

TO: BOARD OF DIRECTORS

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

FROM: CRAIG A. STEELE
GENERAL COUNSEL

DATE: JANUARY 2, 2025

AGENDA ITEM

E-1

JANUARY 8, 2025

APPOINTMENT OF DIRECTOR TO FILL VACANCY ON THE BOARD FOR THE REMAINDER OF DIRECTOR GADDIS'S TERM

ITEM

Appoint a qualified individual to fill the vacancy on the Board for the remainder of Director Gaddis's term, administer Oath of Office, and seat new Director. [RECOMMEND APPOINTING A QUALIFIED INDIVIDUAL AT THE PLEASURE OF THE BOARD TO FILL THE VACANCY, ADMINISTER THE OATH OF OFFICE, AND SEAT THE NEW DIRECTOR]

BACKGROUND

Director Dan Allen Gaddis has moved outside the District boundaries and resigned from the District's Board of Directors as of November 17, 2024. Government Code Section 1780 provides the procedures the Board must follow to fill the vacancy, within 60 days of receiving notice of the vacancy. At the December 11, 2024 Board meeting, the Board received the Notice of Vacancy, and directed staff to post the Notice of Vacancy in the community and solicit applications from qualified individuals interested in being appointed to fill the vacancy.

Director Gaddis's term expires after the certification of the election results from the November 3, 2026 regular District election, so the appointment term will be relatively brief.

Since the District opened the application period, the District received (3) letters of interest. Copies of the letters of interest are attached to this report.

RECOMMENDATION

It is recommended that your Honorable Board review the applicants and appoint an individual to fill the vacancy on the Board for the remaining term, prior to February 10, 2025.

ATTACHMENT

- A. Letters of Interest

JANUARY 8, 2025

ITEM E-1

ATTACHMENT A

James Wejrowski

Nipomo, Ca 93444

12/17/2024

Nipomo Community Services District

148 South Wilson Street, Post Office Box 326

Nipomo, Ca 93444-0326

Dear Raymond Dienzo,

I am interested in filling the vacancy on The Nipomo Community Services District Board of Supervisors.

Minimum eligibility:

A resident of Black Lake Nipomo since 2017 and a registered voter of the district.

Additional relevant experience for the board's consideration:

A member of the Board for The Estates at Black Lake Homeowners Association.

An active member of The Black Lake Sewer Consolidation Project Oversight Committee.

Construction field engineer at over 10 nuclear power plants facilities across the country.

PG&E Lead Mechanical Planner for The Steam Generator Replacement Project at Diablo Canyon. (A 4-½ year project that cost over 700 million dollars)

I believe with my past working experience in the construction, maintenance, and modifications of nuclear power plants and community involvement I can contribute to the Nipomo Community Services District in a positive manner.

Sincerely,

James Wejrowski



December 17, 2024

Mr. Raymond Dienzo
Nipomo Community Services District
148 S. Wilson
Nipomo, CA 93444

Dear Mr. Dienzo:

I am writing in response to your Notice to Fill a Vacancy on the NCSB Board of Directors, that I received by e-mail. I am a ten-year resident and registered voter of the district, and I can attend regular Board meetings twice a month.

I am interested in being appointed to fill the vacancy. The following is a summary of my relevant experience for the Board's consideration:

- Over 30-years of progressively increasing experience in public administration and managing public utilities.
- Degree from California State University, Chico in Civil Engineering. Registered as a Professional Engineer in Civil Engineering in the State of California.
- Over 25-years of supervisory and management experience building and leading a cohesive team.
- Competency in a range of technical topics including water supply, water treatment, water distribution, sewage treatment, sewage collection, groundwater management, State of California water supply and conveyance infrastructure, California Water Law, water supply and conveyance contracts, operations and maintenance of water and wastewater systems, construction contract management as well as systems studies and planning.
- A history of focus on customer service and meeting the needs of the community.
- Over 20-years of experience participating in public meetings including City Council, County Board of Supervisors, Special District Boards and Public Negotiation Sessions.

I have enclosed my resume. If you have any questions concerning my qualifications, please contact me at _____) or by e-mail at _____

Sincerely,

Tom Glover

Nipomo CA 93444

Enclosure

Vernon Thomas (Tom) Glover

Nipomo, California

Resume

Tom Glover is a registered Civil Engineer in the State of California with over 35 years of engineering, utility operations and management experience. He has been involved with projects related to all aspects of both small and large scale water resources and energy projects, including water supply, water treatment, water conveyance, wastewater treatment and collection, water transfers, dams, pipelines, pumping plant facilities, development of utility energy strategy, photo-voltaic solar, energy transmission, energy generation, environmental mitigation and public outreach. As a former Deputy Director with the California Department of Water Resources, he has an established working relationship with elected officials as well as local, state and federal agencies.

