

Bolinas Community Public Utility District
A Regular Meeting Of The Board Of Directors
May 17, 2017 270 Elm Road, Bolinas

1. Call to Order.

7:31 p.m.

2. Roll.

Directors Amoroso, Godino, Siedman and Smith present; director Siedman presiding. Director Comstock arrived at 7:33 p.m.

3. Manager's Report.

-- Update on the BCPUD Chlorine Disinfection Byproduct Reduction Project.

Staff directed the Board's attention to a monthly report about the inline coagulation treatment system, which notes the continued rainfall that month and the fact that the district is now exclusively using its Arroyo Hondo Creek water source. The district also received the lab results from the March 29th testing for chlorine disinfection byproducts (DBPs) and, while the detected levels are down, the district is still in violation of the state standards for haloacetic acids. Staff believes that this is because there is still too much uncoagulated water in the district's distribution system (due to the low consumption at this time of year) and staff expects the results to be much better when the water is next tested. Staff collected samples earlier this month for internal purposes because the next state-mandated testing is not until June.

The State Water Resources Control Board ("SWRCB") will conduct an inspection of the BCPUD's water system on May 23rd. Staff is preparing now to ensure all facilities and documentation are ready and available for review. Jonathan Van Bourg and Lewie Likover will be present at the inspection, in addition to the district's operators.

-- Update on the East Tank Rehabilitation Project.

Staff is waiting for a proposal from a recommended structural engineer, who currently is reviewing photos of the East Tank and the written inspection report.

-- Managed Sheep Grazing In Lieu of Mowing of BCPUD Spray Disposal Fields at Sewer Pond Property.

Staff received a proposal from SweetGrass grazing to bring sheep to the spray fields and graze the tall grasses rather than mowing the fields mechanically as the BCPUD does most years after August 15th (i.e., after the bird nesting and fledging period). Staff has reached out to biologists at PRBO Conservation Science for advice as to any constraints or other issues posed by grazing from a biological standpoint. Staff is very interested in the grazing proposal as it may allow the district to begin its vegetation management work in the sprayfields earlier in the spray season (which runs from April 15 – November 15), which will be very beneficial when there is a lot of treated wastewater to dispose.

Director Godino expressed concerns about the proposal, noting that opposition was expressed in the past about contractors on BCPUD land and particularly about grazing animals on BCPUD land. Director Siedman suggested the item be included on the Board's agenda as an action item for a more extensive discussion at a later time. Staff said the sheep would graze for a very limited period of time and for operational purposes only (this is not a long-term grazing request), and agreed the topic should be fully vetted and evaluated by the Board before the proposal is approved.

-- Update on BCPUD/BFPD Survey of Obstructions and Encroachments in the Public Rights-of-Way on the Bolinas Mesa.

Nothing to report.

On the water side of operations, as of May 15th the district recorded 49.9 inches of rain as compared with a total of 32.25 inches during the July 1, 2015 – June 30, 2016 rain year. As for water consumption, it was the lowest recorded in the last eleven years for the mid-Mesa during the February/March/April quarter, which is not too surprising since the district received plenty of rain during those months.

The State Water Resources Control Board ("SWRCB") issued a letter on May 15th concerning disadvantaged communities and potential eligibility for reduced water system fees. To qualify as a disadvantaged community, the median household income ("MHI") must be less than 80% of the statewide median annual household income. The MHI for California this year is \$61,818, so if MHI for a community is less than \$49,454, that community meets the definition of "disadvantaged community".

The SWRCB also issued notice about the Long Term 2 Enhanced Surface Water Treatment Rule (LT2). This notice impacts the BCPUD because “small water systems” must start sampling for E coli from all water sources that are surface water, or ground water influenced by surface water, beginning October 2017. Small water systems must submit their proposed sampling plans to the SWRCB on or before July 1, 2017.

Staff is working on the Consumer Confidence Report for 2016 and will distribute it to customers on or before June 30, 2017 as required by the SWRCB.

Staff attended a retirement lunch for Chris DeGabriele, General Manager of the North Marin Water District on April 21, 2017. All of the Marin water districts were represented and it was a lovely event recognizing Chris’ many years of service. Staff also attended a welcome event hosted by Supervisor Rodoni for San Francisco Supervisor Aaron Peskin, newly appointed to the California Coastal Commission (“CCC”), on May 3rd at the Marconi Center in Marshall. Director Smith and Bolinas Community Land Trust (“BCLT”) Executive Director Arianne Dar also attended on behalf of Bolinas.

