

**CAMBRIA COMMUNITY SERVICES DISTRICT**  
**BOARD OF DIRECTORS REGULAR MEETING MINUTES**  
**THURSDAY, MARCH 22, 2012, 12:30 PM**

<b>AGENDA ITEM</b>	<b>DISCUSSION OR ACTION</b>
1A. <b>CALL TO ORDER</b>	President MacKinnon called the regular meeting to order at 12:35 PM.
1B. <b>PLEDGE OF ALLEGIANCE</b>	President MacKinnon led the pledge of allegiance.
1C. <b>ESTABLISHMENT OF QUORUM</b>	<p>President MacKinnon Present  Vice President Thompson Present  Director Bahringer Present  Director Clift Absent  Director Robinette Present</p> <p>Staff Present: General Manager Jerry Gruber, Assistant District Counsel David Hirsch, District Engineer Bob Gresens, Finance Manager Alleyne LaBossiere, Fire Chief Mark Miller, District Clerk Kathy Choate.</p>
1D. <b>REPORT FROM CLOSED SESSION</b>	Assistant District Counsel Hirsch reported no report from closed session.
2. <b>SPECIAL REPORTS</b>	
A. Sheriff's Department Report	No report.
3. <b>ACKNOWLEDGEMENTS/PRESENTATIONS</b>	<p>President MacKinnon introduced Chief Miller. Chief Miller introduced new Fire Captain Jonathan Gibson and Fire Engineer Joseph Gibson. The District Clerk administered the oath of office to Jonathan and Joseph Gibson. Their parents were present and Mrs. Gibson pinned the badges on Captain Gibson and Engineer Gibson. A reception followed at the Fire Department.</p> <p>President MacKinnon introduced the presentation and General Manager Gruber introduced Bill Worrell, Integrated Waste Management Authority (IWMA). Mr. Worrell provided a presentation on the IWMA regional programs.</p>
	<p>Prior to taking public comment, President MacKinnon invited Director Robinette to make a statement. Director Robinette stated "she owns a residential property with a wait list position and wanted to make sure everyone knows that. According to Regulation 18707.1 of the California Code of Regulations that indicates this given status does not constitute a basis for a conflict of interest for her. Nevertheless, at this time she chooses not to participate in any agendized board discussion or actions that singularly address any change to the wait list status. She takes deep pride in maintaining a very high standard of integrity and</p>

	so has elected to exempt herself from waitlist discussion or action in the interest of transparency and to avoid any possible appearance of impropriety.”
4. <b>PUBLIC COMMENT</b>	<u>Pat Child</u> , Cambria. Commented on public comment procedure. Requested Board have discussion after General Manager introduces the topic, then open to public comment, and then back to the Board.
5. <b>AGENDA REVIEW</b>	Stands as published.
6. <b>MANAGER’S AND BOARD REPORTS</b>	
A. GENERAL MANAGER’S REPORT	General Manager presented the report. Board discussion followed. <b>Public Comment:</b> <u>Tina Dickason</u> , Cambria. Commented on water wait list deposits being refunded \$5,000 CD deposits and current annual fee; submitted hard copy Long Beach Water Department Conservation website materials, supports hiring a conservation specialist and a community group to advise the CCSD on conservation efforts.
B. LONG TERM WATER SUPPLY ALTERNATIVES UPDATE	General Manager Gruber introduced the item and Bob Gresens presented the report. Board discussion followed. <b>Public Comment:</b> <u>Nancy Anderson</u> , Cambria. Commented on knowledge of others in Cambria on water management history, current issues, and best alternatives. Having purchased a home in 1987 wants to live in quality of life in Cambria. In the larger scheme it behooves us to be careful stewards of this sacred place. Commended board on current openness and willing to listen and respond. Suggests Board give serious consideration to a suggestion made in the scoping session on March 15; that a planning session includes representatives of the community. Recommends CCSD take advantage of local experts to advise the board. Public deliberation and community partnerships work. <u>Elizabeth Bettenhausen</u> , Cambria. Attended the March 15 scoping session and felt the presentation did not have the specificity from ACE she had hoped. She thinks the conceptual analysis was faulty. Referenced ACE Manager, Josephine Axt statement, the final project could include more than one technology providing “diversification, so if something happens with one source you will have backup.” For the record, the Project

