

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

**AGENDA ITEM
E-1
JULY 9, 2025**

**CONSIDER REQUEST FOR NOMINATIONS FOR LOCAL AGENCY
FORMATION COMMISSION ALTERNATE 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 ALTERNATE SPECIAL DISTRICT MEMBER SEAT ON LAFCO]

BACKGROUND

This nomination period is for one (1) Alternate Special District seat on LAFCO. Recently, Commissioner and current Nipomo CSD Board President Ed Eby was voted into the Regular Special District seat, thereby creating a vacancy in the Alternate Special District Seat. The term for this Alternate Special District seat is four years and will commence January 1, 2026, to December 31, 2030.

Your Board may nominate a candidate to fill this available seat. The nomination period began on June 23, 2025, and ends on August 22, 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

JULY 9, 2025

ITEM E-1

ATTACHMENT A



LAFCO - 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: JUNE 23, 2025

RE: REQUEST FOR NOMINATIONS FOR LAFCO SEATS

Background. A new nomination period will commence for the Alternate Special District seat on LAFCO. Recently, Commissioner Ed Eby was voted into the Regular Special District seat, thereby creating a vacancy in the Alternate Special District Seat. The term for this Alternate Special District seat is four years and will commence January 1, 2026, to December 31, 2030.

Instructions. Each Special District may nominate one candidate for the 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 June 23, 2025, and ends on August 22, 2025, at 5:00 p.m.** The completed nomination form may be submitted to the LAFCO office via mail or e-mail: mmorris@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 the open position is received, it is required by law to 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. If only one nomination is received, that person will automatically be appointed to the seat.

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 805-781-5795 if you have any questions.

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

COMMISSIONERS

Chairperson
STEVE GREGORY
City Member

Vice-Chair
HEATHER MORENO
County Member

DAWN ORTIZ-LEGG
County Member

ED WAAGE
City Member

ED EBY
Special District Member

NAVID FARDANESH
Special District Member

DAVID WATSON
Public Member

ALTERNATES
BRUCE GIBSON
County Member

CARLA WIXOM
City Member

VACANT
Special District Member

MICHAEL DRAZE
Public Member

STAFF
ROB FITZROY
Executive Officer

IMELDA MARQUEZ-VAWTER
Analyst

MORGAN BING
Analyst

MELISSA MORRIS
Commission Clerk

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 ALTERNATE MEMBER

The _____
(Insert Name of Special District)

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

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

The Board of Director's action 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 *R.D.*
GENERAL MANAGER
DATE: JULY 2, 2025

AGENDA ITEM
E-2
JULY 9, 2025

**CONSIDER SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
2025 BOARD OF DIRECTORS ELECTION BALLOT**

ITEM

Consider the individuals nominated to serve on the 2026-2029 Special District Risk Management Authority ("SDRMA") Board of Directors [RECOMMEND REVIEW BALLOT AND CANDIDATES AND DIRECT STAFF TO SUBMIT A BALLOT WITH THE NIPOMO COMMUNITY SERVICES DISTRICT'S BOARD OF DIRECTOR'S PREFERRED SDRMA BOARD CANDIDATE(S) IF ANY]

BACKGROUND

The District is a member agency of SDRMA and as such, participates in the regular election of its Board of Directors. There are five (5) candidates vying for four (4) available seats on the SDRMA Board of Directors. The four-year terms for newly elected Directors will begin on January 1, 2026, and terminate on December 31, 2029.

Ballot Information, a copy of the Ballot Resolution, and candidate statements are attached. Your Board may vote for up to four (4) candidates.

Your Board's completed Ballot must be returned and received in the SDRMA Office by September 22, 2025.

FISCAL IMPACT

None

RECOMMENDATION

Review Ballot and by motion and roll call vote, direct staff to file completed ballot with SDRMA no later than September 22, 2025.

ATTACHMENTS

- A. SDRMA Ballot Instructions and Candidate Statements

JULY 9, 2025

ITEM E-2

ATTACHMENT A



SDRMA'S BOARD OF DIRECTORS ELECTION BALLOT INSTRUCTIONS

Notification of nominations for four (4) seats on the Special District Risk Management Authority's (SDRMA's) Board of Directors was announced to the membership in March 2025.

On May 22, 2025, SDRMA's Election Committee reviewed the nomination documents submitted by the candidates in accordance with SDRMA's Policy No. 2024-08 Establishing Guidelines for Director Elections. The Election Committee confirmed that (5) candidates met the qualification requirements, and those names are included on the Official Election Ballot.

The Official Election Ballot along with a Statement of Qualifications as submitted by each candidate are posted to the SDRMA MemberPlus portal along with these instructions. The election instructions are as follows:

1. Cast your vote in MemberPlus by clicking on the "Board Election" dropdown on the left hand side, and selecting the "Submit Ballot" link. You may choose up to four (4) candidates.
2. **The Primary Contact assigned to each agency will have the authority to vote online.** If you would like to assign an alternate to vote, the Primary Contact or General Manager assigned to your agency must email crichardson@sdrma.org and choose a Designated Voting Representative.
3. Please contact Candice Richardson at crichardson@sdrma.org if you wish to submit a paper ballot.
4. Votes must be submitted on or before 4:30 p.m. on Monday September 22, 2025.
5. The four-year terms for newly elected Directors will begin on January 1, 2026, and terminate on December 31, 2029.
6. Important balloting and election dates are:
 - **September 22, 2025:** Deadline for members to submit your vote.
 - **September 23-26, 2025:** Ballots are tabulated.
 - **September 29, 2025:** Election results are announced, and candidates notified.
 - **November 5-6, 2025:** Newly elected Directors are invited to attend SDRMA board meeting (Sacramento).
 - **January 2026:** Newly elected Directors are seated, and Board officer elections are held.

Please do not hesitate to contact SDRMA's Management Analyst Candice Richardson at crichardson@sdrma.org or 800-537-7790 if you have any questions regarding the election and balloting process.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates
– no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* **Virginia Chang Kiraly**
District/Agency San Mateo County Harbor District
Work Address P.O. Box 1449, El Granada Ca, 94018
Work Phone 650-583-4400 Cell Phone [REDACTED]

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I believe in SDRMA's mission to provide financially-sound pool resources for risk management, and risk financing for public agencies. Special districts throughout California provide services to tens of millions of Californians, and risk management becomes more crucial every year to safeguard against significant risk exposure.