On May 4, 2017, the first meeting of the West Marin “Working Group” was held at the Marin County Civic Center. Representatives from the CCC, the California Highway Patrol (“CHP”), the Marin County Sheriff’s Office, the National Park Service, CalTrans. Supervisor Rodoni’s office, and Senator McGuire all were present, as were representatives from each of the Marin coastal villages. The representatives from the Marin coastal villages (including staff on behalf of Bolinas) also have been meeting separately and have named their subgroup the Alliance of Coastal Marin Villages (the “Alliance”). The Alliance met prior to the May 4th Working Group meeting to outline the major traffic and parking issues in each community and presented them to the Working Group at the May 4th meeting. Senator McGuire led the meeting and did an excellent job. There is serious concern about the prolonged closure of Highway 1 and implications for public safety during the summer with various pre-scheduled events (Mountain Play, Dipsea, etc.), tourists and cyclists. CHP and CalTrans were asked if it would be possible to open Highway 1 to cyclists only on the weekends -- and ban cyclists on Panoramic on weekends only -- as most of the public safety concerns center around the presence of cyclists on Panoramic and the resulting impact on vehicular traffic.

Staff attended the annual ACWA/Joint Powers Insurance Authority conference in Monterey on May 8th; it was relatively uneventful – the main portion of the meeting was dedicated to a financial report and overall the organization is in good shape.

Staff attended the Marin County Board of Supervisors’ hearing on May 16th concerning the latest status report on the Local Coastal Plan Update process. County staff continues to wrestle with CCC staff on numerous issues relating to the Implementation plan (the Land Use Plan Amendments were approved), particularly in the Environmental Hazards chapter.

The Board reviewed correspondence sent and received since the last Board meeting, including a Public Records Act Request from Edgepoint, a copy of the Marin County Board of Supervisors’ Resolution approving the election year change for the BCPUD (and many other special districts) from odd-numbered years to even-numbered years, a Zero Waste report, and a draft arborist report concerning the stand of trees on the western edge of the BCPUD’s property at 270 Elm Road (at the intersection with Jute Road).

-- *Drainage Project Manager’s Report.*

The Board received a report from Lewie Likover.

4. Community Expression.

Lauren Pollak inquired if the pedestrian/bicycle path on the BCPUD sewer pond property can be repaired as the surface was impaired by the winter storms. Director Smith said that the ultimate solution will be to hard-surface the path as it is a never-ending job to maintain it as a dirt/gravel path. In the meantime, staff will try and repair the worst sections.

5. Request For Financial Relief from Quarterly Water Bill pursuant to BCPUD Resolution 553 – 28 Park Avenue (M. Littlefield).

Director Siedman noted that Ms. Littlefield submitted a letter outlining the prompt repair undertaken as soon as she was alerted to the leak on her water service. Director Smith said this is a “classic blind leak” and the customer promptly repaired the faulty plumbing. He recommended that the Board grant full financial relief, as it has done in prior cases.

V. Amoroso/G. Godino all in favor to approve full financial relief for the unintended water loss based on the historical average water use at the property for the same quarter during the past three years.

6. Request for Financial Relief from Quarterly Water Bill pursuant to BCPUD Resolution 553 - 30 Terrace Avenue (D. Jones & T. Traska).

Messrs. Jones and Traska were present and said they were shocked to receive a bill for over \$2,100. After speaking with BCPUD staff, they hired a plumber who located a problem with an old toilet located off the kitchen; the plumber immediately turned off the water to that fixture. Water usage is now back to normal. Discussion ensued about the toilet leak and director Smith said such a leak typically can be heard inside the house. Mr. Jones explained that the leak was not due to a faulty flapper (which would cause the toilet bowl to refill continuously) but from a problem at the bottom of the toilet which was not audible; he said they are full-time residents and would have noticed if the toilet was running. Director Smith said the Board's standard policy with toilet leaks is to award financial relief of 25% of the amount attributable to the leak since such leaks usually can be heard, alerting the homeowner to deal with it immediately – however, this is an unusual situation. Director Smith said there is precedent for awarding financial relief of 50% of the amount attributable to a toilet leak in a case of financial hardship. Director Comstock noted that water use during the prior quarter also was high, suggesting the leak may have started then; he moved that the Board declare extenuating circumstances in this case because the leak could not be heard and the homeowners promptly hired a plumber to stop the water loss as soon as they were aware of it (i.e., when they received the large water bill), so they acted responsibly.