Cooperation Agreement between the Department of the Army of the United States and CCSD for the design and construction of the seawater desalination project in Cambria, California has the following definition of the project. The term project shall mean the design and construction of the seawater desalination plant which includes a subsurface seawater intake, pumping and pipeline facility to transport the seawater to the plant, etc., it goes on to describe that, only a desalination plant. There has been no money appropriated or allocated by the federal government for anything else. We have spent the \$2 million plus on the EIR/EIS and the design by the other company. There is no more money available. If we have a diversity of conceptual ideas that are actually transformed into alternatives, we have not only the need to work through a revision to the joint agreement through the US Congress, but we would have then to get the US Congress to appropriate more money. They have not agreed to appropriate it for anything, including conservation and recycling. We have a major question of public policy at CCSD's end and federal end and major question of funding. Do not take "diversification" too lightly when in this economy too impossible.

Mary Webb, Cambria. Commented on scoping session conceptual ideas/depictions of desalination intake from San Simeon down to Morro Bay. On the conceptual maps, seven or eight depictions of possibilities for intake and outfall pipes for a desalination project. Disappointed in not seeing any other alternatives, other than desalination, intake and outfall alternatives. The pipelines were shown in areas that she considers sacred, especially San Simeon Cove. ACE had a Nacimiento alternative, San Simeon, Santa Rosa Creek, Lampton Park which is a County Park and outfall would empty into White Rock conservation area, highly protected marine area, a Whale Rock alternative with a pipeline using the Chevron Marine terminal and some kind of project with Morro Bay. Requested the conceptual maps be posted to CCSD website. Desal is off the table. Expressed frustration with ACE saying CCSD is in step 1 of an EIR, when CCSD has been in an EIR process for 20 years. Commented CCSD is meeting with UNLOC, the Realtors, and other community organizations but not meeting with those in the audience, other members of the

	public or nonprofits such as Greenspace. Board discussion followed.
<b>C. MEMBER AND COMMITTEE REPORTS</b>	
<b>7. CONSENT AGENDA</b>	
<p>A. Approve expenditures for month of February 2012</p> <p>B. Approve minutes of Board of Directors February 23 regular meeting</p> <p>C. Adopt Resolution 11-2012 scheduling a public hearing to approve Water and Wastewater Standby or Availability charges for Fiscal Year 2012-2013</p> <p>D. Approve extension of Intent to Serve APN 013.084.051, Applicant Dane Phillips</p> <p>E. Authorize General Manager to enter into a contract for the transfer of single family residence position on commercial property to single family residential zoned property, APN 013.242.027, subject to meeting the requirements of CCSD Code Section 8.04.100(E)</p>	<p><b>President MacKinnon presented the consent agenda. Director Thompson moved to adopt the consent agenda as listed on the agenda. Director Robinette seconded. Director Bahringer abstained. Motion carried.</b></p> <p><b>Ayes – 3, No – 0, Absent – 1 (Clift), Abstain – 1 (Bahringer)</b></p>
<b>8. HEARINGS AND APPEALS</b>	
<p>A. Introduction of Ordinance 01-2012 establishing rules and regulations for the use of the CCSD’s Skateboard Park</p>	<p>President MacKinnon introduced Ordinance XX-2012 and requested District Clerk read title of Ordinance XX-2012.</p> <p><b>Director Thompson moved to waive further reading. Director Bahringer seconded. Motion carried unanimously.</b></p> <p><b>Ayes – 4, No – 0, Absent – 1 (Clift)</b></p> <p>Assistant District Counsel David Hirsch presented the staff report. General Manager Gruber reported on partnering with American Legion and bringing an agreement back to the Board.</p> <p>Board discussion followed. Assistant District Counsel clarified section 4.12.040 Violation. Director Bahringer requested being on record to change CCSD Code regarding issuance of citations and fines and does not support section 4.12.040 as presented. Board and counsel discussion followed regarding misdemeanor citations.</p> <p><b>Director Bahringer moved to introduce Ordinance XX-2012 establishing rules and regulations for the use of the CCSD Skateboard Park. Director Thompson seconded. Motion carried unanimously.</b></p> <p><b>Ayes – 4, Noes – 0, Absent – 1 (Clift)</b></p>
<b>9. REGULAR BUSINESS</b>	
<p>A. Discussion and Consideration of Fiscal Year 2011/2012 Mid-Year Budget</p>	<p>General Manager Gruber introduced the item. Finance Manager LaBossiere reviewed the staff</p>