Education

B.S. Civil Engineering, California State University, Chico

Registration

Civil Engineer, California #42160

Areas of Expertise

Water Resources; Water Supply; Water Conveyance; State and Federal Water Project Operations; State and Federal Water Supply Contracts; Water Transfers; Large and Small Scale Capital Project Management; Environmental Permitting; CEQA; NEPA; Energy Strategy, Energy Generation and Transmission Projects; Water Treatment; Water Distribution, Sewage Treatment, Sewage Collection, Bench Marking Utility Performance and Public Outreach.

Relevant Experience

Provost & Pritchard Consulting Group, Fresno, California, Principal Engineer- Mr. Glover helped San Luis Obispo County Flood Control and Water Conservation District develop standardized procedures to market Nacimiento Water Project Surplus Water to non-participants within the county. Assisted Kaweah Basin Water Quality Association in development of their reports and monitoring requirements to meet the State of California Irrigated Lands Regulatory Program requirements. Negotiated and developed water supply transfer contracts for Dudley Ridge Water District for transfers from North of the Delta Water Districts. Represented several Municipal and Agricultural Water Districts in the Water Supply Contract Extension Negotiations with Department of Water Resources. The parties agreed to terms on a 70-year contract extension. (December 2012 – December 2018)

Westlands Water District, Fresno, California, Deputy General Manager – Mr. Glover's responsibilities included planning, organizing, and directing all water, power, and land use activities. This included managing district-owned lands, federal water supply contract, acquisition of supplemental water supplies, as well as administering and scheduling of water deliveries, power deliveries, and water transfers. (February 2009 – November 2012)

California American Water, Northern California Division, Sacramento, California, General Manager – Mr. Glover managed operations and maintenance of 11 water treatment and distribution systems in the greater Sacramento area as the general manager of California American Water's Northern California Division. He was responsible for an annual operations

budget of approximately \$80 million, which included 77 full time employees. Managed day-to-day operations and maintenance activities, capital improvement program, rate case implementation, public outreach, customer service, and participation in regional water supply and quality forums. (November 2006 – January 2009)

State of California Department of Water Resources, Sacramento, California – Mr. Glover began with the Department of Water Resources as an entry-level engineer in February 1984 and through the next 22 years served in a number of different roles within the organization culminating in his appointment by the Governor of the State of California to Deputy Director, State Water Project. During his tenure with the Department of Water Resources, he was focused on State Water Project activities including design of water conveyance facilities, construction inspection, operations oversight of the State Water Project multiple facilities and managing maintenance activities in the Field Divisions. As the Deputy Director for the Department of Water Resources' State Water Project, Mr. Glover provided day-to-day executive oversight of the project, which includes over 600 miles of canals and pipelines, 32 storage facilities, 17 pumping plants, three pumping-generating plants, and five hydroelectric power plants. He organized, monitored, and assessed an annual budget of approximately \$800 million for three divisions (approximately 1,200 employees) that report to the State Water Project Deputy. In addition, he collaborated with the 29 urban and agricultural water agencies that have long term contracts with the Department of Water Resources for a maximum delivery of up to 4 million acre-feet of water per year. (February 1984 – October 2006)

Kanawha Water District, Willows, California, Intern – Mr. Glover read meters and computed daily water usage. In addition, he calculated and made the next day's water order from the U.S. Bureau of Reclamation, and performed maintenance duties on meters, pipelines, and pumping plant facilities. Part time and seasonal job while attending college. (May 1981 – January 1984)

Metropolitan Water District of Southern California, Hemet, California, Water Treatment Operator – As a water treatment operator, Mr. Glover was responsible for monitoring and backwashing 54 multi-media filters for a 200 MGD water treatment plant. He also calculated daily usage and maintained adequate storage of water treatment chemicals, monitored and patrolled pipelines and canals, and performed field and lab water tests. (June 1978 – August 1980)

December 31, 2024 RECEIVED

IAN 02 2025

NIPOMO COMMUNITY
SERVICES DISTRICT

To
Ray Dienzo
General Manager

I wish to be considered for the open seat on the NCSB Board of Directors. I meet the qualifications, a registered voter living within the boundaries of the NCSB. Also I am a Registered Nurse who has been interested in our water department for some time attending meetings for at least 5 years.

Thank you for your consideration. I will be attending the meeting January 8th.