L. Comstock/V. Amoroso four in favor/D. Smith against to approve full financial relief for the unintended water loss based on the historical average water use at the property for the same quarter during the past three years.

7. Request for Reimbursement of Costs for Evergreen Road Improvement Project (A. Borchardt).

Director Smith recused himself from the discussion and Board consideration of this agenda item due to a conflict of interest.

Director Siedman explained that the district generally does not get involved with the repair or maintenance of roads other than for projects incident to its water, sewer or solid waste services. For example, if the district trenches into a road to repair or replace a water or sewer main, or if the garbage company submits a request to fix a road for garbage truck access, the district will improve a specific road; otherwise, however, road maintenance is the responsibility of the property owners. Director Comstock said he is very concerned about setting any precedent for the district to pay for road improvements unrelated to its core enterprises; he asked Adam Borchardt to explain why the Board should consider his request for reimbursement – is there something unique about this project?

Adam explained that he based his request on BCPUD Ordinance 30. Since Evergreen Road is an emergency access road, the ordinance seems to provide that BCPUD might fully or partially contribute to an improvement project on this road. He noted that a lot of people use Evergreen Road. Discussion ensued and Board members asked clarifying questions about the amount requested and how it was installed. Director Comstock ultimately said he would oppose the request for reimbursement on the grounds that the BCPUD otherwise would be setting a precedent that would be unwise; he noted that Larch Road, in his neighborhood, is a heavily used road, but the property owners for many years have maintained it without district funds. He does not believe the residents have authorized the BCPUD to function as a roads district and therefore cannot support the request.

Director Siedman inquired whether any of the Board members wanted to make a motion in support of the request for reimbursement; none appearing, the item failed for lack of a motion.

8. Presentation of Draft Concept for Critical Life-Safety, Americans with Disabilities Act (“ADA”) and Operational Upgrades to Smiley's Saloon. (L. Monroe)

Leila Monroe shared a concept plan (not a formal presentation) with the Board for the improvements she intends to make at Smiley's Saloon. She purchased the property 2½ years ago and has identified structural improvements needed because the foundation is original beach sand and because access for persons with disabilities is inadequate. Operational improvements also are needed. Her concept plan is to: (1) redo the foundation, which is the majority of the cost because the original saloon building dates to 1851; (2) add an ADA-accessible entrance to the left side of the building by reducing the slope about 4 ½ feet; (3) renovate the two bathrooms in the bar to be ADA-accessible bathrooms; (4) add a service entrance under the back deck to more easily deliver kegs to the bar; (5) install a walk-in refrigerator; (6) replace the upstairs residential kitchen with a commercial kitchen (no change in footprint to the upstairs area) with a dishwashing facility; and (7) wall-off the hallway upstairs so that the commercial kitchen is contained and add a porch for a separate entrance to the building office. The project will add approximately 400 square feet to the building under the back deck and there will be no visible change to the front of the building. Leila envisions that tables will be added outside along the side of the building for customers. Her goal is to stage the project very efficiently and keep the closure of the saloon business to a minimum, one month at the most, because she does not want to lay off any employees; the hotel will have to be closed during the project. She said she welcomed questions, advice and input from the Board.

Director Amoroso inquired if the saloon would have food service after the improvements are installed. Leila said the saloon currently serves food, but will be able to do full food service with a new commercial kitchen; she is planning on “fresh, fast, healthy and delicious” mexican food with a simple menu, to be ordered at the counter. She is trying to change the saloon’s liquor license type to “all ages” so that she can serve a broader segment of the community. Discussion ensued about the implications for water use and the Board advised Leila that she will need to apply for an expanded water use permit when she formally applies to the County for permits to do the project. Directors Smith and Godino both complimented Leila on her goal of making the saloon more community/all ages-oriented.

9. Surfer’s Overlook Bluff Stabilization Project: *Proposal to Commence Phase 2 (Full Bluff Stabilization)*.

Staff included an item on the agenda at the suggestion of Ralph Camiccia, chair of the fundraising committee. There is approximately \$200,000 remaining in funds raised by the committee for the bluff stabilization project to dedicate toward the next phase, now that the road-level retaining wall project has been completed. The Bolinas Community Center continues to hold this money in a dedicated account as the project’s fiscal sponsor. Staff is trying to reschedule a meeting with Larry Kennings, a planning consultant previously consulted by the committee on this project, for some time in the near future to determine the best next steps/costs involved in pursuing a permit for a full bluff stabilization project. Ralph requested that the Board receive this update so that the community is aware of the continuing efforts underway by the committee.

