

COASTSIDE COUNTY WATER DISTRICT  
Minutes of the Regular Meeting of the Board of Directors  
766 Main Street, Half Moon Bay, CA 94019  
July 9, 2002 – 7:30 p.m.

- 1) ROLL CALL: President John Muller called the meeting to order at 7:30 p.m. Present at roll call were Directors Jim Larimer, Eleanor Wittrup, and Chris Mickelsen. Director James Marsh arrived at 7:35. Also present were Ed Schmidt, General Manager; Dave Mier, Superintendent; Anthony Condotti, Legal Counsel; James Teter, Engineer; JoAnne Whelen, Executive Secretary; and Linda Goetz, Recording Secretary. There were approximately four people in the audience.
- 2) PLEDGE OF ALLEGIANCE: Everyone stood for the Pledge of Allegiance.
- 3) PUBLIC ANNOUNCEMENTS: The General Manager introduced District employee, Gina Brazil, and announced that she was promoted to Office Manager, replacing Betty Tomberlin who retired. There was no other public comment.
- 4) APPROVAL OF THE AGENDA:

**ON MOTION by Director Wittrup, seconded by Director Mickelsen, the Agenda was unanimously approved as presented. Director Marsh was absent.**

- 5) CONSENT CALENDAR:
  - A. Requesting the Board to review payment of claims for the month ending June 30, 2002 in the amount of \$343,624.17.
  - B. Acceptance of Financial Reports.
  - C. Minutes of Special Meeting of May 28, 2002.
  - D. Minutes of Special Meeting of June 10, 2002.

Director Wittrup reported a positive review of Claims for the month ending June 30, 2002, and the following action was taken:

**ON MOTION by Director Wittrup, seconded by Director Mickelsen, the Consent Calendar was unanimously approved as presented. Director Marsh was absent.**

- 6) PUBLIC HEARING – PROPOSED RATE INCREASE:
  - A. Discussion and possible direction to staff to amend the Rate and Fee Schedule to increase water rates by 4.3% with the adoption of Resolution 2002-07: President Muller opened the Public Hearing at 7:35 p.m. The General Manager explained the budget adjustments that necessitated the rate increase, and reported that the District office has received no public comment since announcement of the proposed increase. No members of the public spoke, and the Public Hearing was closed. The following action was taken:

**ON MOTION by Director Wittrup, seconded by Director Mickelsen, the Board unanimously adopted Resolution 2002-07 “Amending the Rate and Fee Schedule to Increase Water Rates and Fees” by 4.3%.**

7) REPORT OF THE GENERAL MANAGER:

- A. San Mateo County Health Department – Presentation by Dean Peterson: (1) Proposed Well Ordinance Modifications; (2) Recent Water Balance Studies: Mr. Peterson presented proposed changes to Chapter 4.68 of the San Mateo County ordinance relating to standards for domestic wells in the unincorporated midcoast area. He explained that the purpose of the changes are to address long-term reliability and possibility of zonal salt-water intrusion. He received feedback from the Board and answered questions. The draft ordinance will be taken to the Board of Supervisors on August 9, 2002. No action was required.
- B. Update on recent activities regarding the El Granada Pipeline Project Appeals and discussion and direction to staff regarding the California Coastal Commission Hearing for Appeal Nos. A-2-SMC-99-65 and A-1-HMB-99-20: The General Manager reported that he was told by Peter Imhoff of the California Coastal Commission that the appeal hearing would not occur in August, and most likely not in September. The General Manager also reported on the HMB City Council's position paper recommending denial of a CDP for a 16-inch pipeline. Director Larimer presented a detailed rebuttal to the City's position to be submitted as part of the record, as well as his explanation for the need of the pipeline as proposed.

A rejoinder to Mr. Coleman's arguments in opposition to a 16-inch El Granada Pipeline:

1. Half Moon Bay City Council did not approve a Coastal Development Permit for the El Granada pipeline.

Response: The Half Moon Bay Council's rules state that in the event of a tied Council vote with regard to an action of the Planning Commission the recommendation of the Planning Commission will stand. A tied vote in this case was the same as a majority vote, so the Council did approve the CDP contrary to Mr. Coleman's claim.

