected by waste haulers, spoiled packaged food waste, agricultural waste, etc.; and
- k. Additional work is needed, such as evaluating available technologies, visiting model facilities in other areas, and soliciting proposals from professional engineering firms to help with project delivery.

In May and June 2023, representatives of the Parties each stated informally their commitment to participate in a cooperative with the purpose of establishing a regional facility capable of advanced processing of biosolids. The purpose of this MOU is to formalize that commitment and clarify how the Parties will participate.

NOW, THEREFORE, the Parties do hereby agree as follows:

- a. The Parties will support further efforts to plan a regional advanced biosolids processing facility by allowing appropriate staff to participate in any future workshops and providing any non-confidential information about their biosolids reasonably requested.
- b. Parties will, in each Party's reasonable discretion, cooperate on applications to the State and Federal government for grant funding. For example, if any one Party takes the lead on a grant application, the other Parties agree to provide information and timely letters of support as needed.
- c. Grant programs often require "matching funds" in the form of "in-kind" or "cost share," which can be fulfilled by staff time spent working on the funded project. If necessary, Parties agree to the extent reasonably feasible to track and report their staff time spent on the grant-funded activity.
- d. The Parties will endeavor to establish a regional facility that receives and processes biosolids for a fee that is no greater than the average cost of what all Parties are currently paying (e.g., \$70 per ton) for biosolids hauling and disposal. However, the Parties acknowledge that current costs are projected to rise and will take that into consideration when evaluating the cost of a new regional facility. The Parties will also consider the many other less quantifiable benefits of a new regional facility, such as environmental improvements (e.g., reduction of greenhouse gas emissions) and reduction of liabilities associated with pollutants such as PFAS.
- e. Many private entities are well-equipped to efficiently deliver advanced biosolids processing facilities. The Parties or a Party may solicit proposals from private entities to design, build, operate, and finance a new regional advanced biosolids processing facility. This MOU is intended to signal to such private entities that the Parties will commit to supporting the facility by entering into long-term agreements to deliver their biosolids.
- f. This MOU does not include any financial obligations for the Parties other than staff time at this time. However, this MOU may be amended from time-to-time, as needed, to address the evolving needs of the Parties as they explore establishing a regional facility. For example, if funding is needed for planning, siting, or environmental permitting, the Parties may decide to share the costs.
- g. This MOU shall not be changed or amended except upon written consent of the Parties.
- h. This MOU is not intended to and does not create any legally binding obligations, rights or remedies between the Parties. This MOU reflects the good-faith intention of the Parties to cooperate in the manner set forth herein, while recognizing that no Party shall be bound to any action as a result of this MOU.

- i. Each Party represents that each such Party signing this MOU has been duly authorized by that entity to execute this Memorandum of Understanding on its behalf.
- j. Any Party may withdraw from this MOU at any time for any reason. However, the Parties will use best efforts to provide not less than 60 days' notice of a Party's intent to withdraw.
- k. This MOU may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement.
- l. Each Party agrees and acknowledges that this MOU does not commit any agency to take any action, expend any funds or commit to any specific project. Any future facility will be subject to review pursuant to the California Environmental Quality Act.
- m. This MOU shall become effective on the last date set forth below.

By: _____ Date: _____
Aaron Floyd
Utilities Director
City of San Luis Obispo

By: _____ Date: _____
Christopher Alakel
Utilities Director
City of Paso Robles

By: _____ Date: _____
Shad Springer
Utilities Director
City of Santa Maria

By: _____ Date: _____
Nick DeBar
Public Works Director
City of Atascadero

By: _____ Date: _____
John Diodati
Public Works Director
County of San Luis Obispo

By: _____ Date: _____
Greg Kwolek
Public Works Director
City of Morro Bay

By: _____ Date: _____
Rick Koon
District Manager
Cayucos Sanitary District

By: _____ Date: _____
Jeremy Ghent
District Administrator
South San Luis Obispo County Sanitation District

By: _____ Date: _____
Brad Hagemann
General Manager
Avila Beach Community Services District

By: _____ Date: _____
Dwayne Chisam
General Manager
San Miguelito Mutual Water Company

By: _____ Date: _____
Jeff Britz
General Manager
Templeton Community Services District

By: _____ Date: _____
Kelly Dodds
General Manager
San Miguel Community Services District

By: _____ Date: _____
Matthew McElhenie
General Manager
Cambria Community Services District

By: _____ Date: _____
Ben Fine
Public Works Director
City of Pismo Beach

By: _____ Date: _____
Ray Dienzo
General Manager
Nipomo Community Services District

By: _____ Date: _____
Clifford Maurer
Public Works Director
City of Santa Barbara

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