I have personally seen the value that SDRMA has added for the San Mateo County Harbor District during the ten years I have been an elected Commissioner. Special districts like the Harbor District's commonly face challenges caused by specious claims or lawsuits, captious board governance, or providing affordable medical coverage for employees. SDRMA has been there for the Harbor District and the 780,000 San Mateo County residents to mitigate risk exposure and curb financial liability. I've seen firsthand the value SDRMA provided to the Harbor District, and want to ensure their services remain available.

**What Board or committee experience do you have that would help you to be an effective Board Member?
(SDRMA or any other organization) (Response Required)**

My extensive board experience on elected and appointed boards/committees and on nonprofit boards/committees have given me knowledge about board governance, parliamentary procedure, the public process, organizational integrity and ethical standards, transparency, and accountability.

Public Service & Elected Office

For more than two decades, I have served on various nonprofit boards and currently serve on two independent special district elected boards: the Menlo Park Fire Protection District Board of Directors (Fire Board) and the San Mateo County Harbor District Board of Commissioners (Harbor Board).

I also served for seven years as a Commissioner on the California Commission for Economic Development, appointed by Governor Schwarzenegger. On the California Commission for Economic Development, I was appointed by then-Lt. Governor Garamendi to chair the Biotech Advisory Committee and serve on the Goods Movement Committee and the Agriculture Committee. In 2014, the Commission for Economic Development became Go Biz, which is the California Governor's Office of Business and Economic Development created by Governor Brown.

I have served as President, Vice President, Treasurer, and Secretary on both the Harbor and Fire Boards, as well as chairing and serving on various Brown Act committees, such as finance and human resources. Overseeing tens of millions of tax dollars, my experience in finance and budgeting have greatly contributed to the fact that both the Harbor Board and Fire Board are debt-free, have consistently paid down unfunded pension liabilities, hired an investment advisor for cash management, capitalized on macroeconomic factors to earn interest income, and

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

improved the readability of both budgets so that the public can understand how their tax dollars are spent.

For the Harbor Board, I have also served, and currently serve, on the Oyster Point Marina Liaison Committee, which works with two South San Francisco councilmembers and meets at least once a year, to ensure that the terms of the Memorandum of Understanding are being honored as the manager of the marina, and that any updates are discussed for the benefit of the public, Oyster Point Marina tenants, and the Water Emergency Transportation Authority (WETA) that is San Mateo County's only public ferry transportation provider.

In San Mateo County, I have served on the San Mateo County Civil Grand Jury as a juror and foreperson. I currently serve on the San Mateo County LAFCO Board as one of two special district representatives, and on the San Mateo County Treasury Oversight Committee, which was established after the county pool lost \$155 million from the Lehman Brothers bankruptcy. These two committees are important for good government, transparency, and accountability.

Serving as a public servant on elected and appointed boards carries a responsibility to ensure the public's work is done on policymaking, fiscal oversight, making recommendations for the benefit of all Californians, and ensuring that public services and revenue generation continue so that essential services are provided and local economies thrive.

Nonprofit Board Service

While I have served on various nonprofit boards locally, some of my more notable board service statewide and regionally include:

- Silicon Valley Chapter of the American Red Cross
- California State Parks Foundation
- The Tech Museum of Innovation in San Jose
- Cultural Initiatives Silicon Valley

For traditional nonprofits, I have primarily served on fundraising committees, finance committees, and nominating committees. From my community service, I have had the honor of being recognized by the Silicon Valley Business Journal as a "Woman of Influence" in 2015.

Currently, I serve on the board of the California Association of Local Agency Formation Commissions (CALAFCO). For CALAFCO's board, I was elected to represent special districts for the Coastal Region, which is comprised of 15 counties from Ventura County to Sonoma County and going as far east as Alameda County and Contra Costa County. As part of CALAFCO's Legislative Committee, I research state legislation and bills and discuss how they affect LAFCOs in California's 58 counties.

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

I have an extensive background in financial research, planning, investments, and the capital markets. I have been involved with stock compensation plans, cash management, and retirement planning, as well as selling insurance products when I had a Series 6 license to do so. Further, I traded options for hedging purposes and also traded stocks and bonds for middle-markets institutional investors and high-net worth retail investors. My experience with risk management and mitigation has afforded me critical skills to help my agencies plan for future capital projects, pay down unfunded pension liabilities, and invest tax dollars to capitalize on the current economic

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

conditions and fluctuations in the capital markets.

I have a BA in Government and a minor Economics from the University of Texas at Austin and a Masters of Public Administration from the University of Southern California's Sol Price School of Public Policy. With my educational background and experience in elected offices, I understand how government and public agencies work from the elected officials' and public administrators' perspectives.

I have been able to use my professional experience by developing investment policies for both the Harbor District and Fire District and followed these policies to ensure principle preservation and meeting cash-flow needs. Further, since being elected to both the Harbor Board and Fire Board, I am proud that both agencies are debt-free, have consistently paid down unfunded pension liabilities, hired an investment advisor for cash management, capitalized on macroeconomic factors to earn interest income, and improved the readability of both budgets so that the public can understand how their tax dollars are spent. I have also served on the Audit Committee of both districts, which have consistently had clean audits.

As a member of the San Mateo County Treasury Oversight Committee, overseeing approximately \$4 billion, my financial expertise and background have been put to use to navigate market uncertainties and an inverted-yield curve environment that required more short-term investments to capture higher yields over the last couple of years. Also, having served on San Mateo County's Measure G Parcel Tax Committee for the San Mateo County Community College District, I understand the importance of the role of oversight of tax dollars. Financial transparency and accountability are crucial for public agencies to keep the public's trust as fiduciaries of tax dollars, and I will bring this experience to the SDRMA Board.

Working on nonprofit boards has given me an opportunity to advocate for organizations whose work I believe in. I have primarily been an advocate for disaster preparedness, state parks, mental health, senior services, and education. I have served on various boards and committees that have allowed me to plan an author's salon to raise money for senior services and San Mateo County's Meals on Wheels program, to lobby the state legislators to protect California state parks during Park Advocacy Day, to provide mental-health services for first responders and the Asian community after the farmworker shooting in Half Moon Bay, and to raise money for my local public schools, among many other causes. Because of my background in business development, advocacy, and sales, I have generally been involved with fundraising committees for the nonprofits, which has allowed me to build partnerships with corporate sponsors and donors and work well with board colleagues and staff.

What is your overall vision for SDRMA? (Response Required)

My overall vision for SDRMA is to increase its membership and educate prospective members about how SDRMA's pool is important for special districts' risk management and why being an SDRMA member is a great investment for special districts. California has approximately 3,400 special districts, so there is a tremendous opportunity to increase membership. There is also an opportunity to provide members with more education about SDRG and the benefits of reinsurance for customized coverage and long-term stability for risk management. In the end, a special district's bottom line could benefit with more members, and these benefits should be part of the communication narrative to the public as an excellent way of protecting public services and public assets.