2. A 16-inch pipe is too large and would enable a new and unchecked development on the Coast.

Response: The data that Coleman uses to support this exaggerated claim is that a 16-inch pipe is 2.56 times larger in cross-section area than a 10-inch pipe. The ratio is correct but the conclusion that this would be growth inducing is a distortion of the facts and a simplistic analysis of the real requirements and physics of our water system. This absurd simplification has been refuted by 3 separate professional engineering analyses of the pipeline replacement project.

The three engineers who studied the El Granada renewal project and made public recommendations to the CCWD Board are James Teter, PE a long time consultant to the district; Edward Boscacci, Jr., PE, an employee of Brian, Kangas & Foulk the civil engineering firm that was hired by the San Mateo County Board of Supervisors to examine the El Granada pipeline design in response to the second appeal of the project by Carol Cupp and the LCP PAC; and Rudy Metzner, PE the engineer hired by CCWD to perform a computer simulation of the district infrastructure to evaluate and recommend for a third time an appropriate design for the El Granada pipeline. All of these Professional Engineers, all with many years of experience in designing and constructing water systems, agreed that the original Teter design was appropriate and that a 16- inch gravity flow system was required.

Mr. Metzner, PE was hired during a time when the LCP PAC slate of candidates, Carol Cupp, Eva Coleman, & Eleanor Wittrup, had the majority and control of the CCWD Board. Mr. Coleman is now disputing a recommendation made by the engineer recommended and hired by his wife during her tenure on the CCWD Board.

All of these engineering analyses and reports are available at the CCWD office and they have been widely distributed and discussed within the community. Dennis Coleman's continuing misrepresentation of the findings made by these experienced Professional Engineers underscores his disregard for serious engineering analysis or the facts. Additionally, he infers that he is an expert on the topic of computer modeling. This assertion is made without providing any evidence of his background, training or experience in this regard. If he is an expert, then he should be forthcoming with his professional employment resume summarizing his education and experience with respect to modeling. Without objective evidence, his comments cannot be taken seriously especially in light of his disagreement with three licensed Professional Engineers each with many years of experience in designing, constructing and evaluating water systems. Mr. Metzner's resume documents over ten years of experience in the computer modeling of water systems, one of his specialties. The assertion that an experienced bonded Professional Engineers would have intentionally or otherwise used incorrect data or assumptions to make his recommendations, as Mr. Coleman repeatedly asserts, simply is not credible.

Coleman's core argument against the proposed design is that a 16-inch pipe is larger than needed to service CCWD. The El Granada pipeline was installed in 1947/48. At the time of installation, 54 years ago, the pipeline was more than adequate to service the community's water distribution needs. There has been more than 50 years of development within the district during this period. The question of merit is when, what year to be specific, was the capacity of the El Granada pipeline to service the community's water needs exceeded? This can be visualized as a graph with the year on the x-axis and the number of services on the y-axis. This graph is shown in Fig. 1.

