

TO: BOARD OF DIRECTORS
FROM: RAY DIENZO, P.E. *RD*
GENERAL MANAGER
DATE: OCTOBER 22, 2026



CONSENT AGENDA

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

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

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE SEPTEMBER 23, 2026 REGULAR BOARD MEETING MINUTES
[RECOMMEND APPROVE MINUTES]
- D-3) INVESTMENT POLICY - QUARTERLY REPORT [RECOMMEND ACCEPT AND FILE]
- D-4) ANNUAL REVIEW OF CASH RESERVES IN ACCORDANCE WITH RESERVE
POLICY [RECOMMEND RECEIVE AND DIRECT STAFF]
- D-5) CONSIDER REQUEST FOR WATER, SEWER, AND SOLID WASTE SERVICE
(INTENT-TO-SERVE LETTER) FOR A MIXED-USE DEVELOPMENT LOCATED AT
111 SOUTH OAK GLEN AVENUE, APN 090-161-017 [RECOMMEND CONSIDER
INTENT-TO-SERVE LETTER AND APPROVE WITH CONDITIONS].
- D-6) ACCEPT DEED RESTRICTION FOR PARCEL MAP CO 24-0037 LOCATED AT 1248
FUTURA LANE IN ARROYO GRANDE [RECOMMEND ADOPT RESOLUTION
ACCEPTING OFFER OF DEED RESTRICTION]
- D-7) ACCEPT FRONTAGE ROAD TRUNK SEWER PHASE 1 REPLACEMENT PROJECT
AND APPROVE BUDGET ADJUSTMENT [RECOMMEND, BY MOTION AND ROLL
CALL VOTE, ACCEPT PROJECT, DIRECT STAFF TO FILE NOTICE OF
COMPLETION AND APPROVE BUDGET AMENDMENT]

TO: BOARD OF DIRECTORS
REVIEWED: RAY DIENZO, P.E. *RD*
GENERAL MANAGER
FROM: LISA BOGNUDA
INTERIM ASSISTANT GM
DATE: OCTOBER 22, 2026

**AGENDA ITEM
D-1(A)
OCTOBER 28, 2026**

WARRANTS

COMPUTER CHECKS GENERATED – SEE ATTACHED	\$3,005,538.83
HAND WRITTEN CHECKS	NONE
VOIDED CHECKS	NONE

Item D-1(A) Warrants OCTOBER 28, 2026

Nipomo Community Services District

By Payment Number

Payment Dates 10/28/2026 - 10/28/2026

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 14989				
Achievement House, Inc.	Clean Streets Program - Sept	81639	10/28/2026	4,500.00
Payment 14989 Total:				4,500.00
Payment: 14990				
Allweather Landscape Mainte...	LMD - Irrigation Repair	600037	10/28/2026	154.00
Payment 14990 Total:				154.00
Payment: 14991				
Aqua-Metric Sales, Co.	Dual Port Radios (12)	INV0116631	10/28/2026	3,720.53
Aqua-Metric Sales, Co.	Annual Software Support - RNI..	INV0116386	10/28/2026	26,332.94
Payment 14991 Total:				30,053.47
Payment: 14992				
Ardurra Group, Inc.	CM Blacklake LS Sewer Consol...	4120	10/28/2026	88,261.80
Ardurra Group, Inc.	2025 UWMP	3989	10/28/2026	5,700.95
Ardurra Group, Inc.	Bid Services & ESDC Frontage ...	4015	10/28/2026	2,320.50
Ardurra Group, Inc.	Southland WWTF Pmt & Ph2 ...	4042	10/28/2026	1,149.75
Ardurra Group, Inc.	PCIA - 213 W. Dana St	4014	10/28/2026	345.00
Payment 14992 Total:				97,778.00
Payment: 14993				
Balderas Lazaro, Shantell	Live Scan & Boot Reimbursem...	OCTOBER 2026	10/28/2026	227.53
Payment 14993 Total:				227.53
Payment: 14994				
Bank of New York Mellon Trus...	Bond Administration - COP 20...	00252-26-0165937	10/28/2026	1,500.00
Payment 14994 Total:				1,500.00
Payment: 14995				
Bee Safe Lock & Key	Service Call - Generator Gate ...	121946	10/28/2026	146.27
Payment 14995 Total:				146.27
Payment: 14996				
BKF Engineers	CM - Frontage Rd Trunk Sewer	26100819	10/28/2026	82,822.00
Payment 14996 Total:				82,822.00
Payment: 14997				
California Special Districts Ass...	Membership Renewal 2027	2027-194	10/28/2026	10,427.00
Payment 14997 Total:				10,427.00
Payment: 14998				
Cannon Corporation	Foothill Tank Site Rough Gradi...	97109	10/28/2026	2,604.25
Cannon Corporation	Foothill Water Tank Site Rough..	97214	10/28/2026	2,825.50
Cannon Corporation	Blacklake Sewer Consolidation	97310	10/28/2026	3,540.75
Payment 14998 Total:				8,970.50
Payment: 14999				
City of Santa Maria	Water Purchased 7-1-26 thro...	JULY-SEPT 2026	10/28/2026	1,558,482.33
Payment 14999 Total:				1,558,482.33
Payment: 15000				
CivicPlus LLC	Online Hosting of District Code	384924	10/28/2026	992.25
Payment 15000 Total:				992.25
Payment: 15001				
Clever Ducks	Computer expense	INV-2399	10/28/2026	6,961.94
Payment 15001 Total:				6,961.94
Payment: 15002				
Column, Enotice Inc.	Public Notice - UWMP	B0A9D0E7-0038	10/28/2026	193.10
Payment 15002 Total:				193.10

Item D-1(A) Warrants OCTOBER 28, 2026

Payment Dates: 10/28/2026 - 10/28/2026

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 15003				
Detection Instruments Corpor...	H2S Sensor & Calibrations Acc...	3354-65248	10/28/2026	953.63
Payment 15003 Total:				953.63
Payment: 15004				
Dienzo, Ray	Cell Phone Reimbursement	SEPTEMBER2026	10/28/2026	100.00
Dienzo, Ray	Cell Phone Reimbursement	AUGUST2026	10/28/2026	100.00
Payment 15004 Total:				200.00
Payment: 15005				
Donahue Truck Centers	Preventative Maintenance for...	INV-SM-125528	10/28/2026	159.00
Payment 15005 Total:				159.00
Payment: 15006				
Electricraft, Inc.	3 Spare Motor Monitoring Rel...	26-078	10/28/2026	7,375.00
Payment 15006 Total:				7,375.00
Payment: 15007				
Excel Personnel Services, Inc.	Employment agency	4792235	10/28/2026	558.00
Payment 15007 Total:				558.00
Payment: 15008				
Executive Janitorial	Janitorial services	94713	10/28/2026	780.00
Payment 15008 Total:				780.00
Payment: 15009				
Fence Factory	Install Iron Fence at Wilson Off..	556451	10/28/2026	14,300.00
Payment 15009 Total:				14,300.00
Payment: 15010				
FGL Environmental	Lab tests	683226A	10/28/2026	80.00
FGL Environmental	Lab tests	683183A	10/28/2026	44.00
FGL Environmental	Lab tests	683250A	10/28/2026	80.00
FGL Environmental	Lab tests	683184A	10/28/2026	80.00
FGL Environmental	Lab tests	683249A	10/28/2026	44.00
FGL Environmental	Lab tests	683171A	10/28/2026	80.00
FGL Environmental	Lab tests	683215A	10/28/2026	80.00
Payment 15010 Total:				488.00
Payment: 15011				
FlexTG LLC	B&W/Color copies	INV592947	10/28/2026	106.08
Payment 15011 Total:				106.08
Payment: 15012				
Frontier Communications	BL Telephone	OCT 2026	10/28/2026	120.77
Payment 15012 Total:				120.77
Payment: 15013				
Girard, Susan	Washer Rebate	OCTOBER 2026	10/28/2026	75.00
Payment 15013 Total:				75.00
Payment: 15014				
GLM Landscape Management	Landscape maintenance	CI-7641	10/28/2026	3,457.00
GLM Landscape Management	Landscape maintenance	CI-7774	10/28/2026	1,007.00
Payment 15014 Total:				4,464.00
Payment: 15015				
Home Depot Credit Services D...	Tools & Supplies	SEPTEMBER2026	10/28/2026	192.00
Payment 15015 Total:				192.00
Payment: 15016				
Iconix Waterworks (US) Inc.	Quikrete Concrete Mix (42)	U2616037048	10/28/2026	416.67
Payment 15016 Total:				416.67
Payment: 15017				
Integrated Industrial Supply, I...	Black Nitrile Gloves (20)	114550	10/28/2026	285.36
Payment 15017 Total:				285.36
Payment: 15018				
Juarez, Jose	CSM-1 Renewal Fee	OCTOBER 2026 - B	10/28/2026	118.00