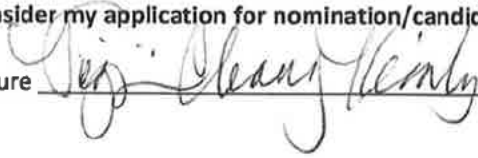
My professional background in finance and the capital markets and my role in elected office and oversight committees give me a great understanding of risk management for special districts, which provide essential

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

services funded by tax dollars. I would be honored to have your vote to serve on the SDRMA Board of Directors. Thank you for your consideration.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date

5/13/2025

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* MIKE SCHEAFER

District/Agency COSTA MESA SANITARY DISTRICT

Work Address 290 PAULARINO AVE, COSTA MESA, CA92626

Work Phone 949-645-8400

Cell Phone [REDACTED]

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

As an incumbent of the SDRMA Board I wish to continue providing my expertise, decision making and ability to help Special Districts manage their insurance and risk management challenges and programs. I have dedicated many hours towards those efforts and feel I continue being a valuable asset to the member agencies.

I am uniquely qualified to continue serving on the SDRMA Board as I have over 50 years of experience in the private insurance field.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I have served on the the SDRMA Board since 2014, with 3+ years as Board President. I have continued to work for policies that provide exceptional protection at rates that are reasonable. I am always mindful that public agencies need to protect their constituents at the most affordable rates.

I have been an insurance professional in my private career for over 50 years. I have been awarded numerous insurance industry awards and recognitions for service and dedication to my customers.

I currently hold a Community College teaching credential in insurance education. Additionally I have provided training course instruction for new insurance professionals.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

I am the current Board President for the Costa Mesa Sanitary District, serving on that Board for 16 years. I am a former City Councilmember for the City of Costa Mesa, a former Parks and Recreation Commissioner and past President of the Costa Mesa Senior Center.

I have been a dedicated member of the Lions Club, serving as District Governor in 1997-1998.

I founded the Costa Mesa Little League, served as President and coached. I served as a Little League Assistant District Administrator. Served as President of the local Boys and Girls Club Board of Directors.

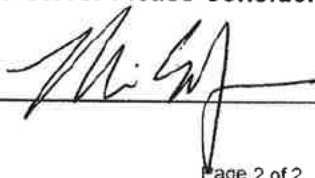
What is your overall vision for SDRMA? (Response Required)

My vision is to continue helping Special Districts have the very best, most comprehensive risk protection at the most affordable rates. To continue helping Districts and agencies with outstanding, innovative, and comprehensive programs that give them peace of mind knowing that unforeseen contingencies will not disrupt or destroy the services they provide.

Insurance can be very difficult, especially now with the state of issues in California. Districts need the experienced hand that I will continue to provide. I will work to make it less difficult and more affordable.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____



Date _____

5/12/25

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – **no attachments will be accepted**. No statements are endorsed by SDRMA.

Candidate* **Thomas B. Wright**
District/Agency **Clovis Veterans Memorial District**
Work Address **808 4th St, Clovis, CA 93612**
Work Phone **559-299-0473** Cell Phone [REDACTED]

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I was honored to be elected to the SDRMA Board for the first time four years ago. During my time on the Board I have come to appreciate the role of this organization and its extreme importance to Special Districts throughout the state. I believe SDRMA to be the finest example of "government" doing its job in the best possible manner. I would be honored to continue serving with this organization.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I have been active in California Special Districts for decades. I am currently serving as Chairman of the Clovis Veterans Memorial District. Four years ago I was elected to the SDRMA Board of Directors, and subsequently appointed to the Special Districts Leadership Foundation board.

I have been involved in community and regional leadership activities all of my adult life; ranging from service clubs like Rotary and Lions Clubs, Chambers of Commerce, city and school district bond and tax elections, and local service organizations like the Clovis Rodeo Association. During my term with the SDRMA Board I have come to understand and appreciate the professionalism, extremely high standards, and effectiveness of the SDRMA in serving Special Districts.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (Including volunteer experience) do you have?
(Response Required)**

I have served in leadership positions for many community organizations, local governments, educational boards and committees at all levels, and grassroots movements to assist with emergencies and special needs. Beyond local and state matters, I've been privileged to work with national and even international services in which people working together for the betterment of communities in need and make amazing things happen.

What is your overall vision for SDRMA? (Response Required)

My vision for the SDRMA is to continue to build upon the services it offers its members, always with an eye upon the quality of what we offer and to keep its costs at fair and minimal levels. We have endured some excruciating challenges at SDRMA over the past four years, from wildfires to the abandonment of California by many of its traditional insurance companies. The sound financial condition of SDRMA and its determination to maintain its high standards has served our membership well.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature Thomas B. Wight Date MARCH 24, 2025

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Steven Ruetters
District/Agency Kern Mosquito & Vector Control District
Work Address 4705 Allen Road, Bakersfield, CA 93314
Work Phone (661) 589-2744

Cell Phone [REDACTED]

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

To serve the needs of the SDRMA members consistent with SDRMA's mission statement: to provide excellent risk financing and risk management services through a financially sound pool to California public agencies, delivered in a timely and responsive cost-efficient manner.

I recently retired from the Kern County Water Agency, and desire to continue to contribute to the needs of special districts as I have in the past. This opportunity matches well with my experience, education, and dedication.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

Served 22 years on the Audit-Finance Committee of the ACWA JPIA* (see below), which provided financial oversight to the organization and its programs (Liability, Property, Workers Compensation, Health Insurance, and pass through insurance).

Served 1 year on the Property Committee of the ACWA JPIA* (see below) before I was asked to serve on the Audit-Finance Committee.

Kern Mosquito & Vector Control District (current Board Member)

North of the River Sanitary District (current Board Member with 17 years experience)

North of the River Recreation & Park District (past Board Member with 22 years experience)

* ACWA JPIA (Association of California Water Agencies Joint Powers Insurance Authority) is a collection of risk pools similar to SDRMA serving nearly 400 California water districts, which has similar member services available and a captive insurance entity.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

Oregon State University, BS Finance, Minor Economics

California State University, Bakersfield, MBA

Business Manager, Kern County Water Agency, 33 years

What is your overall vision for SDRMA? (Response Required)

To remain consistent with the vision of the SDRMA as outlined in its mission statement. The goals of cost-effectiveness, stability, and reliability in the current insurance/risk market is difficult, though worth pursuing in earnest for all SDRMA members.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature Shannon Ferguson Date May 14, 2025

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Robert Housley, CSDM

District/Agency Midway City Sanitary District

Work Address 14451 Cedarwood Street, Westminster, CA 92683

Work Phone 714-893-3553

Cell Phone [REDACTED]

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I am seeking to continue my service on the SDRMA Board of Directors, to share my experience and insights, stay actively engaged, and continue learning from others in the industry. With 25 years of experience working in a variety of special districts, including those with very limited financial resources, I understand the challenges many agencies face in balancing fiscal responsibility with providing essential services.