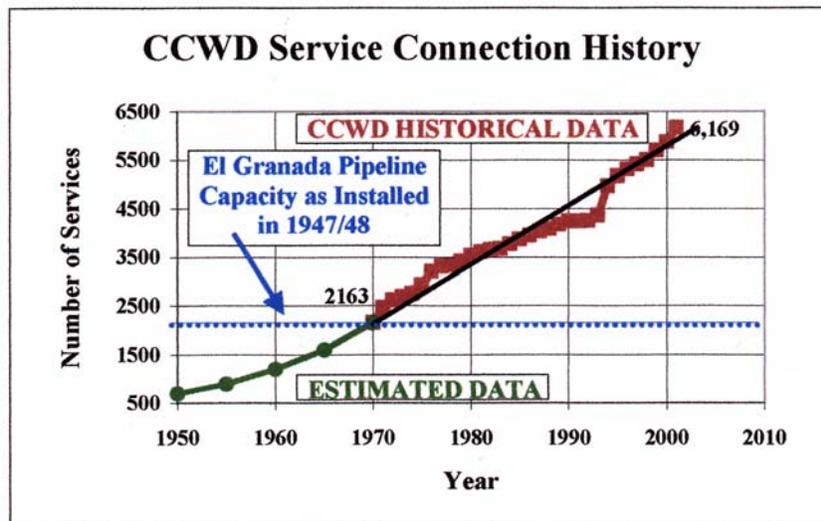


Fig. 1. The squares are historical data on the number of connections to the CCWD system on a yearly basis starting in 1970, the first year with reliable records. The circles are estimated number of connections on a yearly basis from 1950 to 1970. There are no reliable records for this data, and the data shown are estimates based on extrapolations back to the first years of the CCWD public utility. The dotted line is the service capacity of the El Granada pipeline as it was installed in 1947/48. 1970 was the last year this pipeline could be run as a solely gravity flow transmission line. The data shown in the figure are from the annual water quality report available at <http://www.coastsidewater.org>.

In 1970 the El Granada pipeline reached its service capacity as a gravity flow system and a pumping station had to be added in 1971 for the El Granada pipeline to meet the service need. Gravity flow transmission systems are the most desirable engineering solution for a water system since they are failsafe during power outages caused by natural disasters such as earthquakes and fires. The El Granada pipeline had to be operated as a pumped system starting in 1971, so 1971 was the year that the pipeline's ability to deliver water powered by gravity was exceeded. It has been too small since 1971.

The number of services has increased over the past 31 years from 2163 services in 1970 to 6169 today. Additionally, there are another 1900 services, 1400 of which have already been purchased, that will bring the total number of services to 8000 over the next 15 to 20 years. This rate of service connection increase is consistent with even the slowest estimates of growth, i.e., 1% in Half Moon Bay & the 80 units per year proposed in the county's revised LCP. That represents a 370% increase in customers served from 1970 to 2022, the date at which all 8000 connections are likely to be in service. This growth will occur within the service life of a new replacement El Granada pipeline that is expected to be at least 75 years due to the improved longevity of modern pipeline materials.

By Coleman's flawed engineering analysis, we should be proposing a 20-inch replacement pipeline to meet this need. This conclusion would be equally absurd and unrelated to best engineering practice. Engineering design is properly the domain of trained and qualified engineers and not politicians. We should adopt the recommendations of qualified professional water system engineers and replace the El Granada pipeline with a 16-inch gravity flow system. This recommendation has been confirmed by 3 independent engineering analyses of our needs.

The cost of replacing the 54-year old El Granada pipeline is approximately 4.5 million dollars if we replace it soon. Inflation will make it more expensive to replace this pipeline in the future. It has already been delayed more than 3 years.

The money to replace the pipeline is in the bank. The funds came from a combination of depreciation funds collected from current users as part of their normal water bill and from funds acquired through the purchase of Crystal Spring services. Mr. Coleman erroneously claims that the El Granada pipeline replacement is independent of the Crystal Springs project. This is not correct. Funds collected by selling new services were used to pay for the Crystal Spring Project and to partially fund the El Granada pipeline renewal.

The Crystal Springs project connected the CCWD to Hetch Hetchy and the California statewide water system. This has reduced forever our risk of loss of service due to future droughts. Droughts will certainly impact our ability to meet future demand and will likely require water conservation strategies here as elsewhere within the state. But we are now part of a statewide system with a statewide obligation to assure a supply of water to our customers.

If we undersize the El Granada replacement and must replace it again in 20 years as Mr. Coleman recommends this will cost the ratepayers another 5 million dollars within a 20 year period. These funds would have to be acquired via depreciation, an added expense to every ratepayer's water bill of approximately 35 dollars a year every year for the next 20 years. This is a needless cost that can be avoided by simply following good engineering practice and installing the recommended 16-inch gravity flow system now.