<p>review</p>	<p>report and proposed mid-year budget adjustments to each department's funds.</p> <p><b>Director Bahringer moved to approve the FY CCSD Operating Budget mid-year revisions. Director Thompson seconded.</b> No action taken on this motion.</p> <p><b>Public Comment:</b></p> <p><u>Elizabeth Bettenhausen</u>, Cambria. Commented on pages 63 and 64 and move of Water Conservation Department, important to call it Water Conservation Department otherwise it sounds like all resources conserved are in the Water Fund. When it says sufficient water savings are garnered, how would water savings be garnered? If resource department fund moved into water fund and rename so more accurately described, would rebates be restored as a policy and would they come from water conservation fund or how would they be funded? Commented on page 65 under service fees for operating revenue. How does CCSD know that revenue from commercial lodging is up strongly? Is a \$30,000 revenue increase a strong increase? If we continue a strong commercial lodging increase, maybe the big dip in water use could show up. Always that turnabout on use and revenue. An analysis would be useful in terms of residential and commercial use.</p> <p><u>Tina Dickason</u>, Cambria. Hard to believe commercial lodging would be up. Vacancy signs daily, way down, even during holidays. Examine amount we spend with Fire Dept, 12% of operating budget. Fire calls month after month are zero and up with medical calls. Sees multiple agencies at one home and more than necessary. Supports going with CalFire.</p> <p><u>Mary Webb</u>, Cambria. Requested customer billing records by customer class placed on website. Commented on no pension and benefit costs associated with professional services and temporary staff vs. regular staff. On wait list, \$55,000 for wait list fees. Confused about wait list because we have added 310 housing units since the moratorium of 2000. These fees look the same, why aren't they changing? Is the wait list changing from year to year? Has it gone down from 666 residential, 10 commercial, and 12 multi-family? When we add grandfathered meters are some of those grandfathered meters coming out of the wait list or is that a separate list? Are people being added to the wait list as people are coming</p>
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	<p>off? Requested a future agenda item. Commented on the budget, opposes Resource Conservation Department being put into Water Fund. If commercial revenue is up 30% in the last year (that's huge in a down year) are they leaking, did they add pools?</p> <p>Finance Manager LaBossiere responded to public comment and questions. Board discussion followed.</p> <p><b>Director Robinette moved to approve the FY 2011/2012 Mid Year Budget. Director Thompson seconded. Motion carried unanimously. Ayes – 4, No – 0, Absent – 1 (Clift)</b></p>
<p>B. Discussion and Consideration of revising quality of life increase that was developed as part of the 2008 Final Water Master Plan</p>	<p>President MacKinnon introduced the item. General Manager Gruber introduced the staff report. District Engineer Gresens presented the report.</p> <p><b>Public Comment:</b> <u>Jim Webb</u>, Cambria. Commented on 50% quality of life increase and more than semantic problem. This increase has, in part, led to a capacity planning exercise the community has gone through to deliver that 50% additional water supply. In his opinion, it drove the choice for desalination as a means of providing that capacity. Pointed out Boyle Engineering report on Nipomo desalination plant; they look at other desal projects in California note the following; of comparable projects, neither Dana Point and Monterey Bay have received all of their permits at this time and are still in pilot testing and feasibility study phase. They also note considerable pressure from regulatory agencies exist to form regional partnerships. He pointed out; Cayucos, San Simeon, and Cambria are at level three water supply emergencies. He has worked for quite awhile to establish marine protected areas offshore from Cambria. One of the items looked at was how to protect the quality of water within those marine protected areas. Originally conceived of the task of designating areas as biologically significant, however ran into trouble with preexisting municipality use of outfalls (especially in southern California). The SRQCB has tried to address this by considering new designation (which he thinks will pass soon) specifically for marine protected areas. This is a state water quality protected area. A trade off in accepting this instead of ASBS designation was that on seawater intakes, "no new seawater intakes shall be</p>

established within a State water quality protected area and both of the NPA along the coast would be designated as such.” Commented on feasibility of Whale Rock exchange.