Item D-1(A) Warrants OCTOBER 28, 2026
Payment Dates: 10/28/2026 - 10/28/2026

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Juarez, Jose	CWEA Collections Class	OCTOBER 2026 - A	10/28/2026	110.00
Payment: 15018 Total:				228.00
Payment: 15019				
Mettler-Toledo, LLC	Preventative Maintenance for...	655549057	10/28/2026	940.08
Payment: 15019 Total:				940.08
Payment: 15020				
Mission Uniform Service	Uniforms	526866587	10/28/2026	276.37
Mission Uniform Service	Uniforms	526911065	10/28/2026	466.49
Payment: 15020 Total:				742.86
Payment: 15021				
Newton Geo-Hydrology Consu...	Litigation Support through 9/... SEPTEMBER 2026		10/28/2026	1,110.00
Payment: 15021 Total:				1,110.00
Payment: 15022				
Nu-Tech Pest Management	Pest/Rodent Control	0199572	10/28/2026	265.00
Nu-Tech Pest Management	Pest/Rodent Control	0199574	10/28/2026	75.00
Payment: 15022 Total:				340.00
Payment: 15023				
OEC	Lab Tests - Water	A261008	10/28/2026	4,125.00
Payment: 15023 Total:				4,125.00
Payment: 15024				
Office Depot	Office supplies	482663831001	10/28/2026	429.99
Office Depot	Office supplies	479743881002	10/28/2026	21.00
Payment: 15024 Total:				450.99
Payment: 15025				
Paterson, Julianne & Douglas	Washer Rebate	OCTOBER 2026	10/28/2026	75.00
Payment: 15025 Total:				75.00
Payment: 15026				
Quinn Company	Battery Replacement for Yard ...	WON10027726	10/28/2026	2,520.80
Payment: 15026 Total:				2,520.80
Payment: 15027				
R. Baker, Inc.	Sludge Dryer Repair	1175	10/28/2026	828.00
R. Baker, Inc.	Saw Cut & Patch Paving - Mult...	1158	10/28/2026	16,282.00
Payment: 15027 Total:				17,110.00
Payment: 15028				
Riley, Thomas	D2 & T1 Certification Fees	OCTOBER2026	10/28/2026	129.00
Payment: 15028 Total:				129.00
Payment: 15029				
Rogers, Anderson, Malody & S...	Progress Billing for FY 25/26 A...	81816	10/28/2026	11,000.00
Payment: 15029 Total:				11,000.00
Payment: 15030				
Santa Maria Ford Lincoln	Steering Column Shaft & Igniti...	269091	10/28/2026	2,056.16
Santa Maria Ford Lincoln	New Keyfob Veh #192	269731	10/28/2026	416.30
Santa Maria Ford Lincoln	Oil Change & Filter Service Veh..	269204	10/28/2026	74.15
Payment: 15030 Total:				2,546.61
Payment: 15031				
SLO County Tax Collector	Property Taxes - Sundale	2026-27 091-232-016	10/28/2026	2,205.08
SLO County Tax Collector	Property Taxes - Riverside	2026-27 092-231-016	10/28/2026	7.00
SLO County Tax Collector	Property Taxes - JRPS	2026-27 090-291-047	10/28/2026	212.84
Payment: 15031 Total:				2,424.92
Payment: 15032				
SoCalGas	Heat - shop/office	OCTOBER 2026 - A	10/28/2026	16.36
Payment: 15032 Total:				16.36
Payment: 15033				
Spieß Construction Co.	Blacklake Sewer Consolidation	BLAD 25	10/28/2026	158,519.15
Payment: 15033 Total:				158,519.15

Item D-1(A) Warrants OCTOBER 28, 2026

Payment Dates: 10/28/2026 - 10/28/2026

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 15034				
SWCA, Inc.	Blacklake Sewer System HCP ...	254721	10/28/2026	4,408.62
SWCA, Inc.	Blacklake Sewer System HCP ...	256383	10/28/2026	4,232.63
Payment 15034 Total:				8,641.25
Payment: 15035				
Taft Electric Company	Weatherproof Junction Box & ...	35-1982	10/28/2026	15,665.00
Payment 15035 Total:				15,665.00
Payment: 15036				
Tesco Controls, Inc.	Extended Maintenance and Sy...	0088918-IN	10/28/2026	40,000.00
Payment 15036 Total:				40,000.00
Payment: 15037				
US Bank National Association	Dues & Subscriptions	SEPTEMBER 2026 - E	10/28/2026	705.19
US Bank National Association	Software Subscriptions	SEPTEMBER 2026 - C	10/28/2026	120.00
US Bank National Association	Office Supplies	SEPTEMBER 2026 - F	10/28/2026	391.40
US Bank National Association	Travel & Meals	SEPTEMBER 2026 - B	10/28/2026	340.74
US Bank National Association	Storage Unit	SEPTEMBER 2026 - D	10/28/2026	319.00
US Bank National Association	Board Meeting Supplies	SEPTEMBER 2026-A	10/28/2026	31.00
US Bank National Association	Shredding Services	SEPTEMBER 2026 - G	10/28/2026	86.07
Payment 15037 Total:				1,993.40
Payment: 15038				
W.M. Lyles Co	Frontage Rd Trunk Sewer Ph1	FR2526-189-9	10/28/2026	898,306.81
Payment 15038 Total:				898,306.81
Payment: 15039				
Wallace Group	FOG Program	68725	10/28/2026	376.25
Payment 15039 Total:				376.25
Payment: 15040				
White, Christian	CWEA Membership Renewal	OCTOBER 2026	10/28/2026	259.00
Payment 15040 Total:				259.00
Payment: 15041				
Wisembaker, Adelita	Washer Rebate	OCTOBER 2026	10/28/2026	75.00
Payment 15041 Total:				75.00
Payment: 15042				
Xylem Water Solutions USA, I...	Service Call & Repair on Pump...	401520904	10/28/2026	3,844.82
Payment 15042 Total:				3,844.82
Payment: 15043				
Zierman Plumbing, Inc	Plumbing Replacement - Disp...	27124	10/28/2026	416.63
Payment 15043 Total:				416.63
Grand Total:				3,005,538.83

TO: BOARD OF DIRECTORS

REVIEWED: RAY DIENZO, P.E. *RWD*
GENERAL MANAGER

FROM: LISA BOGNUDA
INTERIM ASSISTANT GM

DATE: OCTOBER 22, 2026

AGENDA ITEM
D-1(B)
OCTOBER 28, 2026

WARRANTS – BLACKLAKE ASSESSMENT DISTRICT 2020-1

COMPUTER CHECKS GENERATED	\$2,000.00
VOIDED CHECKS	NONE

Item D-1(B) Warrants OCTOBER 28, 2026

Nipomo Community Services District

By Payment Number

Payment Dates 10/28/2026 - 10/28/2026

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 286				
Special District Financing & A...	Annual Bond Administration -...	17381	10/28/2026	2,000.00
Payment 286 Total:				2,000.00
Grand Total:				2,000.00

TO: BOARD OF DIRECTORS
REVIEWED: RAY DIENZO, P.E. *RD*
GENERAL MANAGER
FROM: LISA BOGNUDA
INTERIM ASSISTANT GM
DATE: OCTOBER 22, 2026

AGENDA ITEM
D-1(C)
OCTOBER 28, 2026

WARRANTS – DANA RESERVE CAPACITY FUND

COMPUTER CHECKS GENERATED	\$36,798.14
VOIDED CHECKS	NONE

Item D-1(C) Warrants OCTOBER 28, 2026

Nipomo Community Services District

By Payment Number

Payment Dates 10/28/2026 - 10/28/2026

Vendor Name	Description (Payable)	Payable Number	Payment Date	Amount
Payment: 203				
Ardurra Group, Inc.	Oakglen Waterline Improvem...	4047	10/28/2026	36,798.14
Payment 203 Total:				36,798.14
Grand Total:				36,798.14

TO: BOARD OF DIRECTORS
FROM: RAY DIENZO, P.E. *RD*
GENERAL MANAGER
DATE: OCTOBER 22, 2026

AGENDA ITEM

D-2

OCTOBER 28, 2026

**APPROVE SEPTEMBER 23, 2026
BOARD MEETING MINUTES**

ITEM

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

BACKGROUND

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

RECOMMENDATION

Approve Minutes

ATTACHMENT

- A. September 23, 2026 draft Board Meeting Minutes

OCTOBER 28, 2026

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community since 1965

DRAFT REGULAR MEETING MINUTES

SEPTEMBER 23, 2026 AT 9:00 A.M.

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

BOARD of DIRECTORS

PHIL HENRY, **PRESIDENT**
TOM GLOVER, **VICE PRESIDENT**
ED EBY, **DIRECTOR**
GARY HANSEN, **DIRECTOR**
JOHN JOYCE, **DIRECTOR**

PRINCIPAL STAFF

RAY DIENZO, **GENERAL MANAGER**
JANA ETTEDDGUE, **FINANCE DIR/ASST GM**
ELIZABETH GAMEZ, **DISTRICT ENGINEER**
FRANCISCO MALDONADO, **OPERATIONS MGR.**
CRAIG STEELE, **GENERAL COUNSEL**

A. CALL TO ORDER AND FLAG SALUTE

President Henry called the Regular Meeting of September 23, 2026, to order at 9:00 a.m. and led the flag salute.

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

At Roll Call, all Directors were present.

There were no public comments.

C. PRESENTATIONS AND REPORTS

C-1) INTRODUCE NEW STAFF MEMBERS

Ray Dienzo, General Manager, introduced new staff members, Ozzy Ortega, Water Operator 1, and Shantell Balderas, Assistant Engineer.

There were no public comments.

C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS

Director Eby

- *September 1, viewed SLO County Board of Supervisors meeting*
- *September 2, WRAC meeting was cancelled*
- *September 17, attended LAFCO meeting*

Director Henry

- *September 9, attended Board Officers meeting*

Director Glover

- *September 9, attended Board Officers meeting*

Director Joyce

- *September 12, attended Dana Adobe Heritage Day*
- *September 19, attended Nipomo Cruise Night*
- *September 28, will attend SCAC meeting*

There were no public comments.