To go beyond 8000 connections, the district would have to expand its water infrastructure. The additional costs to expand service beyond 8000 connections would be born by those future customers of the CCWD system and not by today's ratepayers. Such a future expansion will also have to be consistent with the two LCPs that limit our community's growth and ultimate size. To go beyond 8000 services will require new sources of water, and new Coastal Development Permits and the CEQA process that must be followed to obtain CDPs. This is not the rapid and uncontrolled growth predicted by Mr. Coleman. It is a long, slow, open and legal process that will be driven by real future needs rather than overblown and speculative scenarios of rapid growth.

3. Coleman challenges the per capita demand data used to develop the El Granada pipeline design.

Response: The figure of merit used in the analysis is based upon historical demand data from district records. It is actual data and not an estimate. Coleman refers to average usage and ignores the critical difference between average volume and peak volume. The average volume is based every minute for an entire year. The typical residential hookup uses water only during a small fraction of that time. If you are not at home or if you are sleeping, you are probably not using water. Many Coastsides residences are unoccupied for large periods of time every day. Average demand does not reflect the demand during periods when people are likely to be using water. The latter number is much larger.

The water system must be capable of providing an adequate flow of water when demand is high, for example in the morning hours and in the evening dinner hours. Sizing a system solely on average daily flow per minute would be absurd. The system must be sized to handle emergencies, for example, fire flows. Fires are more likely to occur during periods of peak demand than during periods of low demand because peak demand occurs in the same hot and dry seasons where fire risk is high.

Coleman repeatedly uses the average yearly volumes to claim excessive capacity. His comments on the sewer plant are a good example of the vacuous nature of this logic. Coleman sites average volumes of waste divided into capacity to conclude erroneously that we have too much sewage treatment capacity on the coast today. Sewer plants, however, must be sized to handle the flow volume during the rainy season. If a plant does not have sufficient storage and treatment capacity when it rains, raw untreated sewage will be dumped into the ocean. During the rainy seasons rain water runoff mixes with sewage and can overwhelm the storage capacity of the system. The posting of dangerous levels of sewage contaminants off the coast of Half Moon Bay during the rainy season is ample evidence that the coastsides sewage treatment capacity is not adequate. A true environmentalist's agenda would be to remedy this problem by increasing the capacity of the sewage treatment plant. Coleman and his LCP PAC associates advocate exactly the opposite just as he is now attempting to undersize the water system. He sites this absurd characterization of the sewage treatment plant as part of his argument to under-size the water system.

Under-sizing the water system puts our community at risk. Coleman's efforts to under-size the water distribution system, if it succeeds, will result in a needless and avoidable loss of property in the future. We have already increased the risk to our community by putting off the replacement of an aging inadequate pipeline through a process of endless appeals to stop a needed infrastructure renewal project, the El Granada pipeline. Although, Coleman is not a named author of the two appeals, one by Carol Cupp and the other by Rick Lohman, he is certainly one of advocates if not the author of the language used in the appeals.

It would be a tragic lack of responsible planning by our community and the elected Board of Directors of the Coastsides County Water District, if these appeals are not successfully challenged. If we are forced to under-size the system, the potentially tragic consequences of these acts should be laid directly at the feet of Mr. Coleman, Carol Cupp, Rick Lohman, their friends and backers in the LCP PAC for preventing a rational community response to a documented community need.

4. Coleman argues that more storage will fix the problem and that a 12-inch system would suffice.

Response: The water district has approximately 9 million gallons of water storage capacity today in its existing water tank facilities. This exceeds the recommended volumes for stored water for a community of our size. Adding to this capacity would add little or nothing to the margin of fire safety. The real problem is moving the water between storage tanks.

The El Granada pipeline is part of the backbone distribution system within the district. Its size limits the ability to move water from storage in the central or southern regions of the system to the northern region or visa versa. It is the impedance to a rapid recharge of storage levels from storage throughout the system, generated by an inadequately sized transmission pipeline that was one of the primary considerations in sizing the El Granada pipeline.