10. BCPUD Response to 2016-17 Marin County Civil Grand Jury Report: *Overcoming Barriers to Housing Affordability*.

Director Smith submitted some written concepts for the Board’s consideration about how the Board could waive certain utility fees or costs to support affordable housing projects, such as the meter reactivation fee (a \$2,000 fee to reactivate a meter that has been suspended for a number of years), and the cost of installing a meter relocated to a new property, etc. Discussion then turned to the overall lack of affordable housing in the community and the implications for the BCPUD as it seeks to hire/retain employees in such a high-cost housing market. Director Smith suggested the BCPUD develop affordable housing on BCPUD land. Staff agreed to evaluate the potential for converting the lab at the sewer pond property into an on-call housing unit much like the Fire District has for its on-call personnel. The Board continued this agenda item to the June meeting in order to further develop its response to the Grand Jury report, based on director Smith’s suggestions.

11. BCPUD’s Five-Year Capital Improvement Plan FY 2017 – 2022.

Director Comstock said that the Finance Committee developed and agreed upon an updated version of the district’s Five-Year Capital Improvement Plan (“CIP”) and recommends the Board approve it, as presented in the Board books. He also noted that the Finance Committee is earmarking the funds charged for water and for sewer projects approved by the Board and set aside in reserves on a related spreadsheet. Director Amoroso mentioned that in the upcoming year he will advocate that the district begin dedicating reserve funds to an inspection and repair, if needed, of the sewer force main (a project not currently listed on the CIP).

L. Comstock/D. Smith all in favor to approve the BCPUD’s Five-Year Capital Improvement Plan FY 2017-2022.

12. Amendments to the BCPUD’s Accounting Controls Procedures and Policies.

Staff presented a series of brief, clarifying amendments to the BCPUD’s Accounting Controls Procedures and Policies manual as recommended by the district’s outside auditor during the audit of the district’s FY 2015-16 financial statements.

L. Comstock/V. Amoroso all in favor to approve the amendments to the BCPUD’s Accounting Controls Procedures and Policies manual.

13. Water Supply Update.

Director Smith reported that he is working with staff on a new protocol for sampling and monitoring the water tables of the monitoring well at 3 Olema-Bolinas Road and the irrigation well at the Resource Recovery Project. He compiled all of the data obtained from the irrigation well over the last five years and looked at the water table levels at the end of the rainy season and at the end of the irrigation season and, thus far, it appears that the water table recovers each year.

14. Volunteer Committee Reports.

-- *Bolinas Lagoon Advisory Committee*: Director Amoroso said he was briefed about the most recent meeting of the BLAC and told that one topic of discussion was the old Letter house on Olema-

Bolinas Road over the lagoon and the consensus appears to be to demolish it. The BLAC also has studied the contours of the lagoon and tried to develop an estimate of its volume; the BLAC has concluded that the lagoon is filling in, but at a faster rate than the rate of sea level rise. Finally, the eucalyptus trees along the lagoon continue to be a topic of debate and disagreement.

-- *Downtown Parking & Traffic Committee*: The next committee meeting is May 22nd.

-- *Resource Recovery*: Nothing to report.

-- *West Marin Mosquito Control Coordinating Council*: Nothing to report.

-- *Land Stewardship Committee*: Director Siedman said that he has resigned from the committee, but the work is continuing. Director Amoroso said one question is how involved the committee should be in the maintenance of the pedestrian/bicycle path. Director Smith said he has been assisting the committee on this topic.

-- *Internet Access Committee: Follow-Up on Potential Request for Proposals ("RFPs") and Next Steps*. Director Comstock reminded the Board that at an earlier meeting, the Board conditionally approved the issuance of an RFP by the BCPUD for a broadband internet access project in Bolinas in light of the identification of Bolinas by the California Public Utilities Commission ("CPUC") staff as a high priority community for CASF grant funds. County consultant Peter Pratt continued to provide invaluable assistance as the committee grappled with the task of preparing an RFP, but it soon became clear that there is no precedent of any public agency applying directly to the CPUC for CASF funding. In fact, it now seems that a public agency like the BCPUD cannot apply for CASF funding as a matter of state law; rather, the applicant must be a private internet service provider ("ISP"). As such, there is no RFP in the Board binders for approval.