Pamela Wilson

Nipomo

TO: BOARD OF DIRECTORS
FROM: RAY DIENZO *R.D.*
GENERAL MANAGER
DATE: JANUARY 2, 2025

**AGENDA ITEM
E-2
JANUARY 8, 2024**

RATIFY 2025 BOARD COMMITTEE ASSIGNMENTS

ITEM

Ratify 2025 Committee/Delegate assignments [RECOMMEND APPROVE COMMITTEE ASSIGNMENTS]

BACKGROUND

In accordance with Board By-laws section 12.2(a), the Board President is tasked with defining committees, committee members, and delegate assignments. President Eby will review his proposed 2025 assignments with the Board. The 2024 Committee Assignments are attached for reference.

FISCAL IMPACT

No fiscal impact.

STRATEGIC PLAN

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

RECOMMENDATION

Staff recommends that the Board by motion and roll call vote, discuss, confer and ratify the proposed assignments and direct staff to post Committee assignments in compliance with state law.

ATTACHMENTS

- A. Proposed 2025 Committee Assignments
- B. 2024 Committee Assignments

JANUARY 8, 2025

ITEM E-2

ATTACHMENT A

**Nipomo Community Services District
Board of Directors
PROPOSED 2025 COMMITTEE ASSIGNMENTS**

Standing Committee Assignments

	<u>Chairperson</u>	<u>Member</u>
Finance and Audit	Eby	Henry
Administration (Includes personnel/parks/solid waste/conservation)	Hansen	Joyce
Facilities/Water Resources (Includes physical facilities/ resources)	Henry	Eby

Delegates

	<u>Member</u>	<u>Alternate</u>
South County Advisory Council (SCAC)	Joyce	Not Allowed by SCAC By Laws
Water Resources Advisory Committee (WRAC)	Eby	Henry
Regional Water Management Group (RWMG)	Henry	General Manager
Blacklake Village Council/Committees	Hansen	Henry

NOTES:

Delegates are appointed by the president of the Board of Directors.

Subject to other requirements of the Brown Act, Committee appointments are not to be interpreted as limiting contacts between individual Board Members or any other person or persons.

Approved by motion and roll call vote of Board on January 8, 2025

Ray Dienzo
General Manager

JANUARY 8, 2025

ITEM E-2

ATTACHMENT B

**Nipomo Community Services District
Board of Directors
2024 COMMITTEE ASSIGNMENTS**

Standing Committee Assignments

Finance and Audit

Eby

Gaddis

Administration

Hansen

Iglesias

(Includes personnel/parks/solid waste/conservation)

Facilities/Water Resources

Gaddis

Henry

(Includes physical facilities/ resources)

Delegates

Member

Alternate

South County Advisory Council (SCAC)

General Manager

Not Allowed by SCAC By Laws

Water Resources Advisory Committee (WRAC)

Eby

Henry

Regional Water Management Group (RWMG)

Gaddis

General Manager

Blacklake Village Council/Committees

Hansen

Henry

NOTES:

Delegates are appointed by the president of the Board of Directors.

Subject to other requirements of the Brown Act, Committee appointments are not to be interpreted as limiting contacts between individual Board Members or any other person or persons.

Approved by motion and roll call vote of Board on April 29, 2024

Ray Dienzo
General Manager

TO: BOARD OF DIRECTORS
REVIEWED: RAY DIENZO, P.E. R.D.
GENERAL MANAGER
FROM: PETER V. SEVCIK, P.E.
DIRECTOR OF
ENGINEERING & OPERATIONS
DATE: JANUARY 2, 2025



CONSIDER AUTHORIZING GENERAL MANAGER TO ENTER INTO A DEPOSIT AGREEMENT WITH THE OWNER OF 1707 LYN ROAD TO EVALUATE THEIR ANNEXATION APPLICATION

ITEM

Consider authorizing the General Manager to enter into a deposit agreement with Tracy Robins, property owner, 1701 Lyn Road, to evaluate their annexation application [RECOMMEND AUTHORIZE GENERAL MANAGER TO ENTER INTO DEPOSIT AGREEMENT].

BACKGROUND

Tracy Robins, the property owner of 1707 Lyn Road, APN 091-063-039, submitted an application to San Luis Obispo County LAFCO, Annexation #32, to annex to the Nipomo Community Services District ("District"). The Owner wishes to annex a 9.7 acre parcel, currently located in the District's sphere of influence ("SOI"), into the District's service area and obtain water service from the District. The parcel is zoned Rural Residential and no new development of the parcel is proposed. LAFCO is requiring the property owner to obtain a Plan for Services from the District.

The purpose of the Deposit Agreement ("Agreement") is to secure funding from the Owner to finance the cost of engineering, legal, financial, and administrative staff time to evaluate the annexation application and provide the District's Board of Directors with the information necessary for their consideration of the annexation application. The cost deemed is estimated to be \$15,000. However, should the costs exceed this amount, the Agreement has provisions that require the Owner to pay those costs as well. Consequently, if the cost to produce the necessary reports is less than the funds collected by the District, those unused portions of the collected funds would be reimbursed to the Owner.