Mahala Burton, Cambria. Commented on future water, new water source and figuring out capacity. California Code of Regulations 64562, part of water work standards addresses the quantity of water supply that is required to be available to water users and stated law. She interprets to mean whoever has a meter, whether vacant or not is a customer and we should plan for every single house. Why underestimate future water, if we are going to get into trouble? If we use the higher number of 2.2 people per household and consider full vacancy, that way we are planning for grandchildren and guests. We do not have enough water in our creeks. Jim Webb told her steelhead may be given a higher designation, from threatened to endangered. That means more water will need to stay in the creek for that. Santa Rosa, according to the Coastal Commission and condition on the diversion permit from SWCB says we really should not be using Santa Rosa Creek unless San Simeon cannot safely deliver water. This titrating between the two is something that the CCSD has come up with, but that is not what was envisioned when the diversion permit was granted for San Simeon. If Santa Rosa is such a great, reliable supply why in 2008 or 2009 did we have surcharges? She watched people come before the Board begging not to be surcharged \$10,000, \$5,000, \$2,000. One could go away for a weekend, spring a leak, and if being surcharged come home to a \$10,000 surcharge.

Elizabeth Bettenhausen, Cambria. Shortly after moving here, was invited to speak at Presbyterian women’s function. After attending meetings at CCSD in 2002 or 2003 she would ask the women to talk about what they considered “quality of life.” She was not invited back after that. She read from page eight of April 3, 2003 CCSD minutes regarding additional scenarios (Kennedy Jenks). Ten years ago she, her sister, and mother had always used two units per person bi-monthly. Before us is paradigm shift that is utterly necessary. Move from thinking that we, Americans, can consume whatever we want and pay for to the realization that if we keep doing that we are (as a tourist man told her on the beach the other day); we are our

own worst enemy because we are doing our house in. Does “quality of life” depend upon providing more units for people to consume? Or get people to say we are going to consume less? Hopes the Board has serious discussions about this issue rather than ratify an agenda document before you now.

Mary Webb, Cambria. Commented on 1.66 per house here for 20 years. Understands 2.21 if vacancy rate included. Suggests taking a number between 1.66 and 2.21, maybe 2 people per household. Supports eliminating 50% entirely. We should not have been adding 50% and calling it quality of life, contingency, safety factor in event of catastrophe). No need for 10% contingency. The UWMP 2010 has padding in the numbers for the annual daily per capita water use. The amount we will reduce to 105 or 109% by 2020 is actually more water than we are using today. Have the conversation of how much water do residents need and include the vacant houses. Her mother-in-law has a beautiful home here, and she should get her six units per month whether she is here or not. That house should have six units per month without having a surcharge. Whether she’s there two, five, ten months, or one day out of the year, she deserves six units that month with no surcharges. Every housing unit here now, should get six units a month. How much water is that? If that were spelled out really easily we could all look at that document. We don’t have that. That’s the kind of water we need for Cambrians right now. Then, how much water do we need to grow? That is what you need to size water project for; it’s not 602 acre feet. Commercial needs to be retrofitted. All the numbers we are using right now need to go downward; no contingency, eliminate 50% and start conversation on how much water it takes to grow. Hold a workshop.