Director Comstock invited Leighton Hills, one of the local ISP owners interested in serving Bolinas, to speak about how the BCPUD may move forward in light of this development. Leighton said that his company (which specializes in fixed wireless links and currently serves Muir Beach, among other nearby communities) and Inyo, another ISP with the capability of installing a fiber build-out (currently installing fiber optic broadband in Nicasio), may submit a combined CASF grant proposal to the CPUC for a broadband system in Bolinas. If so, they will seek an endorsement from the BCPUD so that the community understands that it is a welcome proposal. Leighton complimented the BCPUD for appointing the Internet Access Committee to tackle the issue of broadband access in Bolinas as it had the effect of bringing people together to compare notes and get creative about how to best ensure that Bolinas receives reliable, fast broadband internet access.

Director Comstock said the BCPUD may have a role to play in raising the 40% match that will be necessary if a CASF grant is awarded for a project in Bolinas. He reported that he, Peter Pratt and staff will attend a meeting tomorrow with a firm in Sausalito to discuss a potential public/private fundraising effort. He hopes that Inyo and Leighton will present a joint grant proposal to the CPUC for Bolinas soon because the CASF fund will soon be depleted. In response to questions from the Board, Leighton said he would be interested in proceeding with a modified, more economical project, even if a CASF grant is not forthcoming, but Inyo would not. He noted that Inyo is very busy right now with the Nicasio project, but he thinks within the next month a proposal will be forthcoming. In response to a question from director Amoroso, Leighton Hills said he has spoken with AT&T and it is not interested in upgrading its internet service in Bolinas (it would be too expensive to build a parallel broadband system while keeping its existing system intact to provide continued service) as it wants to convert to straight fixed wireless and abandon its miles of infrastructure in rural areas.

--*Vehicle Habitation*: Staff reported that Fire Chief Anita Tyrrell-Brown would like to serve on the committee and she is seeking approval from her Board to do so. Also, others on the committee have suggested that Mesa Park have a representative on the committee, so staff will reach out to that agency, as well. Staff said that Supervisor Rodoni is very interested in this issue and it is important for the BCPUD to play a leadership role. Director Godino said she would be willing to represent the Bolinas-Stinson Union School District on the committee.

15. Other Business.

a. Board Committee Reports.

-- *Finance: FY 2017-18 Draft Budget; Third Quarter Financial Statements; Engagement Letter from Doran & Associates re: Audit of BCPUD's FY 2016-17 Financial Statements*.

The FY 2017-18 draft budget in the Board binders is the same version as was included on the Proposition 218 notice recently mailed out to customers concerning the proposed service charge increases for water and sewer service. The third quarter financial statements are in the Board binder for review; in response to a question from director Comstock, staff said there were no

“surprises” in the statements. Finally, staff reported that the engagement letter from Doran & Associates has not yet been received so the item will be continued to the June meeting agenda.

Director Godino inquired about an email from the Land Stewardship Committee about how to use funds allocated to the committee by the Board prior to the end of the fiscal year. She said she would like to let the committee know that it isn't necessary to expend the funds by the end of the year; rather, she would encourage the committee to take the time to carefully plan the best use of the funds and not rush to expend funds prior to the fiscal year-end in a less useful manner. Director Smith agreed. Director Comstock recommended that the Board take note and hold aside funds allocated but not yet spent (rather than create another reserve account, for example). Director Siedman requested that staff alert the committee to this development and staff agreed to do so.

-- *Legal*: Nothing to report.

-- *Mesa Septic, Flood Control and Roads*: Nothing to report.

-- *Operations*: Nothing to report

-- *Park and Recreation*: Nothing to report

-- *Personnel*: Nothing to report.

-- *Sewer*: Nothing to report.

b. Minutes of the April 19, 2017 regular Board meeting.

Director Smith offered a clarifying correction to the minutes of the April 19, 2017 regular Board meeting.

L. Comstock/D. Smith all in favor to approve the minutes of the April 19, 2017 regular Board meeting, as amended.

c. Warrants.

D. Smith/L. Comstock all in favor to approve the warrant list.

d. Scheduling of Next Meeting(s):

June 21, 2017 at 7:30 p.m.

11. Adjournment.

10:22 p.m.