

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

August 24, 2006

- 1) **ROLL CALL:** President Ascher called the meeting to order at 6:30 p.m. This portion of the special meeting was conducted at the Board Chambers of the Coastside County Water District, located at 766 Main Street, Half Moon Bay, CA. Present at roll call were Directors Jim Larimer, Ken Coverdell, Chris Mickelsen, and Bob Feldman.

Also present were Ed Schmidt, General Manager, Anthony Condotti, Legal Counsel, Jim Teter, District Engineer, George Burwasser, Biological Consultant, and JoAnne Whelen, Administrative Assistant/Recording Secretary.

2) **SPECIAL ORDER OF BUSINESS**

- A. **Consideration of City of Half Moon Bay Planning Commission's Recommended "Conditions for Approval" of Coastside County Water District's Coastal Development Permit to Allow the Replacement of Old Water Pipelines with New Larger Pipelines Located Within the Public Rights-of-Way of North Main Street and the west side of Highway 1 to Mirada Road in the City of Half Moon Bay. These "Conditions of Approval" are set forth in Exhibit "B" to the Staff Report prepared for Item VI.2 of the City of Half Moon Bay Planning Commission's August 24, 2006 meeting - PDP-072-05**

President Ascher announced that the focus of the meeting would be on the matter before the Half Moon Bay Planning Commission regarding a Coastal Development Permit for the El Granada Pipeline Replacement Project. President Ascher invited former Coastside County Water District Director, and current Half Moon Bay City Councilman, John Muller, to address the Board.

John Muller – Half Moon Bay, CA – Informed the Board that he had consulted with the City's legal counsel earlier in the day, who opined that Planning Commission Chairman's previous correspondence related to the project would not disqualify him from participating in the hearing. Mr. Muller also urged Directors to avoid addressing the Commissioners on a personal level, and to confine comments and questions to the merits of the project. He wished the Board and staff success with this difficult process.

President Ascher thanked Mr. Muller for his insight and words of wisdom. He then requested that the General Manager review the action from the last Board meeting on this issue. Mr. Schmidt read from the draft Minutes, which stated that the Board directed staff to prepare a letter to the City of Half Moon Bay, following the Public Hearing, stating the deficiencies and substandard work of the Coast Range Biotic Assessment and to request that the City reimburse the District for the cost of the report.

President Ascher recommended that the Board focus on the positive nature of this project, and in obtaining the permit approvals, with the emphasis on safety and health issues. He also stressed the importance of conveying that the pipeline has been sized to accommodate current existing growth, in order to provide adequate service to our ratepayers.

President Ascher opened the discussion by reminding the Board that the ultimate goal is to have the Coastal Development Permit (CDP) approved and that the Board needed to decide if all of the conditions were acceptable, and if not, how best to proceed.

Director Coverdell stated that he felt that time is of the essence and that it was important that the CDP be approved at the City's meeting this evening and that CCWD should accept the conditions as stated, in order to avoid any further potential delays with the project.

Director Mickelsen agreed with Director Coverdell, that CCWD could live with the conditions, that it would be the most cost effective approach than to battle with the City over the conditions. He referenced the schedule that the District Engineer has provided and felt that it was important to try to stay on that schedule for the project's construction to take place on a timely basis for the District's benefit and to the benefit of all the ratepayers.

Director Larimer stated that if the City Planning Commission made any reference to the project being growth-inducing that it may be effective to use the December 10, 2003 quote from Chairman Mike Reilly from the California Coastal Commission regarding infrastructure. He also shared his concern that the District, along with accepting all of the previous conditions of the permit, will have to accept the new conditions, which he felt were specific and unreasonable. He further stated, in addition to the ill definition of the project itself, that there is a huge difference in the description contained in the City's staff report and in the conditions specified in Exhibit B. Director Larimer reported that he felt that the Board should report to the City Planning Commission that they agree with the philosophy of the staff report but that the Board disagrees with some of the specifics, which contain some errors in facts. He also reported that he felt the Board should refuse to accept the condition that CCWD must report the financial status of the project to the City as a condition to this permit.

Director Feldman inquired about the conditions associated with the previous permit, which Mr. Schmidt addressed in detail. Director Feldman stated that he felt it was important to accentuate the positive, and agreed that the conditions should be accepted to avoid any further delays with the project.