SUBJECT TO BOARD APPROVAL

- D. **CONSENT AGENDA** *The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item removed. If discussion is desired, the item may be removed from the Consent Agenda by a Board member and will be considered separately at the conclusion of the Consent Items. Questions or clarification may be made by the Board members without removal from the Consent Agenda. Individual items on the Consent Agenda are approved by the same vote that approves the Consent Agenda, unless an item is pulled for separate consideration. The recommendations for each item are noted in bracket. Members of the public may comment on the Consent Agenda items.*

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE AUGUST 26, 2026 REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]
- D-3) AUTHORIZE TASK ORDER AND BUDGET AMENDMENT FOR ADDITIONAL CONSTRUCTION MANAGEMENT SERVICES WITH MKN AND ASSOCIATES FOR BLACKLAKE SEWER SYSTEM CONSOLIDATION PROJECT LIFT STATIONS AND BLACKLAKE WASTEWATER RECLAMATION FACILITY DECOMMISSIONING [RECOMMEND AUTHORIZE TASK ORDER IN THE AMOUNT OF \$117,854 AND APPROVE RESOLUTION FOR BUDGET AMENDMENT]
- D-4) AUTHORIZE CONTRACT AMENDMENT AND BUDGET AMENDMENT FOR ENVIRONMENTAL COMPLIANCE SERVICES FOR BLACKLAKE SEWER SYSTEM CONSOLIDATION PROJECT WITH SWCA ENVIRONMENTAL CONSULTANTS [RECOMMEND AUTHORIZE CONTRACT AMENDMENT AND APPROVE RESOLUTION FOR BUDGET AMENDMENT].
- D-5) AUTHORIZE TASK ORDER AND BUDGET ADJUSTMENT FOR ADDITIONAL CONSTRUCTION MANAGEMENT SERVICES WITH MNS ENGINEERS, INC. FOR FRONTAGE ROAD TRUNK SEWER PHASE 1 REPLACEMENT PROJECT [RECOMMEND BY MOTION AND ROLL CALL APPROVE TASK ORDER WITH MNS ENGINEERS, INC. IN THE AMOUNT OF \$64,071 AND AUTHORIZE STAFF TO EXECUTE TASK ORDER AND RESOLUTION FOR THE BUDGET ADJUSTMENT].
- D-6) DECLARE 2015 FORD F-250 PICKUP TRUCK SURPLUS AND AUTHORIZE SALE [RECOMMEND DECLARE 2015 FORD F-250 PICKUP TRUCK SURPLUS AND AUTHORIZE STAFF TO DISPOSE OF BY SALE]
- D-7) AUTHORIZE TASK ORDER AND BUDGET ADJUSTMENT FOR NIPOMO COMMUNITY SERVICES DISTRICT'S REPLACEMENT COMPUTER SYSTEM SERVERS PROJECT [RECOMMEND ADOPT RESOLUTION AUTHORIZING STAFF TO EXECUTE TASK ORDER IN THE AMOUNT OF \$122,806.51 WITH CLEVER DUCKS, AUTHORIZE CHANGE ORDER CONTINGENCY IN THE AMOUNT OF \$25,000, AND APPROVE A BUDGET ADJUSTMENT OF \$48,000].

Elizabeth Gamez, District Engineer, answered questions from the Board.

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

Francisco Maldonado, Operations Manager, answered questions from the Board.

There were no public comments.

SUBJECT TO BOARD APPROVAL

Upon the motion of Director Eby, and seconded by Director Glover, the Board adopted the Consent Agenda.

Vote 5-0-0

YES VOTES	ABSTAIN	ABSENT
Directors Eby, Glover, Joyce, Hansen, and Henry,	None	None

RESOLUTION 2026-1776

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING THE CONSTRUCTION CONTRACT FOR CONSTRUCTION MANAGEMENT SERVICES FOR BLACKLAKE SEWER CONSOLIDATION PROJECT LIFT STATIONS AND BLACKLAKE WASTEWATER RECLAMATION FACILITY DECOMMISSIONING WITH MKN FOR ADDED SERVICES IN THE AMOUNT OF \$117,854

RESOLUTION 2026-1777

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING THE CONSTRUCTION CONTRACT FOR ENVIRONMENTAL COMPLIANCE SERVICES FOR BLACKLAKE SEWER CONSOLIDATION PROJECT LIFT STATIONS AND BLACKLAKE WASTEWATER RECLAMATION FACILITY DECOMMISSIONING WITH SWCA ENVIRONMENTAL CONSULTANTS FOR ADDED SERVICES IN THE AMOUNT OF \$14,559

RESOLUTION 2026-1778

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING THE CONSTRUCTION CONTRACT FOR CONSTRUCTION MANAGEMENT SERVICES FOR FRONTAGE ROAD TRUNK SEWER PHASE 1 REPLACEMENT PROJECT WITH MNS FOR ADDED SERVICES AND APPROVE FISCAL YEAR 2026-2027 BUDGET AMENDMENT IN THE AMOUNT OF \$64,071

RESOLUTION 2026-1779

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AMENDING THE CONSTRUCTION CONTRACT FOR CONSTRUCTION MANAGEMENT SERVICES FOR FRONTAGE ROAD TRUNK SEWER PHASE 1 REPLACEMENT PROJECT WITH MNS FOR ADDED SERVICES AND APPROVE FISCAL YEAR 2026-2027 BUDGET AMENDMENT IN THE AMOUNT OF \$64,071

E. ADMINISTRATIVE ITEMS

- E-1) CONSIDER 2025 URBAN WATER MANAGEMENT PLAN AND WASTER SHORTAGE CONTINGENCY PLAN [RECOMMEND REVIEW AND PROVIDE COMMENTS, AND SET PUBLIC HEARING FOR NOVEMBER 18, 2026 TO ADOPT UWMP AND WSCP.]

Ray Dienzo, General Manager, introduced the item.

Eileen Shields, P.E., Project Director for Ardurra, presented the item and answered questions from the Board.

Cindy Sevilla Esparaza, P.E., Project Engineer for Ardurra, presented the item and answered questions from the Board.

There were no public comments.

Upon the motion of Director Eby, and seconded by Director Glover, the Board approved the 2025 Urban Water Management Plan and Water Shortage Contingency

SUBJECT TO BOARD APPROVAL

Plan and set the public hearing to adopt the UWMP and WSCP for November 18, 2026 at 9:00a.m.

Vote 5-0-0

YES VOTES	ABSTAIN	ABSENT
Directors Eby, Glover, Joyce, Hansen, and Henry	None	None

- E-2) CONSIDER APPROVAL OF THE UPDATED NIPOMO COMMUNITY SERVICES DISTRICT 2026 STRATEGIC PLAN [RECOMMEND APPROVAL OF THE UPDATED NCSD 2026 STRATEGIC PLAN]

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

There were no public comments.

Upon the motion of Director Eby, and seconded by Director Hansen, the Board approved the 2026 Strategic Plan.

Vote 3-2-0

YES VOTES	NO	ABSTAIN
Directors Eby, Hansen, and Henry	Joyce, Glover	None

- E-3) CONSIDER CHANGE TO THE SOLID WASTE FRANCHISE FEE [RECOMMEND ADOPT RESOLUTION TO APPROVE REDUCTION IN FRANCHISE FEE]

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

There were no public comments.

Upon the motion of Director Glover, and seconded by Director Eby, the Board adopted the resolution.

Vote 5-0-0

YES VOTES	ABSTAIN	ABSENT
Directors Glover, Eby, Joyce, Hansen, and Henry	None	None

RESOLUTION 2026-1780

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT APPROVING THE FOURTH AMENDMENT TO THE AMENDED AND RESTATED SOLID WASTE, RECYCLABLE MATERIALS, AND ORGANIC MATERIALS COLLECTION FRANCHISE AGREEMENT BETWEEN THE NIPOMO COMMUNITY SERVICES DISTRICT AND SOUTH COUNTY SANITARY SERVICES, INC.

F. GENERAL MANAGER'S REPORT

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

Francisco Maldonado, Operations Manager, answered questions from the Board.

There were no public comments

SUBJECT TO BOARD APPROVAL

G. COMMITTEE REPORTS

None

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

None

I. CLOSED SESSION ANNOUNCEMENTS

*Craig Steele, Legal Counsel, announced that there would be closed session on both items.*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)

2) ANNUAL PERFORMANCE REVIEW PROCESS OF DISTRICT GENERAL
MANAGER PURSUANT TO GOVERNMENT CODE SECTION §54957

J. ADJOURN TO CLOSED SESSION

The Board adjourned to closed session at 10:30 a.m.

K. OPEN SESSION

Craig Steele, Legal Counsel, announced there were no reportable actions in closed session.

ADJOURN MEETING

President Henry adjourned the meeting at 11:25 a.m.