Serving in this capacity would allow me to give back to other agencies by sharing my perspective, helping to shape policies, and supporting collaborative solutions that benefit members. I see this as an opportunity to strengthen risk management practices, advocate for special districts, and ensure that all agencies, regardless of size or resources, have access to the support they need to succeed and serve their communities.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I currently serve on the SDRMA Board of Directors and have additional board and committee experience as a member of the Alliance Executive Council (AEC), the CSDA Professional Development Committee, and, as a staff member at Midway City Sanitary District, I actively participate in the Legislative & Public Affairs Outreach Committee and the Franchise Committee.

With 26 years of experience in special districts, as a General Manager and previously as a Director of Finance & Human Resources, I have regularly collaborated with many governing bodies at many different levels and statewide associations, gaining practical experience in policy development, risk management, and member services, all of which directly support the responsibilities of an effective SDRMA Board Member.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

I have an MBA from the University of La Verne with an emphasis in accounting and I am also a Certified Special District Manager (CSDM).

My other special skills and experience include being a forward-thinking, community-focused leader and a problem solver with more than 26 years of experience working in various special districts. I value collaboration, active listening, and service to others.

I have volunteered as an assistant coach for both Up & Running Again at the Orange County Rescue Mission and as a coach for Back on My Feet at the Long Beach Rescue Mission, both are programs that support individuals experiencing homelessness through community and goal setting. I have also volunteered with the food pantry at church, and I have coached and refereed for many years in AYSO soccer. These experiences reflect my long-standing commitment to public service and community involvement.

What is your overall vision for SDRMA? (Response Required)

I am eager to help advance the outstanding work currently being done by SDRMA. As a General Manager, I understand the critical importance of effective risk management for all Special Districts, as well as the fiscal constraints and limited access to resources that many districts face, particularly those with smaller operations or minimal staffing.

It is my vision to continue building on SDRMA's solid foundation by broadening awareness of its services and ensuring that all Special Districts recognize and benefit from the valuable support it provides. I believe SDRMA should serve as both a partner and an extension of every member district, delivering not only services but also the dependable support districts need to operate safely, efficiently, and confidently in service to their communities.

I am also committed to identifying and pursuing value-added services and new opportunities that enhance the benefits of membership while keeping costs manageable for all members. By expanding outreach and engagement, we can grow SDRMA's reach and deepen its impact across the state.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date

5/1/2025

TO: BOARD OF DIRECTORS
FROM: RAY DIENZO *RD*
GENERAL MANAGER

CRAIG STEELE
GENERAL COUNSEL

**AGENDA ITEM
E-3**

JULY 9, 2025

DATE: JULY 3, 2025

DISCUSS REVISIONS TO THE DISTRICT'S ANNEXATION POLICY

ITEM

Review and discuss the proposed revisions to the District's Annexation Policy recommended by the Board *ad hoc* subcommittee, staff and general counsel, and provide further direction to staff. [RECOMMEND REVIEW AND PROVIDE DIRECTION TO STAFF]

BACKGROUND

The Nipomo Community Services District ("District") has been assigned a Sphere of Influence ("SOI") outside, but adjacent to, the District's boundaries by the San Luis Obispo County Local Agency Formation Commission ("LAFCO"). The SOI consists of territory that is not served by the District but could, in appropriate circumstances prescribed by State law and Board policy, be added to the District's service area through an annexation process. The District has in place an Annexation Policy ("Policy") to provide a framework and standards for considering proposed annexations. Informed by recent annexation proceedings, your Board formed an *ad hoc* subcommittee to work with staff and counsel to review the Policy and, if necessary, clarify the conditions of annexation that are consistent with the District's mission and all applicable laws and regulations. The mission of the District is to "[p]rovide our customers with reliable, quality, and cost-effective services now and in the future."

The *ad hoc* subcommittee met with District staff and General Counsel to review the Policy and proposed changes to update and clarify parts of the Policy. The *ad hoc* subcommittee recommends that your Board review the recommended changes attached to this report and give direction to staff. If appropriate, the revised Policy would come back to your Board for adoption at a future meeting.

These recommended revisions to the Policy are not substantively new. Rather, they clarify and combine the requirements of State law and District Code and policies into one document to avoid any confusion or misunderstanding of the District's position by an applicant or our public agency partners at the County or LAFCO. Every applicant would receive a written copy of this Policy at the beginning of an application so they will be aware of the District's processes, standards, and policies from the start. As directed by the Board, applicants will know from the beginning of the process that the Board (and State law) will require the successful negotiation of a property tax revenue sharing agreement with the County of San Luis Obispo a critical element in establishing benefit and equity for District customers.

The proposed changes to the Policy are shown in redline and strikeout. Those changes are generally summarized as follows:

Section III is new text in the Policy, but the substance has already existed in the District's Code and State law. The policy will acknowledge that an annexation application can originate at the

District office, or at LAFCO, and it describes the resulting process accordingly. Specifically, the new Policy explicitly requires the General Manager to bring LAFCO annexation applications to the Board at an early stage. The Board has a statutory right to terminate LAFCO annexation proceedings at a specified time, on very specific and limited legal grounds, based on required findings supported by substantial evidence in the record before the Board. Section III 2 c specifies the evidence and technical data the Board could consider in that context.

Existing Section IV has been relocated to Section III for clarity and organization. New Section IV prescribes the application requirements. The new text added to Section IV D is simply a list of what the District already requires for an annexation application, organized so that applicants and staff can work with one list. Text changes in Sections IV E, I, and J, are clarifying and not substantively new. Section IV J 4 was added at the recommendation of the *ad hoc* subcommittee to emphasize the Board's intent that a mutually agreeable revenue sharing agreement is essential to any annexation approval.

Changes in Sections IV and V also provide greater detail and clarity regarding the required annexation agreement.

FISCAL IMPACT

Funds for staff time to support the review and revisions to the annexation policy are included in the Budget. Generally, the costs for the District to review an annexation application are borne by the applicant.

STRATEGIC PLAN

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

RECOMMENDATION

Staff recommends that the Honorable Board review the proposed annexation policy language and provide further direction to staff.