It is anticipated that it will take between two to three months from the date the Agreement is approved for staff to gather the information and draft the reports needed by the District's Board of Directors to evaluate the annexation application. The timing as stated is dependent on the District's professional consulting team's availability.

The Owner has reviewed and signed the attached Deposit Agreement.

FISCAL IMPACT

Budgeted staff time was used to prepare this staff report. Should your Board approve the Deposit Agreement, future staff time for processing the annexation application and time needed to review

and guide the District's consulting team will be charged to those funds collected in the Deposit Agreement.

STRATEGIC PLAN

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

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.

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

RECOMMENDATION

Staff recommends your Board take public comment, discuss as a Board, and if appropriate, authorize the General Manager to sign the Deposit Agreement.

ATTACHMENTS

- A. Annexation #32 Nipomo Community Services District Deposit Agreement

JANUARY 8, 2025

ITEM E-3

ATTACHMENT A

DEPOSIT AGREEMENT FOR COSTS OF PROCESSING ANNEXATION
APPLICATION SUBMITTED TO NIPOMO COMMUNITY SERVICES DISTRICT

THIS AGREEMENT is made this ____ day of _____, 20__, by and between the Nipomo Community Services District, a California special district (“District”) and _____, a _____ (“Applicant”).

WITNESSETH:

WHEREAS, Applicant is the legal owner of certain real property consisting of approximately 9.7 acres located at 1707 Lyn Road, Arroyo Grande, San Luis Obispo County, California, identified as Assessor Parcel Number 091-063-039 (“Property”) within the Sphere of Influence of the Nipomo Community Services District; and,

WHEREAS, Applicant has submitted an application to the LAFCO requesting that the Property be annexed into the District (“Application”); and,

WHEREAS, the Application will cause the District to incur costs associated with engineering, legal, administrative, and/or consultant services in connection with its review, evaluation, and consideration of the Application (“District Services”); and,

WHEREAS, the District is willing to perform the necessary District Services, at the Applicant’s cost, and desires that the Applicant provide a deposit to cover those costs; and,

WHEREAS, Applicant is willing to provide said deposit on the terms and conditions hereinafter provided.

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. Recitals.

The aboverecitals are incorporated herein by this reference and made a part hereof.

2. Deposit for District Services.

a. Initial Deposit. Applicant shall provide the District with an initial deposit in the amount of fifteen thousand dollars (\$15,000.00) at the time of execution of this Agreement. The Initial Deposit and any subsequent Replenishment Deposit(s) described in Section 2(b) below are collectively referenced herein as the “Deposit.”

b. Costs of District Services. On a monthly basis, District may draw on the Deposit to reimburse District for District Services costs actually incurred by District. District shall separately account for the Deposit funds and provide accounting backup for such reimbursements to Applicant upon reasonable written request. District’s General Manager shall have the sole discretion to determine which District Services costs shall be paid from the Deposit.

c. Replenishment Deposit(s). Subject to the provisions of this Agreement, Applicant hereby agrees that whenever the amount of the Deposit declines to \$5,000 or less, the District may request an additional deposit to return the Deposit to an amount reasonably necessary to cover all anticipated District Services as District may determine in its discretion, including amounts above the amount of the Initial Deposit (“Replenishment Deposit”). Applicant shall deliver such Replenishment Deposit to the District within fifteen (15) days following such written request.

d. Suspension of Work. District shall have no obligation to continue performing District Services related to the Application at any time that the Deposit declines to \$5,000 or less and has not been replenished by Applicant following notice provided pursuant to Section 2(b) above. Any District Services performed for which the current Deposit balance is insufficient to fully reimburse the District shall be invoiced to Applicant and shall accrue interest at the rate of 10% per annum or the legal rate, whichever is less, if the invoice is not paid by the Applicant within fifteen (15) days of receipt.

e. Return of Deposit. Within fifteen (15) days following the termination of this Agreement, District will return any unexpended portion of the Deposit to Applicant, without interest, less any costs for District Services rendered as of the date of termination and less any amount owed to the District by Applicant.

3. Term of Agreement and Termination.

This Agreement shall become effective on the date first written above and shall remain in effect until the District takes final action to deny the Application, the proposed annexation is finalized by the San Luis Obispo County Local Area Formation Commission, or the Applicant withdraws its Application, whichever occurs first.