MEETING SUMMARY	HOURS & MINUTES		
Regular Meeting	1	hours	30 minutes
Closed Session	0	hours	55 minutes
TOTAL HOURS	2	hours	25 minutes

Respectfully submitted,

Ray Dienzo, General Manager and Secretary to the Board

Date

SUBJECT TO BOARD APPROVAL

TO: BOARD OF DIRECTORS
REVIEWED: RAY DIENZO, P.E. *RND*
GENERAL MANAGER
FROM: JANA ETTEDDGUE
FINANCE DIRECTOR
DATE: OCTOBER 23, 2026



INVESTMENT POLICY – QUARTERLY REPORT

ITEM

Review Investment Policy Quarterly Report [RECOMMEND ACCEPT AND FILE REPORT]

BACKGROUND

The District's Investment Policy requires the Treasurer/Finance Officer file a quarterly report that identifies the District's investments and their compliance with the policy. The quarterly report [Attachment A] is considered by the Board of Directors and is filed with the District's auditor.

As District Treasurer/Finance Officer, I am pleased to inform the Board of Directors that the District is in compliance with the Investment Policy and that the objectives of safety, liquidity, and yield have been met. The District has the ability to meet cash flow requirements for the next six months.

STRATEGIC PLAN

Goal 3. LONG-TERM FINANCIAL STABILITY: Nipomo CSD is financially stable and sustainable, with rates that are fair, predictable, and reflect the value customers receive.

Objective 3.1: Financial Planning. The District's financial decisions are grounded in current, reliable long-term planning and forecasting.

RECOMMENDATION

After Board consideration and public comment, it is recommended that your Honorable Board accept the quarterly report and direct staff to file the Report with the District Auditor.

ATTACHMENTS

- A. Quarterly Investment Report

OCTOBER 28, 2026

ITEM D-3

ATTACHMENT A

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT INVESTMENT POLICY-QUARTERLY REPORT 9/30/26

UNRESTRICTED POOLED CASH ACCOUNTS							
<i>Investment</i>	<i>Institution</i>	<i>Amount of Deposit 9/30/26</i>	<i>Rate of Interest as of 9/30/26</i>	<i>Quarterly Interest Earned or Accrued 9/30/26</i>	<i>Amount of Deposit 9/30/25</i>	<i>Rate of Interest as of 9/30/25</i>	<i>Quarterly Interest Earned or Accrued 9/30/25</i>
Public Checking (1)	<i>Five Star Bank</i>	\$919,489.64	n/a	n/a	\$263,711.84	n/a	n/a
Public Money Market	<i>Five Star Bank</i>	\$4,828,857.01	3.93%	\$44,407.10	\$4,711,858.42	4.25%	\$48,880.09
Public Money Market	<i>Mechanics Bank</i>	\$407,587.62	3.61%	\$2,683.79	\$1,283,936.37	4.13%	\$12,571.51
Pooled Money Investment	<i>Local Agency Investment Fund (LAIF)</i>	\$14,513,424.01	3.87%	\$144,892.26	\$13,932,510.70	4.34%	\$152,196.26
Pooled Money Investment	<i>Multi Bank Securities</i>	\$1,464,000.00	4.10-4.25%	\$18,746.55	\$728,000.00	3.90-4.10%	\$13,948.80
RESTRICTED CASH ACCOUNT – NIPOMO SUPPLEMENTAL WATER FUNDED REPLACEMENT HELD IN TRUST							
Savings-NSWP Funded Replacement	<i>Five Star</i>	\$2,609,850.82	3.93%	\$24,962.13	\$2,335,421.59	4.25%	\$24,651.74
RESTRICTED CASH ACCOUNTS – DANA RESERVE CAPACITY FUND							
Checking (1)	<i>Five Star</i>	\$21,423.50	n/a	n/a	n/a	n/a	n/a
Public Money Market	<i>Five Star</i>	\$4,509,127.37	3.93%	\$43,702.81	n/a	n/a	n/a
RESTRICTED CASH ACCOUNTS – ASSESSMENT DISTRICT 2020-1							
Public Checking - BL A/D 2020-1 (1)	<i>Five Star</i>	\$411.62	n/a	n/a	\$7,890.62	n/a	n/a
Money Mkt - BL A/D 2020-1	<i>Five Star</i>	\$4,173.77	3.93%	\$2,762.84	\$1,886,477.84	4.25%	\$19,295.31
Money Mkt - BL Tax Roll Collections	<i>Five Star</i>	\$14,856.75	3.93%	\$1,388.87	\$14,721.13	4.25%	\$3,070.78

(1) Analyzed Account

n/a Not applicable

TO: BOARD OF DIRECTORS
REVIEWED: RAY DIENZO *RWD*
GENERAL MANAGER
FROM: JANA ETTEDDGUE
FINANCE DIRECTOR
DATE: OCTOBER 23, 2026



ANNUAL REVIEW OF CASH RESERVES IN ACCORDANCE WITH RESERVE POLICY

ITEM

Annual review of Cash Reserves in accordance with Cash Reserve Policy [RECOMMEND RECEIVE REPORT AND DIRECT STAFF]

BACKGROUND

On February 8, 2023, the Board of Directors adopted Resolution 2023-1655 Amending the Cash Reserve Policy for the District.

The policy states in part that after the adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of excess balances from operating funds to funded replacement funds.

In accordance with the Cash Reserve Policy, attached is a table providing a review of each Fund's cash reserve target criteria, the cash balance as of June 30, 2026 and determination if target criteria have been met (Attachment A).

FISCAL IMPACT

None

STRATEGIC PLAN

Goal 3. LONG-TERM FINANCIAL STABILITY: Nipomo CSD is financially stable and sustainable, with rates that are fair, predictable, and reflect the value customers receive.

Objective 3.3: Financial Reserves. The District maintains adequate reserves and financial flexibility to absorb unexpected cost increases and economic disruptions without compromising service quality or forcing unplanned rate adjustments.

RECOMMENDATION

Staff recommends the Board of Directors receive report and take no action at this time.

ATTACHMENTS

- A. Cash Reserve Review
- B. Resolution 2023-1655 Cash Reserve Policy

OCTOBER 28, 2026

ITEM D-4

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY REVIEW – BALANCES AS OF JUNE 30, 2026**

FUND NAME	FUND NUMBER	CASH RESERVE TARGET CRITERIA	CASH RESERVE GOAL AMOUNT ADOPTED OPERATING BUDGET 2026-2027 (Total Operating Expenses Less Funded Replacement)	CASH BALANCE AS OF 6/30/26 (includes Rate Stabilization Fund)	CASH RESERVE CRITERIA MET?	RECOMMENDATION
Water Fund	125	Equal to or greater than twelve months (360 days) of annual budgeted operating expenses (not including Funded Replacement) Including Water Rate Stabilization Fund #128	\$9,169,904-\$707,000= \$8,462,904	Fund #125 and Fund #128 \$7,043,143 + \$501,691= \$7,544,834	No	No action recommended at this time – next scheduled rate increase is January 1, 2027
Town Sewer Fund	130	180 days (6 months or 50%) of operating expenses (not including Funded Replacement) Including Sewer Rate Stabilization Fund #135	\$2,469,500-\$0= \$2,469,500 \$2,469,500 x 50%= \$1,234,750	Fund #130 and Fund #135 \$108,816 + \$439,962 = \$548,777	No	No action recommended at this time –Rate increased scheduled July 1, 2027

FUND NAME	FUND NUMBER	Cash Reserve Target Criteria	CASH BALANCE AS OF 6/30/26	CASH RESERVE CRITERIA MET?	RECOMMENDATION
Water Rate Stabilization Fund	128	\$400,000	\$501,691	Yes	No action recommended at this time
Sewer Rate Stabilization Fund	135	\$300,000	\$439,962	Yes	No action recommended at this time
Blacklake Street Lighting Fund	200	\$17,000	\$22,195	Yes	Action taken in Fiscal Year 26-27- Assessment increased to \$93.00
Blacklake Street Lighting Fund- Funded Replacement	205	\$25,000	(\$2,295)	No	No action recommended at this time. A portion of the increased assessment to \$93.00 in Fund 200 will be transferred to this Fund.
Landscape Maintenance District	250	\$20,000	\$22,513	Yes	No action taken in Fiscal Year 26-27- Assessment remained the same at \$575.00
Solid Waste	300	\$150,000	\$446,509	Yes	Action taken at Board Meeting on September 23, 2026, to permanently reduce the Franchise Fee
Drainage	400	\$50,000	\$53,956	Yes	No action recommended at this time

OCTOBER 28, 2026

ITEM D-4

ATTACHMENT B

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-1655**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("District") intends that the District will at all times have sufficient capital available to meet its operating, replacement, capital projects and debt service payments; and

WHEREAS, the District desires to establish sound financial policies to promote favorable bond ratings in capital markets so that bonds may be used for future financing of District projects; and

WHEREAS, the District desires to reserve capital for unanticipated and unforeseeable expenses; and

WHEREAS, the District desires to establish a buffer should revenue estimates in any year not meet projections; and

WHEREAS, the Cash Reserve Policy has been amended and is hereby presented at this meeting and it is appropriate at this time for the Board of Directors to consider approval of the adoption of the amended Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Cash Reserve Policy, as amended, in the form presented at this meeting attached hereto Exhibit "A" are hereby approved and adopted.

SECTION 3. The officers of the District are hereby directed to do and cause to be done any and all acts and things necessary or proper in order to effectuate the purposes of this resolution.

SECTION 4. This resolution shall take effect immediately.