The pipe size impedance problem will not go away by adding more storage capacity. It will only be solved by reducing the barriers to the flow of water between storage tanks. This requires a bigger diameter pipe. A 16-inch gravity flow system will reduce the impedance between the storage tanks. They will refill more rapidly during periods of high demand if we install a 16-inch pipeline as recommended by the Professional Engineers.

Metzner found that a mixed 12/16-inch system with a new pumping station would also satisfy the flow requirements. This is a mixed system and not the 12-inch system that Mr. Coleman claims is adequate. The system would have to have a substantial 16-inch run and it would require an expensive pump.

A pumped system does not remedy as many low pressure and fire flow nodes discovered by the Metzner modeling study of the district's system. A mixed-pipe-size-pumped-system, the only alternative with smaller sections of pipe found to be viable in the Metzner modeling analysis, would have more substandard nodes remaining after its installation than a 16-inch gravity system. A pumped system costs more to install, almost one million dollars more.

A pumped system would increase the risks within the community and reduce our ability to cope with natural disaster such as earthquakes and fires. Yet this more expensive, less adequate, fail-broken system is what Mr. Coleman and the LCP PAC favor.

5. Coleman argues that all infrastructures should be improved together.

Response: This is a Catch-22 argument. According to Mr. Coleman we should not improve our water infrastructure using a 50-year perspective, about two thirds of the expected service life of a new transmission pipeline, because that would put the water infrastructure ahead of the road or sewer or school infrastructure.

In a statement Mr. Coleman made on the Midcoast List in August of 2000 he says, "With nothing left to expand among the 4 pillars of a bedroom community development (sewer, water, commuter highways and schools/day care), accelerated LCP corruption, continued environmental destruction, and further loss of local economic development opportunities will be inevitable." Mr. Coleman and his LCP PAC oppose all infrastructure improvements to schools, roads, sewers and water. All of these infrastructure elements are before our community today and sadly in need of improvements now.

Mr. Coleman's opposition to the sewer infrastructure improvements is well known. He has recently acted in his role as City Council member to stop needed safety improvements to Hwy 92 east of Hwy 35. The county has informed Mr. Coleman and the Council that a delay on this improvement will mean that it will be pushed back at least 15 years for lack of funding. The funds to make these highway improvements are available today, but will not be available in 2 years when the funding source expires. Mr. Coleman is opposed to the Wavecrest site for the Boys and Girls Club & new middle school. The effect of this is to oppose the Boys and Girls Club and middle school. Finally, he is opposed to the recommendations of 3 independent and qualified Professional Engineers to replace an aging portion of our water system with a 16-inch gravity flow system.

We can list the infrastructure improvement projects that Mr. Coleman and his LCP PAC friends are against. Can anyone list what they are in favor of doing other than preventing one more house from being built here?

Jim Larimer  
CCWD Board Member  
July 9, 2002

The following action was taken:

**ON MOTION by Director Larimer, seconded by Director Mickelsen, the Board unanimously directed staff to prepare a response to the City of Half Moon Bay's position paper to be sent to the Coastal Commission as soon as possible, with a copy to be provided to the City of Half Moon Bay.**

Director Marsh recommended scheduling the hydraulic sub-committee to meet in order to utilize the model for assessing long-term water availability under build-out and drought conditions. The committee will meet and report to the Board.