ATTACHMENT

- A. Proposed Restated and Amended Annexation Policy

JULY 9, 2025

ITEM E-3

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2025-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT AMENDING
THE DISTRICT'S ANNEXATION POLICY**

WHEREAS, the Nipomo Community Services District ("District") is formed under the Community Services District Law (Govt. Code §61100 et seq.) and provides water, sewer, and solid waste services within its service area pursuant to Govt. Code §61100 of the Community Services District Law; and

WHEREAS, the Local Agency Formation Commission of San Luis Obispo County ("LAFCO") is charged with the authority to review and approve all requests for annexations, sphere of influence changes, and other changes in organization of the District; and

WHEREAS, LAFCO adopted a Sphere of Influence Update and Municipal Service Review for the District on or about March 15, 2018; and

WHEREAS, the District's Board of Directors has previously adopted and amended an Annexation Policy; and

WHEREAS, subsequent to the adoption of the District's most recent Annexation Policy, the Board and staff have determined that certain clarifications and updates to the Annexation Policy are in order; and

WHEREAS, based on the advice of counsel and staff, the Board of Directors finds and declares that the policies adopted by this Resolution are consistent, and do not conflict, with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 or with the LAFCO actions described therein.

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

1. The facts and findings stated above are true and correct to the best of the Board's knowledge and hereby adopted.
2. The Annexation Policy of the Nipomo Community Services District, as adopted in Resolution 2020-1540 and subsequently amended, is hereby amended and restated to be as shown in Exhibit A, attached hereto and incorporated herein by this reference (additions are underlined, deletions are ~~struck through~~).
3. The adoption of this amendment to an administrative policy is not a "project" as defined in Public Resources Code Section 21065, as it is not an activity that may cause a direct or indirect change in the environment and is thus not subject to review under the California Environmental Quality Act ("CEQA").

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2025-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT ADOPTING A
REVISED ANNEXATION POLICY**

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

AYES:

NOES:

ABSENT:

ABSTAIN:

the foregoing Resolution is hereby passed and adopted this 9th day of July, 2025.

ED EBY

President of the Board

ATTEST:

APPROVED AS TO FORM:

RAY DIENZO, P.E.

General Manager and Secretary to the Board

CRAIG A. STEELE

District Legal Counsel

Exhibit "A"

THE ANNEXATION POLICY OF THE NIPOMO COMMUNITY SERVICES DISTRICT

Adopted January 22, 2020 – Resolution 2020-1540

Amended March 22, 2023 – Resolution 2023-1658

Amended July 15, 2025 - Resolution 2025-XXXX

I. PURPOSE

In order to promote efficient processing of requests for annexation to the Nipomo Community Services District ("District"), this policy sets forth the framework and standards upon which the Board of Directors will consider such requests and provides notice thereof to the owners of the property that is the subject of such requests.

II. INTENT

The Board of Directors intends to review all annexation requests with the aim of supporting the viability of the District in providing essential services and adhering to the District's mission statement:

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

The District recognizes the need to preserve and enhance the availability and quality of its services and of the water resources within the Nipomo Mesa Management Area, within the context of State law and the District's responsibilities under the Stipulation and Judgment in the Santa Maria Valley Groundwater Adjudication. With this intent and within the framework of this annexation policy, the District acknowledges that, where conditions and findings will preserve and enhance District services and the water resources that support District customers and where, if applicable, the District and the other involved government entities approve an agreement as to the amount of property tax revenues that will be exchanged in future years, consistent with historic property tax revenue sharing agreements with regard to the percentage allocated to the District, thereby ensuring equity between existing customers and customers applying for annexation. Under these expressed conditions, annexations may provide a greater benefit to the community than the formation of homeowners associations or mutual water companies for the operation of water and/or sewer systems in the Nipomo Mesa area.

III. INITIATION OF ANNEXATION REQUESTS

A. An application for property to be annexed into the District may be initiated either:

**THE ANNEXATION POLICY OF THE
NIPOMO COMMUNITY SERVICES DISTRICT**

Adopted January 22, 2020 – Resolution 2020-1540

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Amended July 15, 2025 - Resolution 2025-XXXX

1. By application directly to the District on an application form prescribed by the General Manager, subject to the procedures and requirements of Sections IV and V, below; or

2. By application to the San Luis Obispo County Local Agency Formation Commission ("LAFCO"). In the case of an applicant's submission directly to LAFCO, the application shall follow the guidelines and regulations of LAFCO and, as applicable, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, or any successor statute. In the case of an annexation application that is submitted to LAFCO, the following provisions shall apply, in addition to the applicable requirements of Sections IV and V:

a. Promptly upon receipt of a copy of the annexation proposal from the LAFCO Executive Officer, as required by Government Code Section 56857(a), the General Manager shall schedule the annexation proposal for consideration by the Board of Directors at a regular meeting, or a special meeting called for the purpose, on a date that allows adequate time for staff analysis of the proposal but will meet the deadline for the Board to adopt a resolution requesting termination of the proposed annexation within the time period specified in Government Code Section 56857(b).

b. The Board may, in its discretion, allow the annexation proposal to proceed through the statutory process at LAFCO, or adopt a resolution requesting termination of the proceedings. A Board resolution requesting termination of the proceedings shall be based upon written findings supported by substantial evidence in the record that the termination request is justified by one or more specific financial or service related concerns, as defined in Government Code Section 56857(c).

c. The Board may make findings regarding financial or service concerns based on information provided in the application and any additional information provided to the District by LAFCO or the applicant that is relevant to determining the adequacy of existing and planned future services to meet the probable future needs of the territory. Findings related to service or financial concerns may be based on the District's then-current urban water management plan, a Water Supply Assessment prepared for the application, capital improvement plan, financial statement, comprehensive annual financial report, integrated resource management plan, the most current NMMA Technical Group Annual Report, or other information related to the ability of the District to provide services.

d. If the Board adopts a resolution to request that LAFCO terminate the proceedings, the General Manager shall immediately transmit the resolution to the LAFCO Executive Officer.

e. The General Manager shall provide a copy of this Annexation Policy to any annexation applicant. The General Manager shall promptly provide written notice of the property tax exchange agreement requirements of Section IV I of this Policy to the San Luis

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Obispo County CAO.