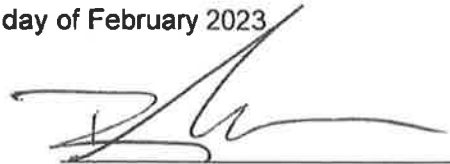
Upon a motion by Director Hansen, seconded by Director Gaddis, on the following roll call vote, to wit:

AYES: *Directors Hansen, Gaddis, Woodson, Eby and Malvarose*
NOES: *NONE*
ABSENT: *NONE*
CONFLICTS: *NONE*

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-1655**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

The foregoing resolution is hereby adopted this 8th day of February 2023


RICHARD MALVAROSE
President of the Board

ATTEST:


MARIO IGLESIAS
General Manager and Secretary to the Board

APPROVED AS TO FORM AND
LEGAL EFFECT:


CRAIG STEELE
District Legal Counsel

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

PURPOSE

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Nipomo Community Services District (District) will strive at all times to have sufficient funding available to meet its operating, capital and debt service obligations as well as to protect its creditworthiness. The District is committed to maintaining a financial structure that provides adequate and predictable revenues at the lowest possible cost to meet forecasted needs and operational objectives.

It should be noted that the District has a Debt Management Policy that establishes parameters for evaluating, issuing and managing the District's debt. The District's Debt Management Policy should be considered prior to committing to any new financial obligations.

The adequacy of the targeted cash reserve year-end balance ranges and/or annual contributions to each fund will be reviewed annually during the budgeting process or when a major change in conditions threatens the reserve levels established within this policy.

OPERATING FUNDS

WATER FUND (FUND #125)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Water Fund cash reserves, including the Water Rate Stabilization Fund #128, should be equal to or greater than twelve months (360 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from Water Fund #125 to the Funded Replacement Water Fund #805.

TOWN SEWER FUND (FUND #130)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Town Sewer Fund cash reserves, including the Town Sewer Rate Stabilization Fund #135, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may Approve a transfer of the excess balance from the Town Sewer Fund #130 to the Funded Replacement Town Sewer Fund #810.

BLACKLAKE SEWER FUND (FUND #150)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Blacklake Sewer Fund cash reserves, including the Blacklake Sewer Rate Stabilization Fund #155, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from the Blacklake Sewer fund #150 to the Funded Replacement Blacklake Sewer Fund #830.

WATER RATE STABILIZATION FUND (FUND #128)

Purpose: To serve as a buffer to water rates during any period where there are unexpected increases in operating costs or decreases in revenues. In addition, in a severe drought or extremely wet conditions, it is reasonable to expect that water sales could fluctuate significantly. As such, this fund will absorb these types of fluctuations in operations and help stabilize rates and enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$400,000.

TOWN SEWER RATE STABILIZATION FUND (FUND #135)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$300,000 set by Bond Indenture Agreement for the Revenue of Certificates of Participation Series 2012.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT"A"

BLACKLAKE SEWER RATE STABILIZATION FUND (FUND #155)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$50,000.

BLACKLAKE STREET LIGHTING (FUND #200)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing street lighting services for Blacklake Village. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of \$17,000.

FUNDED REPLACEMENT-BLACKLAKE STREET LIGHTING (FUND #205)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of \$25,000.

LANDSCAPE MAINTENANCE DISTRICT (FUND #250)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing landscape maintenance to the property owners of Tract 2409. (Funded by annual assessment to property owners in Tract 2409 aka Vista Verde Estates)

Target Criteria: Minimum reserve requirement of \$20,000.

SOLID WASTE (FUND #300)

Purpose: To ensure sufficient cash resources are available to fund solid waste programs, rate stabilization and to cover operating costs in the event that the District may find itself operating solid waste collection, disposal and recycling functions should its business partner now franchised to do these functions be unable to continue to provide these services due to an unforeseen event. This reserve provides assurance that solid waste services remain uninterrupted during an extended disruption to service provider. (Funded by Franchise Fees)

Target Criteria: Minimum reserve requirement of \$150,000.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT"A"

DRAINAGE (FUND #400)

Purpose: To ensure sufficient cash resources are available to operate and maintain the Nipomo Drainage Maintenance District 76-02 (storm water conveyance system and basin serving Folkert Oaks Mobile Home Park and adjacent properties on Juniper Street). (Funded by a 1% ad valorem property tax rate)

Target Criteria: Minimum reserve requirement of \$50,000.

FUNDED REPLACEMENT- WATER (FUND #805)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future water rates. (Funded by water rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- TOWN SEWER (FUND #810)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future town sewer rates. (Funded by Town sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- BLACKLAKE SEWER (FUND #830)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future Blacklake sewer rates. (Funded by Blacklake sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

NON-OPERATING FUNDS

SUPPLEMENTAL WATER FUND (#500)

Purpose: The revenue generated from the Supplemental Water Capacity Charge accumulates in this fund and its use is restricted to projects, programs and expenditures that reduce the District's reliance on groundwater as its sole water supply. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

PROPERTY TAX (FUND #600)

Purpose: District's share of the 1% ad valorem tax on real property collected by the County of San Luis Obispo and distributed to the District pursuant to Article XIII A of the California Constitution. (Funded by property taxes and interest earnings)

Target Criteria: No minimum target is maintained, however, the annual property tax revenue stream is pledged to pay the annual debt service for the 2013 Certificates of Participation and the 2013 Refunding Revenue Bonds.

WATER CAPACITY CHARGES (FUND #700)

Purpose: The revenue generated from the Water Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest)

Target Criteria: No minimum target is maintained.

TOWN SEWER CAPACITY CHARGES (FUND #710)

Purpose: The revenue generated from the Town Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

TO: BOARD OF DIRECTORS

REVIEWED: RAY DIENZO, P.E. *RD*
GENERAL MANAGER

FROM: ELIZABETH GAMEZ, EIT
DISTRICT ENGINEER

DATE: OCTOBER 20, 2026

AGENDA ITEM

D-5

OCTOBER 28, 2026

**CONSIDER REQUEST FOR WATER, SEWER, AND
SOLID WASTE SERVICE (INTENT-TO-SERVE LETTER) FOR A
MIXED-USE DEVELOPMENT LOCATED AT 111 SOUTH OAK GLEN
AVENUE, APN 090-161-017**

ITEM

Consider request for water, sewer, and solid waste service ("Intent-to-Serve Letter") for a mixed-use development located at 111 South Oak Glen Avenue, APN 090-161-017 [RECOMMEND CONSIDER INTENT-TO-SERVE LETTER AND APPROVE WITH CONDITIONS].

BACKGROUND

The District received an application for water, sewer, and solid waste service for a project located at 111 South Oak Glen Avenue, APN 090-161-017. The applicant, Sandra Carbajal, is requesting water, sewer, and solid waste service for a mixed-use development.

The project will consist of a new marketplace and storage facility in addition to one (1) existing single-family residence on the parcel. The District currently provides water, sewer, and solid waste service for the parcel.

All parcels, existing and planned, will be required to obtain water, sewer, and solid waste service in compliance with current District standards. Any existing well(s) on the property will not be utilized to provide domestic water service to any part of the project.

The District's 2020 Urban Water Management Plan ("UWMP") Update includes estimated water demands for infill development within the District. The development will include one (1) new 1.5-inch meter and one (1) new 1-inch meter and will not exceed the estimated infill development demands included in the 2020 UWMP Update.

Sufficient wastewater treatment capacity for the project is available in the District's Southland WWTF.

FISCAL IMPACT

Water capacity fees will be based on the domestic and irrigation meter sizes requested for the final County approved project as well as CAL FIRE's fire service requirements. Based on the information provided, the following services are proposed:

- Domestic: 1 @ 1.5-inch meter
- Irrigation: 1 @ 1-inch meter

- Fire Service: 1 @ 4-inch
- Sewer: 1 service

The estimated fee deposit for the project is \$102,885 based on the current FY 2026-2027 District fee schedule, including a credit for 1 existing 1-inch water service. Fees for connection shall be calculated and owing as of the date the District accepts the public water and sewer improvements for the project and sets the water meter(s) to serve the affected property from which the amount of the deposit shall be deducted.

RECOMMENDATION

Staff recommends that the Board approve the Applicant's request for an Intent-to-Serve letter for the project with the following conditions:

PROJECT-SPECIFIC CONDITIONS

- One (1) new 1.5-inch domestic water meter and appropriate backflow assembly shall be provided for indoor use. Water capacity charges are applicable.
- One (1) separate 1-inch irrigation meter and appropriate backflow assembly shall be provided for outdoor irrigation use. Water capacity charges are applicable.
- One (1) separate 4-inch fire sprinkler service including appropriate backflow device as required and approved by CAL FIRE of SLO County, shall be provided for fire sprinkler service. Fire capacity charges are applicable.

STANDARD CONDITIONS

- Project shall obtain water, sewer, and solid waste service for all parcels.
- CAL FIRE of SLO County must approve the development plans prior to District approval. Fire capacity charges are applicable if dedicated fire service laterals are required.
- Record a restriction, subject to District approval, on the property prohibiting the use of well(s) to provide water service to any parcel within the Project.
- Properly abandon any existing groundwater wells and provide documentation to District.
- Record a restriction, subject to District approval, on all parcels prohibiting use of self-regenerating water softeners.
- Comply with District water conservation program.
- Pay all appropriate District fees associated with this development.
- Applicant shall provide the District with a copy of County application approval and County project conditions of approval.
- Enter into a Plan Check and Inspection Agreement and provide a deposit.
- Submit improvement plans in accordance with the District Standards and Specifications for review and approval. Applicant shall provide plans consistent with current District Standards and based on the proposed lot configuration.
- Any easements required for water and sewer improvements that will be dedicated to the District shall be offered to the District prior to final improvement plan approval.
- Any easements required for private water and sewer laterals shall be recorded prior to final improvement plan approval and shall be subject to District approval.
- All water and sewer improvements to be dedicated to the District shall be bonded for or otherwise secured in the District's name prior to issuance of Will Serve letter.
- A Will-Serve letter for the Project will be issued after improvement plans are approved and signed by the District.