Tina Dickason, Cambria. If you want learn about how much water lodging is using, check their metered usage. On this item for discussion, she feels mislead for the last ten, if not more, years. We have been mislead by former presidents, not the current one, past directors have told us Mr. Gresens says 602 acre feet (AF) is what is required. Then told, a year and half ago, 300 AF, then by a director two to three months ago, we only need 100 AF. How do numbers change so drastically in such a short period of time? She uses four units of



	<p>water bi-monthly. When community members comment to her about moving out of Cambria in order to water a lawn, she asks them, why would you have a lawn in Cambria? Submitted documents for the record (Long Beach Water Department website materials on conservation). Cambria can do conservation and opposes desal. Full Board discussion followed.</p> <p>Director Bahringer for the record “quality of life is wrong” and 50% contingency should be reexamined based upon recent data. This is his suggestion of the position of the Board and open to further discussion.</p> <p><b>Director Bahringer moved to repudiate “quality of life” in 2008 WMP and reevaluate a reasonable contingency based upon information received over past 10 years. Motion died for lack of second.</b></p> <p><b>President MacKinnon moved to remove 50% “quality of life” increase as part of the 2008 Final Water Master Plan. Motion died for lack of second.</b></p> <p>Further Board discussion followed.</p> <p><b>Director Bahringer proposed motion to say, we repudiate the word “quality of life” anytime it shows in 2008 Water Master Plan and that we reevaluate a reasonable contingency based upon the information we have gained over the last ten years, however we do that. Motion died for lack of second.</b></p> <p>Further Board discussion followed.</p> <p><b>Tina Dickason (requested to speak) spoke to Director Clift’s December, January, and February statements to do whatever it takes to get this 50% of there and made that very clear; it was reported in The Cambrian. The fact that there is an empty seat does not take away from his comments and does not understand why the board cannot take action today. He has made it very clear where he stands on this.</b></p> <p>Board discussion followed.</p> <p><b>President MacKinnon moved to remove 50% “quality of life” increase as part of the 2008 Final Water Master Plan. Director Bahringer moved to amend, replacing word “remove” with “revise.” Vice President Thompson seconded. Motion carried unanimously.</b></p> <p><b>Ayes – 4, No – 0, Absent – 1 (Clift)</b></p>
C. Discussion and Consideration to	President MacKinnon presented the item.

<p>Approve Ranking of 2012 CCSD Board Goals</p>	<p><b>Public Comment:</b> <u>Jim Webb</u>, Cambria. Read Buildout Reduction Plan (BRP) goals. Does not see those goals in adopted goals by Board, what happened to them? <u>Elizabeth Bettenhausen</u>, Cambria. Put in bold font what Jim Webb just said; important for future deliberations. Every proposal BRP shows up, but never with specificity. Read what previous Board adopted, now revising 50%, you come back with specific possibilities on how to move ahead on the BRP. Even though we disagree on an ethical principle as to whether or not you are obliged to give the 666 people a chance to build their unspecified square footage dream homes, she believes we would agree the BRP is essential with what the Board is intending to move ahead with. <u>Tina Dickason</u>, Cambria. References Water Wastewater #1 ranked goal and suggests Board looks at what is actually possible. Commented on Stuart Street Project and Rodeo Grounds. Infrastructure needs should be number one. <u>Mary Webb</u>, Cambria. 50% quality of life was always called quality of life; we knew secretly the 50% was always going to go to growth. San Simeon and Santa Rosa creeks will always be pumped. Pumping the creeks is cheapest, number one source of water. That is where the habitat will get killed with the growth you are planning because your goals are to lift the moratorium. You have not revoked the 50% quality of life, we're not heading in a new direction, the goals are what were said at the ACE scoping session with eight choices of desal, intake and outfall pipes, with a goal to lift the moratorium with 50% quality of life that is going to replace our water supply; it's to size the water project, so you are saying we need a water project that is sized 800 acre feet. Desal was the only answer to that and is in the wrong direction.. We have added 310 housing units since the moratorium with no reduction in the wait list. That's a Coastal Commission action. We are heading to more lawsuits and more appeals. Desal in never going to happen. We have 4,062 housing units, 4, 020 connections, not 3,900, that data should be coming to you from your staff. We have 6,000 people in the 2010 census; 6,232 in the 2000 census, we have dropped 232 people in the last 10 years. The census also shows a higher senior population (older than 50). Board discussion followed regarding priorities.</p>
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<b>10. FUTURE AGENDA ITEM(S)</b>	Report on Wait List.
<b>11. ADJOURN</b>	President MacKinnon adjourned the meeting at 4:35p.m.