4. Direction of District Services.

a. Direction of Work. District has sole discretion to direct the work and to evaluate the performance of its employees, officers, agents, consultants, counsel, and representatives assigned to undertake the District Services, and District retains the absolute right to terminate or replace at any time any such person or entity. Any documents prepared hereunder shall reflect the independent judgment of the District and shall remain within the District’s control and ownership. Accordingly, even though the funds provided hereunder may be utilized to retain consultants or perform engineering, legal, or administrative costs, such individuals and organizations shall work solely for the District and shall not take direction or guidance from Applicant. Applicant acknowledges and agrees that this Agreement does not create an attorney-client relationship between legal counsel retained by District and Applicant and that it does not create any form of contractual or employment relationship between Applicant and District’s employees, officers, agents, or consultants engaged to perform the District Services.

b. Selection and Payment by District. District has sole and absolute discretion to select which of its employees, officers, agents, consultants, counsel, or representatives are assigned to perform the District Services. District has the sole and absolute discretion to determine

the amount of compensation paid to its employees, consultants, counsel, or representatives assigned to undertake the District Services.

c. District to Retain Discretion Regarding Annexation Application. Applicant acknowledges and agrees that notwithstanding Applicant's reimbursement obligations under this Agreement, District retains its discretion and ability to exercise its independent judgment in the processing, implementation, approval, or denial of the Application and its requirements. Applicant warrants and represents that no District official, officer, employee, agent, or attorney has represented, expressly or impliedly, that District will approve or otherwise assure any specific outcome on the Application or its conditions. Notwithstanding anything in this Agreement to the contrary, District retains all authority and discretion granted to it by law to take any action to which it is legally entitled to take regarding the Application.

5. Assignment.

The provisions of this Agreement shall apply to and bind the successors, grantees, and assigns of the respective parties, but no assignment or transfer of this Agreement, or any part hereof, or interest herein by the Applicant shall be valid until and unless approved by the District in writing. Such approval shall be conditioned on the agreement by the assignee, grantee, successor or transferee to be bound by the terms and conditions of this Agreement.

6. Jurisdiction and Venue.

This Agreement is executed and is to be performed in within the County of San Luis Obispo, and any action or proceeding brought relative to this Agreement shall be heard in the Superior Court in the County of San Luis Obispo, California. District and Applicant hereby each consent to the personal jurisdiction of the court in any such action or proceeding.

7. Attorney's Fees.

In the event of any litigation or other legal proceeding of any nature between the District and Applicant to enforce or interpret all or any portion of this Agreement, it is mutually agreed that the prevailing party therein shall receive from the other, in addition to such sums as may be awarded, an amount sufficient to reimburse such prevailing party for reasonable attorney's fees and costs paid or owing as a result of such proceeding.

8. Waiver of Rights.

Any waiver at any time by either party hereto of its rights with respect to a breach or default, or any other matter arising in connection with this Agreement, shall not be deemed to be a waiver with respect to any other breach, default, or matter.

9. Remedies Not Exclusive.

The use by either party of any remedy specified herein for the enforcement of this Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the

application of, any other remedy provided by law.

10. Entire Agreement; Amendment.

This Agreement is freely and voluntarily entered into by the parties after having the opportunity to consult with their respective attorneys. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. The parties, in entering into this Agreement, do not rely on any inducements, promises, or representations made by each other, their representatives, or any other person, other than those inducements, promises, and representations contained in this Agreement. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by the Applicant and the District.

11. Notices.

All notices, statements, reports, approvals, requests, invoices, or other communications that are required either expressly or by implication to be given by either party to the other under this Agreement shall be in writing and signed for each party by such officers as each may, from time to time, be authorized in writing to so act. All such notices shall be deemed to have been received: (a) on the date of delivery if delivered personally; (b) three (3) days after mailing if enclosed in a properly addressed and stamped envelope and deposited in a United States Post Office for delivery; or (c) on the next business day if transmitted by e-mail with return receipt requested and receipt confirmed. Unless and until formally notified otherwise, all notices shall be addressed to the parties at their addresses as shown below:

Nipomo Community Services District
Ray Dienzo
148 S. Wilson Street
P.O. Box 326
Nipomo, California 93444
rdienzo@ncsd.ca.gov

Applicant: _____
Name: _____
Address: _____
email: _____

12. Severability.

If any term or provision of this Agreement is found to be invalid or unenforceable, District and Applicant both agree that they would have executed this Agreement notwithstanding the invalidity of such term or provision. The invalid term or provision may be severed from the Agreement and the remainder of the Agreement may be enforced in its entirety.

13. Headings.

The paragraph headings used in this Agreement are for reference only, and shall not in any way limit or amplify the terms and provisions hereof, nor shall they enter into the interpretation of this Agreement.