- Applicant shall make a non-refundable deposit ("Deposit") at the time the District issues a Will Serve Letter in an amount equal to the then calculated Fees for Connection.
- Fees for Connection shall be calculated and owing as of the date the District sets the water meter(s) to serve the affected property from which the amount of the Deposit shall be deducted.
- Construct the improvements required and submit the following:
 - Reproducible "As Builts" - A digital format disk (PDF) which includes engineer, developer, tract number and water and sewer improvements
 - Offer of Dedication
 - Engineer's Certification
 - Summary of all water and sewer improvement costs
- Solid waste collection services are mandatory. Applicant shall provide proof that the Project is provided with solid waste removal services in accordance with District regulations.
- The District will set water meter(s) upon proof of a building permit from the County of San Luis Obispo, the District's acceptance of improvements to be dedicated to the District, if applicable, and the final payment of all charges and fees owed to the District.
- This letter is void if land use is other than mixed-use as defined by the District.
- Intent-to-Serve letters shall automatically terminate three (3) years from date of issuance. However, Applicant shall be entitled to a one-year extension upon the following conditions:
 - Applicant makes written application for the extension prior to the expiration of the Intent-to-Serve Letter.
 - Applicant provides proof of reasonable due diligence in processing the Project.
 - Applicant agrees to revisions of the conditions contained in the Intent-to-Serve letter consistent with then existing District policies.
- This Intent-to-Serve letter shall be subject to the current and future rules, agreements, regulations, fees, resolutions and ordinances of the District.
- This Intent-to-Serve letter may be revoked, or amended, as a result of conditions imposed upon the District by a court or availability of resources, or by a change in ordinance, resolution, rules, fees or regulations adopted by the Board of Directors.
- District service is conditioned on the applicant complying with all terms, conditions, rules, and regulations of other agencies that have jurisdiction over the project.
- This Intent-to-Serve letter shall not be interpreted as the District's Board of Directors endorsement of the project.
- The District reserves the right to revoke this Intent-to-Serve letter at any time.
- The Applicant shall provide a signed copy of the Intent-to-Serve letter within thirty (30) days of issuance.

ATTACHMENTS

- A. Application
- B. Site Plan

OCTOBER 28, 2026

ITEM D-5

ATTACHMENT A



NIPOMO COMMUNITY SERVICES DISTRICT

148 SOUTH WILSON STREET
POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932
Website: ncsd.ca.gov

Office use only:
Date and Time
Complete
Application and
fees received:

RECEIVED

AUG 18 2025

NIPOMO COMMUNITY
SERVICES DISTRICT

INTENT-TO-SERVE APPLICATION

1. This is an application for: ☒ Sewer and Water Service ☐ Water Service Only
2. SLO County Planning Department/Tract or Development No.: _____
3. Project location: 111 S. Oak Glen Ave. Nipomo, CA 93444
4. Assessor's Parcel Number (APN) of parcel(s) to be served: 090-161-017
5. Owner Name: Sandra Carhatal
6. Mailing Address: 111 S. Oak Glen Ave. Nipomo, CA 93444
7. Email: Carsandra09@yahoo.com
8. Phone: 805 264-7548 FAX: N/A
9. Agent's Information (Architect or Engineer):
Name: Alec Schwend
Address: 134 W. Branch St. Suite-B Arroyo Grande, CA 93420
Email: A.Schwend@habgroup.net
Phone: (805) 544-4334 x-101 FAX: _____
10. Type of Project: (check box) (see Page 3 for definitions)

☐ Single-family dwelling units	☐ Multi-family dwelling units
☒ Commercial	☐ Mixed Use (Commercial and Residential)
11. Does this project require a sub-division? ☐ Yes ☒ No
If yes, number of new lots created _____
12. Site Plan:
For all projects, submit three (3) standard size (24" x 36") and one reduced copy (8½" x 11") of site plans.

Show parcel layout, water and sewer laterals, and general off-site improvements, as applicable. **Note that the District only provides one domestic meter per parcel.**
13. Board Approval:
Board approval is required for the following type of projects:
 - more than four dwelling units
 - property requiring sub-divisions
 - higher than currently permitted housing density
 - commercial developments

NIPOMO COMMUNITY SERVICES DISTRICT
Intent to Serve Application

Page 2 of 3

14. RESIDENTIAL SERVICE

Single Family Residential (SFR)

Number of Parcel's created		Proposed number of SFR	
----------------------------	--	------------------------	--

Multi-Family Residential (MFR)

Number of Parcel's created		Proposed number of MFR	
Number of Domestic Meter(s)		Estimated Meter Size(s)	
Number of Landscape Meter(s)		Estimated Meter Size(s)	
Number of Fire System(s)		Estimated Meter Size(s)	

15. COMMERCIAL AND/OR MIXED USE SERVICE DEMAND ESTIMATES:

Commercial and Mixed Use

Number of Parcel's created		Proposed number of residential dwellings	
Number of Domestic Meter(s)	1	Estimated Meter Size(s)	1.5"
Number of Landscape Meter(s)	1	Estimated Meter Size(s)	1"
Number of Fire System(s)	1	Estimated Meter Size(s)	

NEW 4" WATER SERVICE
CONNECTION TO
EXISTING WATER MAIN

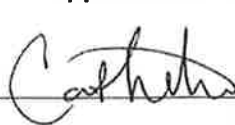
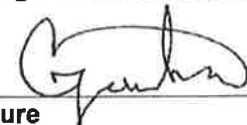
16. Provide an estimate of yearly water (AFY) and sewer (gallons) demand for the project prepared by a licensed Engineer/Architect.

Agreement:

The Applicant agrees that in accordance with generally accepted construction practices, Applicant shall assume sole and complete responsibility for the condition of the job site during the course of the project, including the safety of persons and property; that this requirement shall apply continuously and not be limited to normal working hours; and the Applicant shall defend, indemnify, and hold the District and District's agents, employees and consultants harmless from any and all claims, demands, damages, costs, expenses (including attorney's fees) judgments or liabilities arising out of the performance or attempted performance of the work on this project; except those claims, demands, damages, costs, expenses (including attorney's fees) judgments or liabilities resulting from the negligence or willful misconduct of the District.

Nothing in the foregoing indemnity provision shall be construed to require Applicant to indemnify District against any responsibility or liability or contravention of Civil Code §2782

Application Processing Fee..... See Attached Fee Schedule on Page 3

 
Signature

(must be signed by owner or owner's agent)

09.23.26

Date

Catheline Goodman

Printed Name

DEFINITIONS

(Please note – these definitions do NOT reconcile with standard SLO County Planning Department definitions)

Single-family dwelling unit – means a building designed for or used to house not more than one family.

Accessory (Secondary) dwelling units – means an attached or detached secondary residential dwelling unit on the same parcel as an existing single-family (primary) dwelling. A secondary unit provides for complete independent living facilities for one or more persons.

Multi-family dwelling unit – means a building or portion thereof designed and used as a residence for three or more families living independently of each other under a common roof, including apartment houses, apartment hotels and flats, but not including automobile courts, or boardinghouses.

Two-family dwelling units (duplex) – means a building with a common roof containing not more than two kitchens, designed and/or used to house not more than two families living independently of each other.

Commercial – all non-residential and mixed-use projects.