IV. SUBMITTAL OF ANNEXATION APPLICATION AND LAYOUT PLAN

~~Prior to District analysis of an annexation application made to the District, and consideration by the Board of Directors, Applicants must submit an application, and payment of the applicable application fees and deposits, to the District, demonstrating that the annexation will conform to these Annexation Policies and submit three (3) standard size (24" x 36") and one reduced copy (8½" x 11") of site plans showing the parcel layout, water and sewer laterals, and general off-site improvements, as applicable for the proposed area of annexation in sufficient detail for the District to assess the full impact of the annexation on the District's water distribution facilities, sewer service, and solid waste services to be provided to the area of annexation by the District.~~

IV. ANNEXATION APPLICATION REQUIREMENTS GENERALLY

- A. Annexation applications may only be accepted for properties within the District's sphere of influence as delineated by the ~~San Luis Obispo County Local Agency Formation Commission ("LAFCO")~~ at the time of application.
- B. If approved, annexations will be served with water supplied through the Nipomo Supplemental Water Project in accordance with the terms of the Stipulation and Judgment entered in the Santa Maria Groundwater Adjudication Litigation and with all other District policies and ordinances. Annexations may only be approved if sufficient supplies of Nipomo Supplemental Water Project water exists to serve the project, based on the current District information specified in Section III(A)(2)(c) of this Annexation Policy.
- C. In order to provide for the orderly development of public service facilities, only those properties in the District's Sphere of Influence for which the owners are willing to accept all conditions for service required by the ~~Nipomo Community Services District~~ will be considered for annexation. ~~for which the owners are willing to accept all conditions for service required by the Nipomo Community Services District.~~ Further, requests for annexation solely for sewerage services to the exclusion of water service will be rejected by the ~~District Board of Directors~~, except under extraordinary circumstances approved by the Board.
- D. In order to evaluate the impacts of potential annexations upon the Nipomo Community Services District, the Board will only consider annexation applications requests that are supported by the following information:
 - 1. A layout/site plan that shows the parcel layout, water and sewer laterals,

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- _____ and general off-site improvements, as applicable for the proposed area of annexation, in sufficient detail for the District to assess the full impact of the annexation on the District's water distribution facilities, sewer service, and solid waste services to be provided by the District to the area of annexation by the District. The Applicant shall provide three standard size (24" x 36") and one reduced copy (8 1/2" x 11") of such plan to the District. ~~meets the~~ requirement of Section III.
- _____ 2. A completed District Annexation Application form;
 - _____ 3. A deposit agreement in a form acceptable to the District's legal Counsel agreeing to fully fund the costs of any District staff time and technical studies required to fully evaluate the application, not covered by the Annexation Application Fee, as estimated by the General Manager. At the conclusion of the Application, any funds remaining from the costs deposit will be refunded to the Applicant;
 - _____ 4. Payment of the non-refundable Annexation Application Fee as established by Resolution of the District Board;
 - _____ 5. Written acknowledgement from the Applicant that they have received a copy of this Annexation Policy;
 - _____ 6. Such other additional information from the Applicant that the General Manager deems reasonably necessary for the District to consider the application.
- E. For an annexation application initiated at the District, after review of the completed application, the Board of Directors will consider annexation requests where the application demonstrates all of the following:
1. The proposed annexation area has a need for the requested services.
 2. The proposed annexation area boundaries are consistent with this Policy.
 3. There is no reasonable alternative manner of providing the requested services to the proposed annexation area.
 4. The annexation represents a logical and reasonable expansion of the District's boundaries.
 5. The proposed annexation is consistent with the District's plans and policies.
 6. The District has the ability to meet the need for the requested services.

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7. The benefits of the proposed annexation outweigh the disadvantages of the proposed annexation to the District.
- F. The proposed annexation area boundaries shall be definite, certain, and conform to lines of assessment whenever possible. The proposed boundary shall include the entirety of any and all properties that may receive the proposed services to be provided. Rear property lines, rather than streets, will be used for the annexation boundary. Properties on both sides of a street that may receive services as a result of annexation may be required to be included in the annexation boundary.
- G. If the intended development within the proposed area of annexation requires discretionary San Luis Obispo County ("County") land use approvals (e.g., zoning, use permits, or subdivision map), the District's approval of the annexation shall not occur until after the owners has obtained such County approvals, unless the County and the District staffs have agreed in advance that the District's approval of an annexation may occur first, in which case the annexation approval shall be expressly conditioned on the owner obtaining County land use approvals.
- H. Applicants shall abandon any groundwater well existing on the annexation property, in compliance with all applicable County Environmental Health permitting requirements and standards, as a condition of receiving water service from the District, and any future use of groundwater basin water by the Applicant or his/her successors in interest shall be prohibited. The District may, as a condition of approval, require the applicant to record a covenant in form and content satisfactory to District legal counsel, abandoning such use.
- I. The applicant, at the applicant's sole expense, shall apply to and obtain approval from LAFCO for approval of the proposed annexation as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, or any successor statute. As one requirement of the annexation proceeding, the District will negotiate in good faith with the County of San Luis Obispo, or any other affected local government entity, to achieve a mutually acceptable agreement for the exchange of property tax revenue as provided in Revenue and Taxation Code Sections 99 and 99.01, or any successor statutes. No annexation of property affecting the District may go forward without the District Board's approval of such an agreement. To promote equity and fairness upon the annexation of customers into the District, it is the policy of the District that every proposed property tax revenue exchange agreement for an annexation shall allocate to the District a percentage of property tax revenue from the annexation that is consistent with the percentages the District has agreed to accept in previously approved annexations, except where the Board makes express written findings that extenuating circumstances apply and that a

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variation from this Paragraph IV ~~1~~ will not establish precedent for future annexations.

KJ. If appropriate based on the origin of the application, ~~P~~prior to final LAFCO consideration of the annexation, the District shall adopt and forward to LAFCO a Resolution verifying the following:

1. The applicant has provided, or executed an Annexation Agreement with the District to provide, all improvements, payments, fees, and charges, and met all legal requirements, necessary to enable the District to serve the annexation area, including but not limited to the provision of sufficient supplemental water to ~~serve~~support full build-out of the annexation area as reflected in the annexation application and the Annexation Agreement.
2. The applicant has entered into an Annexation Agreement to the satisfaction of the District Board. The Resolution shall attach a copy of the Annexation Agreement, and shall request that LAFCO require compliance with the Annexation Agreement as a condition of approval of the Annexation.
3. That for each connection or potential connection, the applicant has deposited with the District the then current capacity and connection fees and charges for District services, or agreed to do so on a schedule specified in the approved Annexation Agreement.
4. That the District Board and the County have each approved a mutually agreeable for the exchange of property tax revenue.