President Ascher then opened the discussion up for public comment.

George Muteff - 408 Redondo Beach Road, Half Moon Bay - Reported that he had visited City Hall earlier in the day and submitted some public record requests for any correspondence between the Planning Commission Chairman and the City of Half Moon Bay staff. He informed the Board that he would like to address the Planning Commission and speak to the public safety versus growth issues and the overall cost of the project to the ratepayers in the end.

The District's biological consultant, George Burwasser, informed the Board that he was prepared with materials, including photographs that address many issues, the various waterways, including set-backs, the plan line showing the regulated habitats and also had packets of materials that speak to the noise issue. Mr. Burwasser also stated that in his opinion, that although some of the conditions were "over-kill", there were no conditions that the District could not live with, and he did not feel that it was appropriate to dispute the conditions.

Mr. Teter, District Engineer reported that the project drawings are currently being revised to indicate the proper jack-and-bore lengths at each of the creek crossings and that markers have now been placed in the filed showing these locations. He further reported that he will have conditions associated with an encroachment permit from CalTrans as well.

The Board continued to discuss the various project related issues. Mr. Condotti addressed the requirement regarding the financial analysis, pointing out that although it is a somewhat inappropriate condition, the Board had accepted this same condition in connection with a previous project. He also stated that he felt that this condition is close enough to the language of the policy, so that it would be difficult to challenge the validity of this condition, which merely requires that the District provide information to the City, without granting them any authority in the decision- making.

President Ascher summarized the issues and suggested that the Board members consider proposing a motion.

ON MOTION by Director Coverdell and seconded by Director Feldman, the motion was presented to accept the conditions as contained within the coastal development permit.

Director Larimer proposed an amendment to the motion to request a conference with City of Half Moon Bay staff, upon the general agreement that the permit would be issued, and that the issues of a variance in terms of the interpretation of the biological mitigation and the need for it, be reviewed with staff, engineer, consultants, and legal counsel representing the District and that they arrive at a modification of Exhibit B that is mutually satisfactory.

Director Coverdell did not accept the amendment to his motion.
President Ascher called for a roll call vote on the original motion:

ON MOTION by Director Coverdell and seconded by Director Feldman, the Board voted as follows to accept the conditions as contained within the coastal development permit:

Director Coverdell	Aye
Director Larimer	No
Director Mickelsen	Aye
Director Feldman	Aye
President Ascher	Aye

The Board and staff then discussed the script and process for addressing the Planning Commission at the Public Hearing. The General Manager reviewed his proposed script for addressing the Planning Commission. The Board accepted the General Manager's recommendation that he be the principal spokesman.

Director Larimer then made the following motion: The Coastside County Water District Board of Directors, through their legal counsel, make a formal request of all associated government agencies, including the City of Half Moon Bay, the Federal Fish and Wildlife Agency, the California Department of Fish and Game and the California Coastal Commission, to produce copies of all of their correspondence related to this project, under the Freedom of Information Act. There was no second to the motion.

3) ADJOURNMENT

This portion of the special meeting that was conducted at the Coastside County Water District Board Chambers was adjourned at 7:34 p.m.

4) ROLL CALL: All Directors were present at this portion of the special meeting, which convened at approximately 7:45 p.m. at a Public Hearing of the City of Half Moon Bay Planning Commission located at the Ted Adcock Senior/Community Center, 535 Kelly Avenue, Half Moon Bay, CA

5) SPECIAL ORDER OF BUSINESS

- A. Item VI.2 of the City of Half Moon Bay Planning Commission Agenda - PDP-072-05 - entitled a "Coastal Development Permit to Allow the Replacement of Old Water Pipelines with New Larger Pipelines Located Within the Public Rights-of-Way of North Main Street and the west side of Highway 1 to Mirada Road in the City of Half Moon Bay". Applicant: Coastside County Water District.**

The Board and staff discussed the subject Coastal Development Permit and associated conditions in the course of the public hearing.

6) ADJOURNMENT

The meeting was adjourned at approximately 1:35 a.m. on Friday, August 25, 2006, and no action was taken.

Respectfully submitted:

Ed Schmidt, General Manager

Everett Ascher, President