**APPLICATION FEES AND
CHARGES EFFECTIVE July 1, 2025**

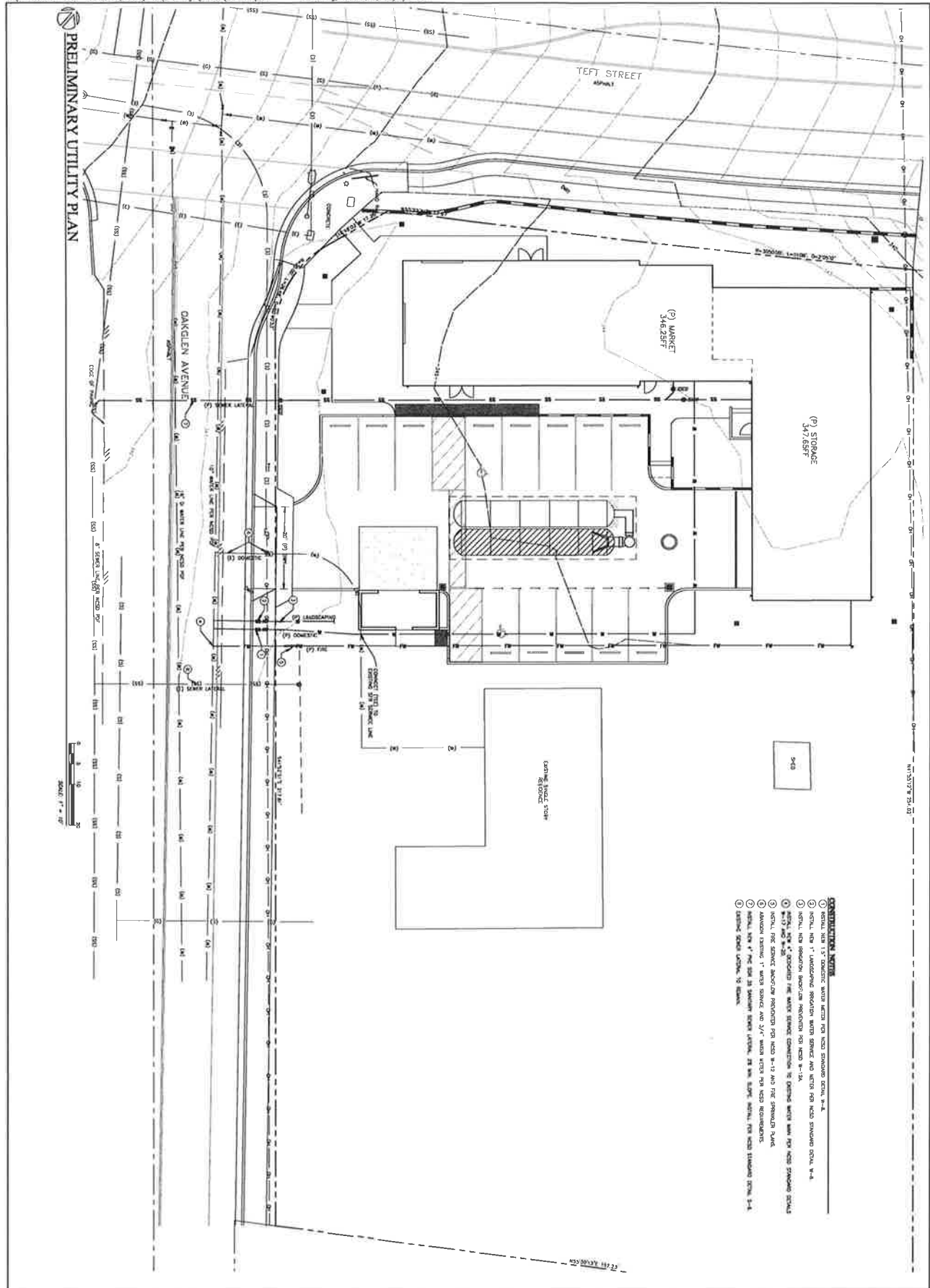
PROJECT SIZE/TYPE	TOTAL AMOUNT DUE AT TIME OF APPLICATION**
Residential <4 units	\$1,497.00
Residential 4-20 units	\$2,056.00
Residential > 20 units	\$2,421.00
Commercial <1 acre	\$2,056.00
Commercial 1-3 acres	\$2,421.00
Commercial > 3 acres	\$3,345.00
Mixed Use with less than 4 Dwelling Units	\$2,421.00
Mixed Use with four or more Dwelling Units	\$3,345.00
*Outside Consulting and Legal fees will be billed to the Applicant at direct rate.	

**Commencing on July 1, 2024 and each year thereafter the Application Fees shall be adjusted by a Consumer Price Index –Section 2.04.010(B).

OCTOBER 28, 2026

ITEM D-5

ATTACHMENT B

[illegible]

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524
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SHEET TITLE: PRELIMINARY UTILITY PLAN

PROJECT: BARCA PRODUCE MARKET
111 S. OAKGLEN AVENUE
NIPOMO, CA 93444

CTA GARING TAYLOR & ASSOCIATES, INC.
101 South Elm Street, Arroyo Grande, CA 93420 (505) 483-1121

DRAFT

RONALD G. REILLY

10/7/2026
DATE



TO: BOARD OF DIRECTORS

REVIEWED: RAY DIENZO, P.E. *RWD*
GENERAL MANAGER

FROM: ELIZABETH GAMEZ, EIT
DISTRICT ENGINEER

DATE: OCTOBER 20, 2026

AGENDA ITEM

D-6

OCTOBER 28, 2026

**ACCEPT DEED RESTRICTION FOR PARCEL MAP CO 24-0037
LOCATED AT 1248 FUTURA LANE IN ARROYO GRANDE**

ITEM

Accept offer of deed restriction for Parcel Map CO 24-0037, a two (2) parcel residential subdivision, located at 1248 Futura Lane in Arroyo Grande, APN 091-081-060. [RECOMMEND ADOPT RESOLUTION ACCEPTING OFFER OF DEED RESTRICTION].

BACKGROUND

The District issued an Intent-to-Serve ("ITS") letter on September 12, 2025, for a two (2) parcel residential subdivision project for Parcel Map CO 24-0037 located at 1248 Futura Lane (APN 091-081-060). The applicants, Jose and Marina Herrera, requested water service for the two (2) parcel residential subdivision.

The ITS letter requires the applicant to record a deed restriction on the property prohibiting the use of well(s) to provide water service to the project and prohibiting use of self-regenerating water softeners.

FISCAL IMPACT

The developer paid the District's cost to develop the agreement through the project's Plan Check and Inspection Agreement.

RECOMMENDATION

Recommend your Board, by motion and roll call vote, adopt Resolution 2026-XXXX Accept Parcel Map CO 24-0037 Deed Restriction.

ATTACHMENTS

- A. Resolution 2026-XXXX Accept Parcel Map CO 24-0037 Deed Restriction.
- B. Deed Restriction – Resolution Exhibit A

OCTOBER 28, 2026

ITEM D-6

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES
DISTRICT ACCEPTING PARCEL MAP CO 24-0037, APN 091-081-060, DEED RESTRICTION**

WHEREAS, Jose and Marina Herrera (herein "Owners") are the owners of certain real property identified as 1248 Futura Lane, APN 091-081-060 (herein the "Project") situated within the Nipomo Community Services District (the "District"); and

WHEREAS, the District issued an Intent-to-Serve (ITS) letter on September 12, 2025 for the 2 parcel residential subdivision Project; and

WHEREAS, The ITS letter requires the applicant to record a deed restriction on the property prohibiting the use of well(s) to provide water service to the project and prohibiting use of self-regenerating water softeners; and

WHEREAS, Owner has offered to the District the required deed restriction and agreement ("Deed Restriction") (Exhibit A); and

WHEREAS, the District wishes to accept the deed restriction attached hereto without obligation, except as otherwise required by law.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AS FOLLOWS:

1. The above recitals and findings are true and correct and incorporated herein by reference.
2. That the deed restriction and agreement for Parcel Map CO 24-0037, 1248 Futura Lane, APN 091-081-060, attached hereto as Exhibit A is hereby accepted.
3. Staff is ordered to execute and record in the Official Records of the Clerk-Recorder of San Luis Obispo County the deed restriction and agreement attached hereto as Exhibit A.

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

AYES:
NOES:
ABSENT:
CONFLICTS:

The foregoing resolution is hereby adopted this 28th day of October 2026.

PHIL HENRY
President, Board of Directors

ATTEST:

APPROVED AS TO FORM AND
LEGAL EFFECT:

RAY DIENZO
General Manager and Secretary to the Board

CRAIG A. STEELE
District Legal Counsel

OCTOBER 28, 2026

ITEM D-6

ATTACHMENT B

RECORDING REQUESTED BY:
NIPOMO COMMUNITY SERVICES DISTRICT

WHEN RECORDED RETURN TO:
Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444

NO FEE PER GOVERNMENT CODE 6103

APN #: 091-081-060

DEED RESTRICTION AND AGREEMENT AFFECTING REAL PROPERTY

Exhibits Incorporated by Reference:

Exhibit "A" – Real Property Legal Description

THIS DEED RESTRICTION AND AGREEMENT AFFECTING REAL PROPERTY (herein "Agreement") is entered into 0-4-23-26, 2026, by and between Jose and Marina Herrera, (herein "Grantor") and the Nipomo Community Services District, a political subdivision of the State of California, (herein "Grantee" or "District") with reference to the following Recitals:

A. Grantor owns certain real property (herein "Real Property") located within the Nipomo Community Services District, County of San Luis Obispo, more particularly described in Exhibit "A".

B. Grantors are improving said Real Property and desire the District to provide water service for the property.

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. DEED RESTRICTIONS

A. Grantor agrees and acknowledges that the use of self-regenerating water softeners on Real Property or any portion thereof is prohibited.

B. Grantor agrees and acknowledges that the use of wells to provide domestic water service to Real Property or any portion thereof is prohibited.

2. MISCELLANEOUS

A. This Agreement contains the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect excepting a subsequent modification in writing, signed by the party to be charged.

B. In the event of any controversy, claim, or dispute relating to this Agreement or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

C. The obligations of Grantor shall be considered for all purposes to be both covenants and conditions that shall run with the land and be binding on the successors and assigns of the Grantor and shall inure to the benefit of District and its successors and assigns.

D. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

E. This Deed Restriction and Agreement Affecting Real Property shall be recorded in the Official Records in the County Recorder's Office, San Luis Obispo County.

F. Recitals A and B are incorporated herein by reference as though set forth at length.

G. The Agreement shall be governed by the laws of the State of California. Any litigation regarding the Agreement or its contents shall be filed in the County of San Luis Obispo, if in state court, or in the federal court nearest to San Luis Obispo County, if in federal court.

3. AUTHORITY TO EXECUTE.

All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, Grantor(s) hereby warrants that Grantor(s) shall not have breached the terms or conditions of any other contract or Agreement to which Grantor(s) is obligated, which breach would have a material effect hereon.

////

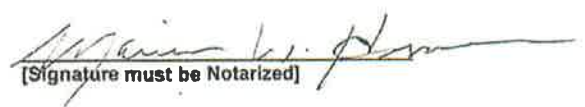
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IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective the date the District executes the Certificate of Acceptance.