~~LK.~~ Typically, the District will be a “responsible agency” when required for purposes of review under the California Environmental Quality Act (“CEQA”). Approval or completion of an annexation will be conditioned upon compliance with all applicable requirements of CEQA and any mitigation measures or other conditions resulting from the completion of the CEQA process including, without limitation, a final non-appealable judgment in any litigation challenging the Annexation.

ML. Upon annexation, residents and commercial users within the area of the proposed annexation shall become “regular customers” of the District, with no greater entitlements to water or sewer service than any other District customer.

~~NM.~~ As a condition of the District’s approval of any Annexation application or related decision, the applicant shall agree to indemnify and defend, with counsel of the District’s choice, the District, its officers, agents and employees, from and

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against any and all claims, actions, or proceeding to attack, set aside, void or annul, enjoin, or seek damages arising out of, an approval of the District, County, or LAFCO concerning the Annexation or the associated land use project. Such indemnification shall include damages, judgments, settlements, penalties, fines, defensive costs or expenses (including, but not limited to, interest, attorneys' fees and expert witness fees), or liability of any kind related to or arising from such claim, action, or proceeding.

V. ANNEXATION AGREEMENT

Prior to consideration of the proposed Annexation by the District Board, all applicants for annexation shall be required to execute an annexation agreement with the District, in form and content satisfactory to the District General Manager and legal counsel, to be approved by the District Board of Directors. Said Annexation Agreement shall include, at a minimum, the following:

1. That all infrastructure and service line extensions shall be designed and constructed at no cost to the District in accordance with District's standards.
2. Reimbursement to the District for its costs in processing and completing the annexation, including administrative, consultant, legal, and engineering costs.
3. Payment for all applicable District fees and charges at the times specified by the District Code, ~~or applicable policy,~~ or the Board-approved Annexation Agreement.
4. The annexation application, layout plan, and the District's then-current Annexation Policy shall be incorporated into the Annexation Agreement.
5. The date by which the Annexation must be completed.
6. Applicable CEQA mitigation measures or requirements.
7. The indemnification and defense requirements of Section IV M, above.
8. Acceptance of the District's Annexation Water Rates based on 100% service supply from imported water.
9. Other terms and conditions as determined by the District.

[End of Policy]

**THE ANNEXATION POLICY OF THE
NIPOMO COMMUNITY SERVICES DISTRICT**

Adopted January 22, 2020 – Resolution 2020-1540

Amended March 22, 2023 – Resolution 2023-1658

Amended July 15, 2025 - Resolution 2025-XXXX

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



**NIPOMO COMMUNITY SERVICES DISTRICT
PUBLIC FACILITIES CORPORATION**

ITEM

Annual Meeting of the Nipomo Community Services District Public Facilities Corporation

BACKGROUND

The Nipomo Community Services District Public Facilities Corporation is required to meet annually in the month of July to review corporate activities, take action as needed, and review and approve the previous meeting's Board minutes. The only action needed at this time is to approve the meeting minutes of the August 14, 2024, meeting of the Nipomo Community Services District Public Facilities Corporation. These Board minutes were included in the regular NCSD meeting minutes but were not separately approved by the corporation. The minutes are being presented today for approval.

FISCAL IMPACT

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

STRATEGIC PLAN

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

RECOMMENDATION

Staff recommends that your Board approve the Minutes of the Nipomo Community Services District Public Facilities Corporation meeting held on August 14, 2024.

ATTACHMENT

- A. Minutes for August 14, 2024 Public Facilities Corporation Meeting

JULY 9, 2025

ITEM A

ATTACHMENT A

- D-3) AWARD CONSTRUCTION CONTRACT FOR SUPPLEMENTAL WATER PROJECT INTERCONNECTION IMPROVEMENTS TO W.M. LYLES CO. IMPROVEMENTS [RECOMMEND ADOPT RESOLUTION AWARDDING CONTRACT TO W.M. LYLES CO. IN THE AMOUNT OF \$1,195,200, AUTHORIZING STAFF TO EXECUTE CONTRACT, AUTHORIZING CHANGE ORDER CONSTRUCTION CONTINGENCY IN THE AMOUNT OF \$120,000, AND APPROVING FY 24-25 BUDGET AMENDMENT IN THE AMOUNT OF \$448,696]
- D-4) APPROVE TASK ORDER WITH JEGO SYSTEMS FOR SCADA INTEGRATION SERVICES FOR SUPPLEMENTAL WATER PROJECT INTERCONNECTION IMPROVEMENTS [RECOMMEND BY MOTION AND ROLL CALL APPROVE TASK ORDER WITH JEGO SYSTEMS IN THE AMOUNT OF \$31,200 AND AUTHORIZE STAFF TO EXECUTE TASK ORDER]
- D-5) APPROVE TASK ORDER WITH MKN FOR CONSTRUCTION MANAGEMENT SERVICES FOR SUPPLEMENTAL WATER PROJECT INTERCONNECTION IMPROVEMENTS [RECOMMEND BY MOTION AND ROLL CALL APPROVE TASK ORDER WITH MKN IN THE AMOUNT OF \$102,296 AND AUTHORIZE STAFF TO EXECUTE TASK ORDER]
- D-6) AUTHORIZE PURCHASE OF REPLACEMENT UTILITY VEHICLE IN ACCORDANCE WITH APPROVED FY 24-25 BUDGET [RECOMMEND AUTHORIZE STAFF TO PURCHASE UTILITY VEHICLE FROM CAL-COAST MACHINERY AT A COST OF \$29,788]

There were no public comments.

Upon the motion of Director Hansen, and seconded, the Board approved the Consent Agenda and adopted the resolution.

Vote 5-0

YES VOTES	ABSTAIN	ABSENT
<i>Directors Hansen, Iglesias, Henry, Gaddis, and Eby</i>	<i>None</i>	<i>None</i>

RESOLUTION NO. 2024-1718

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AWARDDING THE CONSTRUCTION CONTRACT FOR SUPPLEMENTAL WATER PROJECT INTERCONNECTION IMPROVEMENTS TO W.M. LYLES CO. IN THE AMOUNT OF \$1,195,200, AUTHORIZING CONSTRUCTION CONTINGENCY IN THE AMOUNT OF \$120,000 AND APPROVING FY 2024-2025 BUDGET AMENDMENT IN THE AMOUNT OF \$448,696

E. ADMINISTRATIVE ITEMS

ADJOURN TO NCSD PUBLIC FACILITIES CORPORATION

President Eby adjourned to the NCSD Public Facilities Corporation Annual Meeting.

ROLL CALL

At roll call all directors were present

**Nipomo Community Services District
REGULAR MEETING
AGENDA**

There were no public comments.