14. Cooperation.

Each party to this Agreement agrees to do all things that may be necessary, including, without limitation, the execution of all documents which may be required hereunder, in order to implement and effectuate this Agreement.

15. Representations of Authority.

Each party signing this Agreement hereby represents and warrants to the other party that all necessary legal prerequisites to that party's execution of this Agreement have been satisfied and that the person executing this Agreement has been authorized to sign this Agreement and bind the party on whose behalf that person signs.

16. Interpretation of this Agreement.

The parties acknowledge that each party has reviewed, negotiated and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any document executed and delivered by any party in connection with the transactions contemplated by this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Nipomo Community Services District

Ray Dienzo, General Manager

Date

Approved as to form

Craig A. Steele, District Counsel

Applicant

Applicant Name and Title

Date

Applicant Name and Title

Date

TO: BOARD OF DIRECTORS
FROM: RAY DIENZO *R.D.*
GENERAL MANAGER
DATE: JANUARY 2, 2025



LOCAL AGENCY FORMATION COMMISSION SPECIAL DISTRICT SEAT NOMINATION

ITEM

Consider nomination opportunity for the Local Agency Formation Commission's ("LAFCO") alternate special district member seat [RECOMMEND CONSIDER NOMINATING A NIPOMO COMMUNITY SERVICES DISTRICT ("District") DIRECTOR TO FILL THE SPECIAL DISTRICT MEMBER SEAT ON LAFCO]

BACKGROUND

This nomination period is for two Regular Special District seats on LAFCO. One seat is for a two-year term set to expire in December 2026 and another seat that would serve through 2028. Commissioner Marshall Ochylski, after 12 years of dedicated service, has stepped down from his LAFCO Special District seat that was set to expire in 2026, creating a vacancy for the remainder of this term through December 2026. Robert Enns' four-year term expired in December 2024. This seat is available for the standard four-year term and would serve through December 2028. Currently, President Eby is serving as the alternate special district member seat. The term of the seat runs through December 2025 (four-year term).

Your Board may nominate a candidate to fill either or both of the two available seats. The nomination period began on December 9, 2024, and ends on February 7, 2025, at 5 pm. Details on how the candidate will be selected are included in the attached LAFCO-supplied notice [Attachment A].

FISCAL IMPACT

Minor budgeted staff time to prepare these materials. LAFCO oversees and approves changes in the District's services and service boundaries.

STRATEGIC PLAN

7.2 Maintain productive communication and relationships with key stakeholders, such as city, County, State and Federal legislators, service clubs, etc. As appropriate, plan and assign for this role.

RECOMMENDATION

Staff recommends your Board, by motion and roll call vote, direct staff to forward your Board's nomination, should you have one, of a candidate to fill the vacant LAFCO Alternate Special District seat.

ATTACHMENTS

- A. LAFCO Nomination Materials

JANUARY 8, 2025

ITEM E-4

ATTACHMENT A



San Luis Obispo Local Agency Formation Commission
SLO LAFCO - Serving the Area of San Luis Obispo County

TO: INDEPENDENT SPECIAL DISTRICT SELECTION COMMITTEE

FROM: ROB FITZROY, EXECUTIVE OFFICER

DATE: DECEMBER 6, 2024

RE: REQUEST FOR NOMINATIONS FOR LAFCO SEATS

Background. This nomination period is for two Regular Special District seats on LAFCO. One seat is for a two-year term set to expire in December 2026 and another seat that would serve through 2028. Commissioner Marshall Ochylski, after 12 years of dedicated service, has stepped down from his LAFCO Special District seat that was set to expire in 2026; thus creating a vacancy for the remainder of this term through December 2026. Robert Enns' four-year term expires December 2024. This seat is available for the standard four-year term and would serve through December 2028. The Cortese-Knox-Hertzberg Act allows an existing Commissioner (in this instance Robert Enns) to remain on LAFCO until the nomination and election process is complete. The existing member may also re-run should they wish to and are eligible.

Instructions. Each Special District may nominate one candidate for each seat. The nominated candidate must be an elected Board of Director of your respective District. If your District wishes to nominate a candidate, please schedule this request for nominations on an agenda for a meeting of your Board of Directors as soon as possible, or if you have already been delegated by your Board as the representative of your District, you may submit a nomination on behalf of your District. Nomination forms are required to be submitted by the end of the nomination period. **The nomination period is 60 days and begins on December 9, 2024, and ends on February 7, 2024, at 5:00 p.m.** The completed nomination form may be submitted to the LAFCO office via mail or e-mail: mbing@slo.lafco.ca.gov. Please make sure the form is signed by the Board President or General Manager and the Nominee.