GRANTOR(S):


[Signature must be Notarized]

Jos M Herrera
[Type or print name]


[Signature must be Notarized]

Marina W. Herrera
[Type or print name]

Date: 04-23-26

**SEE ATTACHED FORM
FOR NOTARY CERTIFICATE**

**CERTIFICATE OF ACCEPTANCE
GOVERNMENT CODE §2781**

This is to certify that the Nipomo Community Services District, Grantee,
herein, by Board action on _____, 20____, accepts the
foregoing Deed Restriction and Agreement, dated _____,
20____, from Grantors, and consents to the recordation thereof.

Nipomo Community Services District

By: _____

Name: Phil Henry

Title: President

ATTEST:

Raymond Dienzo, General Manager and Secretary
Nipomo Community Services District

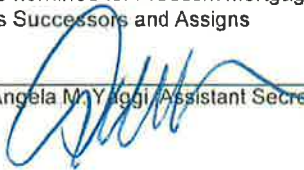
CONSENT AND SUBORDINATION OF TRUST DEED BENEFICIARY

NOTICE: THIS CONSENT AND SUBORDINATION OF TRUST DEED BENEFICIARY RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO THE TERMS, COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE FOREGOING INSTRUMENT.

The undersigned, beneficiary under that certain deed of trust recorded March 02 , 2021, as Document No. 2021-21460, in Book VI-53776 Page 254 , Official Records of the County of San Luis Obispo, does hereby join in, and consent to, each and all of the terms and provisions of the within instrument, and does hereby subordinate its interests to the entire effect of this instrument. In this regard, the undersigned does hereby agree upon request of any insuring title company to direct the trustee under said deed of trust to execute and deliver to County in recordable form acceptable to such insuring title company partial reconveyances as to any rights granted and to be granted to County pursuant to this instrument.

Dated: September 28, 2026

Mortgage Electronic Registration Systems, Inc,
as nominee for Freedom Mortgage Corporation,
Its Successors and Assigns


Angela M. Yaggi, Assistant Secretary

STATE OF Indiana
COUNTY OF Hamilton

On September 28, 2026, before me, Zoey A. Savori, a Notary Public, personally appeared Angela M. Yaggi, Assistant Secretary, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal,


Zoey A. Savori
Notary Expires: 7/6/2033

5

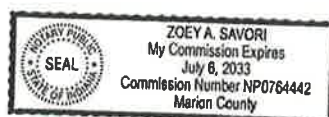


Exhibit A

Legal Description

Real property in the unincorporated area of the County of San Luis Obispo, State of California, described as follows:

Parcel 1:

Parcel D of PARCEL MAP NO. CO-75-102, in the County of San Luis Obispo, State of California, according to Map recorded August 2, 1977 in Book 23, Page 49 of Parcel Maps, in the Office of the County Recorder of said County.

Parcel 2:

An easement for ingress, egress, public utilities and road purposes over, under, along and across a strip of land having a uniform width of 20.00 feet. Said 20.00 foot strip lying Southwesterly of and adjacent to the Northeasterly line of Parcel D of Parcel Map Co-75-103, as per Map recorded in Book 23, Page 31 of Parcel Map; The Southwesterly line of said 20.00 foot strip of land is measured at right angles to and running Parallel with said Northeasterly line of Parcel D and shall terminate in the Northwestern line of said Parcel D and a Southeasterly boundary line of said Parcel D having a bearing of North 35° 50' 00" East, a distance of 294.64 feet.

Parcel 3:

An easement for ingress, egress, public utilities and road purposes over, under, along and across a strip of land having a uniform width of 20.00 feet. Said 20.00 foot strip lying Northwesterly and Southwesterly of and adjacent to the Northwesterly and Southwesterly boundary lines of Parcel C of Parcel Map Co-75-103, as per Map recorded in Book 23, Page 31 of Parcel Maps. The Northwesterly and Southwesterly lines of said 20.00 foot strip being measured at right angles to and running with the said boundary lines of Parcel C of Parcel Map Co-75-103 and said lines shall be extended and prolonged Northwesterly and Southwesterly to their point of Intersection. Said lines shall also terminate in the Northeasterly boundary of Said Parcel D of PARCEL MAP NO. Co-75-103 in the County of San Luis Obispo, State of California, according to map recorded in Book 23, Page 31 of Parcel Maps and Southeasterly on the perimeter line of the CUL-DE-SAC in Said Parcel D.

APN: 091-081-060

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Luis Obispo

On April 23, 2026 before me, Ashley Medina De Leon, Notary Public,
Date

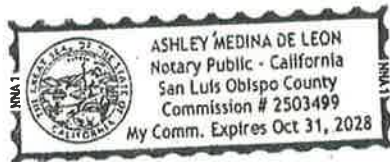
personally appeared

Jose M Herrera, Mariana
Name(s) of Signer(s)
Willirs Herrera

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____

Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

TO: BOARD OF DIRECTORS

REVIEWED: RAY DIENZO, P.E. *RD*
GENERAL MANAGER

FROM: ELIZABETH GAMEZ, EIT
DISTRICT ENGINEER

DATE: OCTOBER 21, 2026

AGENDA ITEM

D-7

OCTOBER 28, 2026

**ACCEPT FRONTAGE ROAD TRUNK SEWER PHASE 1
REPLACEMENT PROJECT AND APPROVE BUDGET ADJUSTMENT**

ITEM

Accept work performed by W.M. Lyles Co. for the Frontage Road Trunk Sewer Phase 1 Replacement Project, authorize staff to file Notice of Completion and approve budget amendment in the amount of \$114,452 [RECOMMEND, BY MOTION AND ROLL CALL VOTE, ACCEPT PROJECT, DIRECT STAFF TO FILE NOTICE OF COMPLETION AND APPROVE BUDGET AMENDMENT].

BACKGROUND

On September 10, 2025, the Board awarded a construction contract for the Frontage Road Trunk Sewer Phase 1 Replacement Project to W.M. Lyles Co. The Project involved the construction of approximately 1,760 feet of 15-inch PVC sewer pipe and 1,150 feet of 18-inch PVC sewer pipe. The work also included the reconnection of seven (7) sewer laterals and installation of ten (10) new polymer manholes. The work has been completed, and all inspections have been finalized.

FISCAL IMPACT

Construction Contract Cost Summary	
Original Contract Amount	\$3,777,777
Final Contract Amount	\$4,262,228

A transfer from Fund 810 reserves in the amount of \$114,452 is required to provide adequate funding for the project.

STRATEGIC PLAN

Goal 2. ESSENTIAL SERVICES: NCSD'S water, wastewater, and solid waste services are safe, reliable, and resilient

RECOMMENDATION

Staff recommends that the Board, by motion and roll call vote, accept the project, authorize the General Manager to file a Notice of Completion for the project, and approve resolution to amend the project budget by \$114,452.

ATTACHMENTS

A. Resolution 2026-17XX Budget Amendment

OCTOBER 28, 2026

ITEM D-7

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT AMENDING THE CONSTRUCTION
CONTRACT FOR FRONTAGE ROAD TRUNK SEWER PHASE 1 REPLACEMENT PROJECT
AND APPROVE FISCAL YEAR 2026-2027
BUDGET AMENDMENT IN THE AMOUNT OF \$114,452**

WHEREAS, the Frontage Road Trunk Sewer Phase 1 Replacement Project (Project) is necessary to accommodate increased flows to the District's Southland Wastewater Treatment Facility; and

WHEREAS, W.M. Lyles Co. provided the District with a bid for construction for \$3,777,777 for the Frontage Road Trunk Sewer Phase 1 Replacement Project and the Board of Directors awarded the construction contract on September 10, 2025; and

WHEREAS, total Change Order amount for the Frontage Road Trunk Sewer Phase 1 Replacement Project was \$484,451 due to increased paving as required by San Luis Obispo County and extra work caused by misalignment of existing sewer pipe to be replaced; and

WHEREAS, total Change Order amount exceeded budgeted construction contingency of \$370,000 by \$114,452;

WHEREAS, based on the staff report, staff presentation and public comment, the Board makes the following findings:

1. The construction contract cost for the Frontage Road Trunk Sewer Phase 1 Replacement Project increased due to additional paving and misalignment of existing sewer pipe.
2. W.M. Lyles Co., as the contractor for the District, completed additional Change Order work of \$484,451 to complete the Frontage Road Trunk Sewer Phase 1 Replacement Project for a total cost of \$4,262,228.
3. Additional funding from Fund #810, Funded Replacement-Town Sewer, must be transferred to the Frontage Road Trunk Sewer Phase 1 Replacement Project.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE NIPOMO COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

1. The Board authorizes transfer of \$114,452 from Fund #810, Funded Replacement-Town Sewer, to provide additional funding for the project in the FY 2026-2027 Budget.
2. The above recitals and findings are incorporated herein by this reference.

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT AMENDING THE CONSTRUCTION CONTRACT FOR FRONTAGE
ROAD TRUNK SEWER PHASE 1 REPLACEMENT PROJECT
AND APPROVE FISCAL YEAR 2026-2027
BUDGET AMENDMENT IN THE AMOUNT OF \$114,452**

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

AYES:

NOES:

ABSENT:

CONFLICTS:

the foregoing resolution is hereby passed and adopted this 28th day of October 2026.

PHIL HENRY

President of the Board

ATTEST:

APPROVED:

RAY DIENZO

General Manager and Secretary to the Board

CRAIG STEELE

District Legal Counsel