A. APPROVE JULY 12, 2023 PUBLIC FACILITIES CORPORATION MEETING MINUTES

There were no public comments

Upon the motion of Director Gaddis and seconded, the Board approved the minutes of July 12, 2023. Directors Henry and Iglesias abstained from voting due to not being Board members at the previous annual meeting.

Vote 3-2-0.

YES VOTES	ABSTAIN	ABSENT
Directors Gaddis, Hansen, and Eby	Henry, Iglesias	None

President Eby adjourned to the NCSD Regular Board Meeting.

F. GENERAL MANAGER'S REPORT

Ray Dienzo, General Manager, introduced and presented the item.

Gerald Stover, Nipomo resident, commented on the item.

Joe Martinez, Nipomo resident, commented on the item.

John Joyce, Nipomo resident, commented on the item.

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

Director Henry asked if the angle stop issue would be included in future rate studies.

G. COMMITTEE REPORTS

There were no committee reports.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

None

I. CLOSED SESSION ANNOUNCEMENTS

Craig Steele, General Counsel, announced that there would be closed session on items 1 and 2.

**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)**

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TO: BOARD OF DIRECTORS
FROM: RAY DIENZO, P.E. *RD*
GENERAL MANAGER
DATE: JULY 3, 2025

**AGENDA ITEM
F
JULY 9, 2025**

GENERAL MANAGER'S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is 6/8/2025 – 7/5/2025.*

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 June 2025 data and calendar year 2025.

OFFICE ACTIVITIES	June 25	Jan 25 – June 25
Leak Adjustments	2	19
Leak Adjustment Amount	\$329.45	\$2776.00
Late Fee Waivers	6	47
Late Fee Waiver Adjustment Amount	\$290.97	\$1233.46

Water Resources

For the twelve (12) 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 **1,952.4 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)

	June 25	Jul 24- June 25
Groundwater Production	81.7	754.0
Supplemental Water Imported	<u>103.3</u>	<u>1198.4</u>
Total Production	185.0	1952.4

2024-2025 Fiscal Year Groundwater Pumping Forecast

Table 2 below projects the District's groundwater pumping reduction for the 2024-2025 Fiscal Year. Though we are currently in Stage 2 conditions under the NMMA Water Shortage Response Stages; with a targeted groundwater pumping reduction goal of 20%, the District voluntarily aims to pump no more than 1,266 AFY (50% of the 2009-2013 average District GW Pumping).

Table 2. Projected Groundwater Pumping

	Jun-25	Jul-24 to June-25	Over/(Under)
NCSD GW Well Production	81.7	754.04	
Purveyor Customer Credit (33.3% of Import Water)	34.4	399.31	
NCSD Total Calculated GW Production	116.1	1,153.3	113
50% of Average GW Production for 2009-2013		1,266.7	

AF

As demonstrated in Table 2, the District achieved its 50% groundwater pumping reduction target by 113 AF under the conditions stated in the previous paragraph.

Other Items

- Dana Reserve Project – developer submitted revised project to the County of SLO
- Water Rate Study – In progress; target effective date of January 2026
- Strategic Plan Update – pending availability of the consultant who performed the previous plan update.
- Countywide Water Action Team / DESAL update
 - o Staff attended the 6/19/2025 meeting to receive an update presentation on the Countywide desalination plan.
 - o Objective of the meeting – Discuss Demand Scenarios, Begin Discussion on the Justification for selecting sizing, and Overview of treatment analysis, evaluation of outfall capacity and siting
 - o The follow-up meeting is scheduled for 8/19/2025

Monthly Investment Policy Report

Pursuant to Section 8.A. of the Investment Policy Nipomo Community Services District Investments June 30, 2025						
Investments	CUSIP	Purchased	Maturity	Yield to Maturity	Par Value(1)	
Certificate of Deposit - Oxford Bank	69141NAL8	4/4/2025	4/10/2026	3.90%	\$ 240,000	
Certificate of Deposit - Morgan Stanley Salt Lake	61690D2C1	4/8/2025	10/12/2027	4.10%	\$ 244,000	
Certificate of Deposit - Morgan Stanley NY	61776NPY3	4/8/2025	10/12/2027	4.28%	\$ 244,000	
Local Agency Investment Fund LAIF					\$ 13,781,520	
Investment Total					\$ 14,509,520	
Matured/Retired Investments	CUSIP	Purchased	Maturity	to Maturity	Par Value(1)	
Certificate of Deposit - Simmons Bank Pine	82869AGJ8	6/17/2024	6/17/2025	5.30%	\$ 237,000	
Certificate of Deposit - Bar Harbor Bank & Trust	066851YJ9	6/17/2024	6/17/2025	5.30%	\$ 237,000	
Certificate of Deposit - Charles Schwab	15987UCW6	6/20/2024	6/17/2025	5.35%	\$ 237,000	
Certificate of Deposit - CFSBank Charlerol PA	12526AAP2	6/20/2024	6/20/2025	5.30%	\$ 237,000	
Certificate of Deposit - Western Alliance Bank	95763PTU5	6/21/2024	6/20/2025	5.40%	\$ 237,000	
Certificate of Deposit - Gateway Bank Mendota	36758RFA1	6/21/2024	6/20/2025	5.30%	\$ 237,000	
Certificate of Deposit - Byline Bank Chicago	12441PBQ8	6/21/2024	6/20/2025	5.35%	\$ 237,000	
Investment Total					\$ 1,659,000	
(1) Par Value is the Face Value of the investment when it matures						
Summary of Electronic Transfers (greater than \$500,000)						
Transfer Date	Amount	Transfer From	Transfer To			
6/4/2025	784,851.73	BNY Construction AD 2020-1	FSB BL AD Money Market			

Upcoming Water Resource and Other Meetings

7/14/2025	- Integrated Waste Management Authority (IWMA) Local Task Force	1:00 PM	Teams
7/16/2025	- PG&E-Staff meeting - Electric Vehicle Fleet Advisory Services Program	1:30 PM	Teams
7/23/2025	- NCSD Board Meeting	9:00 AM	District Board Room
8/8/2025	- State Water Subcontractor Advisory Cmte	10:00 AM	SLO County Govt Center
8/11/2025	- Integrated Waste Management Authority (IWMA) Local Task Force	1:00 PM	Teams
8/13/2025	- NCSD Board Meeting	9:00 AM	District Board Room
8/19/2025	- Countywide Water Action Team - DESAL	1:00 PM	Ludwick Center, SLO
8/25-8/28, 2025	- California Special Districts Assoc - Annual Conference	All Day	Monterey, CA

Safety Program

- No issues

RECOMMENDATION

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