If more than one nomination for either of the open positions is received, it is required by law hold an election. The Executive Officer shall prepare a ballot election and send it by email to each Special District with voting instructions at the conclusion of the nomination period. If an election is required, the governing body of each Special District will have the opportunity to cast a vote for any of the nominees. Further communications will be provided based on the results of the nomination period if an election is required.

A nomination form is attached to assist your District in the nomination process. Also, please view the LAFCO website (slo.lafco.ca.gov) for additional information about LAFCO. Please call 805-788-2096 if you have any questions.

cc: Members of the Commission
Holly Whatley, LAFCO Legal Counsel

COMMISSIONERS

Chairperson
VACANT
Special District Member

Vice-Chair
STEVE GREGORY
City Member

DEBBIE ARNOLD
County Member

JIMMY PAULDING
County Member

ROBERT ENNS
Special District Member

ED WAAGE
City Member

VACANT
Public Member

ALTERNATES

DAWN ORTIZ-LEGG
County Member

ED EBY
Special District Member

CARLA WIXOM
City Member

David Watson
Public Member

STAFF

ROB FITZROY
Executive Officer

IMELDA MARQUEZ
Analyst

MORGAN BING
Analyst

HOLLY WHATLEY
Legal Counsel



San Luis Obispo Local Agency Formation Commission
SLO LAFCO - Serving the Area of San Luis Obispo County

NOMINATION FOR LAFCO

SPECIAL DISTRICT MEMBER

The _____
(Insert Name of Special District)

Hereby nominates _____ as a nominee to serve as the
(Insert Name of Nominee)

Special District Member on the San Luis Obispo Local Agency Formation Commission (SLOLAFCO).

For the following Seat (Please select on or both if interested):

- Fill the four-year term set to expire December 2028
- Fill the vacant seat set to expire in December 2026

The Board of Director's action (if applicable) was taken on an agenda item on:

(Insert Date of Board Agenda and Action)

(General Manager or Chairman/President)

(Email address)

(Signature-Nominee)

TO: BOARD OF DIRECTORS
 FROM: RAY DIENZO, P.E. *R.D.*
 GENERAL MANAGER
 DATE: JANUARY 2, 2025

**AGENDA ITEM
 F
 JANUARY 8, 2025**

GENERAL MANAGER’S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is 12/8/2024 – 1/4/2025.*

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 and tracks late fee waivers. The table below provides December 2024 data, which is the most recent monthly data available.

OFFICE ACTIVITIES	Dec 24	Jan 24- Dec 24
Leak Adjustments	2	24
Leak Adjustment Amount	\$1,061.28	\$5,873.75
Late Fee Waivers	25	125
Late Fee Waiver Adjustment Amount	\$648.97	\$4,724.14

Water Resources

For the six (6) months of the 2024-2025 Fiscal Year, the District’s total combined production, including groundwater production wells and supplemental water imported through the Joshua Road Pump Station, registered **1,043.8 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.

Table 1. Total Production Acre Feet (AF)

	<u>Dec 24</u>	<u>Jul 24- Dec 24</u>
Groundwater Production	41.3	391.1
Supplemental Water Imported	<u>83.1</u>	<u>652.7</u>
Total Production	124.5	1,043.8

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.

(No changes from 10/9/2024 Meeting)

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

	Dec 24	Jul 24 – Dec 24
NCSD GW Well Production	41.3	391.1
Purveyor Customer Credit (33.3% of Import Water)	27.7	217.5
NCSD Total Calculated GW Production	69.1	608.6
Average GW Production for 2009-2013	141.4	1,384.6
NCSD Percentage of GW Reduction	51%	56%

2024-2025 Fiscal Year Groundwater Pumping Forecast

Below, Table 3 projects the District’s groundwater pumping reduction for the 2023-24 Fiscal Year. Though we are currently in Stage 2 conditions, we were under Stage 4 NMMA Water Shortage Response Stages conditions through eleven months; the District’s targeted groundwater pumping reduction goal is to pump no more than 1,266 AFY (50% of the 2009-2013 average District GW Pumping). The Fiscal Year 2024-25 actual – July through Dec – shows a groundwater pumping reduction of 56%

Table 3. Projected Groundwater Pumping

	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Year-to-Date	Target	Over/(Under)
NCSD GW Well Production	89.6	80.2	73.0	59.8	47.1	41.3	391.1		
Purveyor Customer Credit (33.3% of Import Water)	38.8	38.9	37.5	40.1	34.4	27.7	217.5		
NCSD Total Calculated GW Production	128.4	119.1	110.5	100.0	81.5	69.1	608.6	692.3	84
Average GW Production for 2009-2013	291.2	284.7	264.7	223.6	179.1	141.4	1,384.6	1,384.6	AcFt
NCSD Percentage of GW Reduction	56%	58%	58%	55.3%	54%	51%	56.0%	50.0%	

As demonstrated in Table 3, the District achieved its 50% groundwater pumping reduction target by 84 AcFt under the conditions stated in the previous paragraph.