- C. Discussion and possible adoption of Resolution of Intention to Amend California Public Employees' Retirement System contract to provide Section 21354.4 (2.5% @ 55 Modified formula) for Coastside County Water District employees' retirement formula: The General Manager provided an overview of the background and fiscal impact of adopting this amendment, and the Board took the following action:

**ON MOTION by Director Marsh, seconded by Director Wittrup, the Board unanimously adopted a Resolution of Intention to Approve An Amendment to Contract between the Board of Administration California Public Employees' Retirement System and the Board of Directors, Coastside County Water District" to provide Section 21354.4 (2.5% @ 55 Modified formula) by roll call vote.**

- D. Discussion and possible direction to staff regarding the Public Health Security and Bio-terrorism Preparedness and Response Act (House Resolution 3448): The General Manager presented the background for the need for a vulnerability assessment in response to the Act, and the Board provided their approval to move forward with an assessment report once staff receives the proper format and training.
- E. Follow-up report on State of California Department of Health Services public notification requirements of chemical monitoring failure in 2001: The General Manager and Superintendent reported that the District has fully complied with the public notification procedure as required.
- F. General Manager Activities: The General Manager referred the Board to his written report, which was accepted without discussion.
- G. Correspondence: (1) Letter dated June 21, 2002 from the San Francisco Public Utilities Commission regarding Pilarcitos Creek: The General Manager announced that he will be following the developments of the SF PUC and Pilarcitos Advisory Committee in developing a Habitat Conservation Plan for the Alameda Creek watershed. Director Marsh encouraged the District's participation relative to long-term planning for the midcoast.

BREAK: The Board took a break from 8:47 to 9:00 p.m.

- 8) AGENDA ITEMS REQUESTED BY BOARD MEMBERS;
- A. Discussion and possible direction to staff to regarding the development of a policy for a safety margin on water supply, including a discussion of safe yield (drought conditions) vs. normal yield (average precipitation) placed on the agenda at the request of Director Wittrup: Director Wittrup initiated discussion regarding the advisability of creating a policy which establishes a safety margin guidepost for firm and safe water supply yields, particularly in drought years. The Engineer and Superintendent recommended utilizing information contained in the Water Supply Evaluation Report as the basis for enacting a policy. Staff will prepare an analysis, to include an overview, District historical background information, and a comparison of other Districts' policies for presentation once the California Coastal Commission appeals are heard, possibly September or October 2002.
- 9) ATTORNEY'S REPORT:
- A. 2002 San Mateo County Grand Jury Report: District Counsel advised that he reviewed the Conflict of Interest Code, and has determined that it is accurate and need not be amended at this time. The Board made no changes and took the following action:

**ON MOTION by Director Marsh, seconded by Director Wittrup, the Board unanimously authorized transmittal of the Biennial Notice to the County Elections Office advising them that no amendments are necessary.**

President Muller distributed copies of the most recent version of the State Code of Ethics for Board information only.

- B. Discussion and possible approval of the assignment and assumption agreement between Magnolia Associates, LLC to Shea Homes. Counsel presented an Assignment and Assumption Agreement necessary to substitute Shea Homes for Magnolia Associates as the developer of the project. He pointed out that the signature page will be modified to reflect the correct Shea representatives authorized to enter into such an agreement. After discussion, the following action was taken:

**ON MOTION by Director Wittrup, seconded by Director Larimer, the Board unanimously approved the Assignment and Assumption Agreement between Coastside County Water District, Magnolia Associates, and Shea Homes Limited Partnership, subject to final modification of the signature block.**

- C. Moss Beach Highlands Development – Request for Release of Exceptions on Title Policy: Counsel reported that after analysis of the documents,

staff has concluded that the obligations identified in the title report do not affect this property, and that it would be appropriate to release those exceptions on the title. After discussion, the following action was taken:

**ON MOTION by Director Wittrup, seconded by Director Mickelsen, the Board unanimously adopted Resolution No. 2002-08, “A Resolution of the Board of Directors of the Coastside County Water District Approving the Quitclaim Deed to Corado/McComas, L.P., and Authorizing and Directing the President of the Board of Directors to Execute the Same” by roll call vote.**

- D. Peninsula Open Space Trust – Request for Release of Obligations Under 1977 Water Production Agreement: Counsel explained that POST is acquiring certain property affected by the 1977 agreement and has asked to be released from certain terms of the agreement. He also pointed out an ambiguity in the documents with regard to identification of exhibits, which he said is being amended. The Superintendent explained the history of the Agreement and concurred that the condition for its existence has expired. The following action was taken:

**ON MOTION by Director Wittrup, seconded by Director Marsh, the Board unanimously adopted Resolution No. 2002-09, “A Resolution of the Board of Directors of the Coastside County Water District Approving the Termination of Agreement (Cowell-Torello North) Termination of Agreement (Cowell-Torello South) and Authorizing and Directing the President of the Board of Directors to Execute the Same” by roll call vote.**

10) ENGINEER'S REPORT:

- A. Engineering Projects Received in June 2002: 1) Main Street Senior Housing Project.
- B. District Engineer Work Status Report:
- 1) Paving and Drainage Improvements at the Alves Tank Site: The CDP process should begin in September 2002.
  - 2) El Granada Storage Tank 3 Site: Pump station, hydro-pneumatic tank, and piping improvements: The permit process is scheduled to begin in November 2002.
  - 3) Preparation of Design Contract Documents for the El Granada Pipeline Replacement Project and Carter Hill West Pipeline Project: Schedules previously submitted to the Board.
- C. Carter Hill West Pipeline Replacement Project – Land Surveying and Photogrammetric Mapping Services: The Engineer explained that Towill, Inc. has provided a proposal for the field work that needs to be performed to support the engineering design. Since they have performed all of the

prior surveying and easement preparation work and know the project, no other firms were solicited. He recommended approval, and after discussion, the following action was taken:

**ON MOTION by Director Wittrup, seconded by Director Mickelsen, the Board unanimously approved entering with a contract with Towill, Inc. for Land Surveying and Photogrammetric Mapping Services for the Carter Hill West Pipeline Replacement Project in the amount of \$22,985.00.**

- D. Discussion and possible direction to staff regarding a Request for Proposal for a Groundwater Basin Geotechnical and Economic Feasibility Study, Lower Pilarcitos Creek Groundwater Basin Project: The Engineer presented a draft RFP and Scope of Work. The Board also heard from Keith Mangold of El Granada who asked for the stewardship of the Board in assessing the effects of wells in the Pilarcitos Creek basin. Staff assured the Board that the legal aspects will be addressed. The following action was taken:

**ON MOTION by Director Mickelsen, seconded by Director Larimer, the Board unanimously approved distribution of a Request for Proposal for a groundwater basin geotechnical study and economic feasibility study of the Lower Pilarcitos Creek Groundwater Basin. Staff was also directed to solicit an estimate for a legal analysis of the water rights.**

- 11) OPERATIONS REPORT: Superintendent Mier summarized the information contained in his written report.
- A. Water Service Connections Installed, Priority and Non-Priority: 13.5 water connections and 13 water meters were installed.
- B. Capital Improvement Program Progress: He explained that the length of time required in the permitting process is the reason only 20% of the budget funds were spent last fiscal year.
- C. Water Sample Report, Local Production, Water Purchases, Leaks, etc: Water production totaled 93.83 million gallons; and sales totaled 65.64 million. Peak demand periods are down slightly from a year ago. One leak was repaired on a 10" steel line on Cabrillo Hwy. .22 inches of rain was recorded at the District office.
- D. Carter Hill West Pipeline Pressure Readings: Pressures were well above the minimum recommended psi.
- 12) MEETINGS ATTENDED/SCHEDULED: None reported or requested.
- 13) AGENDA ITEMS AND DIRECTOR COMMENTS: None.
- 14) CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Cal. Government Code Section 54956.9) Beuth v. Coastside County Water District – SMSC Case No. 407917): Board went into Closed

Session at 10:00 p.m. Counsel will report any action taken in Closed Session in a separate memorandum.

- 15) ADJOURN: The Recording Secretary was not present for adjournment, which occurred after the Closed Session. The next meeting of the Board of Directors will be a Regular Meeting on August 13, 2002 at 7:30 p.m.

Respectfully submitted,

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Ed Schmidt, General Manager

APPROVED:

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John Muller, President