Other Items

- Dana Reserve Project – no update
- Sewer Rate Study – in progress – target effective date July 2025

Blacklake Lighting District Update

- PG&E has made the needed repairs relating to the line break.
- Staff continues to respond to reports of lighting outages.

Progress on Director Requests

- Ad-Hoc Committee for Supplemental Water – this committee will most likely be formed when the Standing Committee assignments made. Proposed tasks for this ad-hoc committee are as follows:
 - o Review the existing agreements and the stipulation relating to new water supply
 - o Develop policy recommendations that would beneficially use the increased water supply on July 1, 2025

Meter Aging Program

- Number of meters changed FY24-25, as of 12/31/2024.....188
- Total number of Meters Changed..... 2,416
- Total number of Meters Remaining to be changed..... 2,105

Monthly Investment Policy Report

Pursuant to Section 8.A of the District’s Investment Policy, we will be posting a summary of our current investments every month. The following are the state of our investments as of November 30, 2024.

**Pursuant to Section 8.A. of the Investment Policy
 Nipomo Community Services District
 Investments
 November 30, 2024**

	<u>CUSIP</u>	<u>Purchased</u>	<u>Maturity</u>	<u>to Maturity</u>		
Treasury Bills-6 Month Treasuries	912797LF2	6/28/2024	12/5/2024	5.136%	\$	3,886,000
CD's - Simmons Bank Pine- 12 month	82869AGJ8	6/17/2024	6/17/2025	5.30%	\$	237,000
CD's - Bar Harbor Bank & Trust- 12 month	066851YJ9	6/17/2024	6/17/2025	5.30%	\$	237,000
CD's - Charles Schwab-12 month	15987UCW6	6/20/2024	6/17/2025	5.35%	\$	237,000
CD's - CFSBank Charleroi PA-12 month	12526AAP2	6/20/2024	6/20/2025	5.30%	\$	237,000
CD's - Western Alliance Bank-12 month	95763PTU5	6/21/2024	6/20/2025	5.40%	\$	237,000
CD's - Gateway Bank Mendota-12 month	36758RFA1	6/21/2024	6/20/2025	5.30%	\$	237,000
CD's - Byline Bank Chicago-12 month	12441PBQ8	6/21/2024	6/20/2025	5.35%	\$	237,000
CD's - Alpine Bank Glenwood-18 month	02081QCN8	6/28/2023	12/30/2024	5.15%	\$	200,000
CD's - Mercantile Bank Grand-18 month	587379AM0	6/30/2023	12/30/2024	5.15%	\$	200,000
Local Agency Investment Fund-LAIF				4.71%	\$	13,474,593
Investment Total					\$	19,419,593

(1) Par Value is the Face Value of the investment when it matures

Summary of Electronic Transfers (greater than \$500,000)

<u>Transfer Date</u>	<u>Amount</u>	<u>Transfer From</u>	<u>Transfer To</u>
None			

Upcoming Water Resource and Other Meetings

1/14/2025	- NMMA - TG	10:00 AM	Teams
1/14/2025	- Hazard Mitigation Planning Committee Meeting	10:00 AM	SLO County
1/15/2025	- Finance and Audit Committee	2:00 PM	District Board Room
1/22/2025	- NCSD Board Meeting	9:00 AM	District Board Room

Safety Program

No Safety Issues

FUTURE BOARD AGENDA ITEMS

Per Section 3.1 of the Board By-laws, "The General Manager, in cooperation with the Board President, shall prepare the agenda for each regular and special meeting of the Board of Directors."

Anticipated Board items for January 22, 2025

- QUARTERLY DISTRICT ENGINEER'S REPORT TO THE BOARD
- HEARING TO APPROVE SOLID WASTE RATES
- INVESTMENT POLICY - QUARTERLY REPORT
- ANNUAL REVIEW OF INVESTMENT POLICY
- ADOPT CYBER SECURITY POLICY
- ANNUAL PERFORMANCE REVIEW PROCESS OF DISTRICT LEGAL COUNSEL (CLOSED SESSION)

CELEBRATION OF THE 60TH ANNIVERSARY OF THE FORMATION OF THE NIPOMO CSD

- After the June 22, 2025 Board meeting, we will have a reception and open house to commemorate this milestone!

SAFETY PROGRAM

No reportable issues

RECOMMENDATION

Staff seeks direction for format changes or future information your Board would desire to be included in future general manager reports.