

MUIR BEACH COMMUNITY SERVICES DISTRICT
Minutes of the Board of Directors' meeting held on
Wednesday, May 28, 2025

OFFICIAL MINUTES ONLY UPON APPROVAL

Prior to approval of these minutes by the Board of Directors in a public meeting, these minutes are draft only and subject to change. Upon approval by the Board, these minutes become the Official Minutes of the meeting.

Item 1: Call to Order

Board: Christine Murray (Board President), Steven Shaffer (Board Vice President), Leighton Hills (Director), David Taylor (Director)
Staff: Mary Halley (District Manager), Chris Gove (Fire Chief), Ernst Karel (Meeting Secretary)

Item 2: Public Comment (if any) for Closed Session

Item 3: Closed Session (Directors and District Manager)

The California Government Code provides that certain matters such as litigation, personnel matters, and real estate negotiations may be conducted in closed session. The matters shall be set out below. After any closed session, the legislative body shall reconvene in open session prior to adjournment and make disclosure of action taken during the closed session – authorized by CA Gov't Code Section 54954.5(e)

Public Employment – Title: District Manager – authorized by CA Gov't Code Section 54957(b)(1)

Item 4: Reconvene in Open Session

Meeting is called to order at 7:05.

In the closed session, the board increased the District Manager's salary by 1.69 percent, in line with inflation, for total salary of \$90,000/year.

Item 5: Approval of Agenda

Item(s) not included in this agenda: None.

MOTION: To approve the agenda
Moved: Taylor, seconded by Shaffer
Vote: AYES: Unanimous.

Item 6: Consent Calendar

All items on the Consent Calendar are considered to be either routine or non-controversial and will be enacted

by a single blanket action of the Board. Upon request from a Board member or any member of the public,

individual items may be removed from the Consent Calendar in which case they will be discussed in the meeting

(under Items Removed from the Consent Calendar).

A. Approval of Quarterly Financial Reports dated 4/30/25. (See attached)

B. Approval of Draft Minutes from Regular Board Meeting on 3/26/25. (See attached)

1
2 MOTION: To approve the consent calendar as submitted.
3 Moved: Shaffer seconded by Taylor
4 Vote: AYES: Unanimous.
5
6

7 **Item 7: Items Removed from Consent Calendar**

8 None
9

10 **Item 8: Fire Chief Report including Fire House Update** – Chris Gove

11 ACTIVITY. So far this year we've responded to 26 incidents. We conducted a joint mass casualty
12 exercise with Bolinas and Stinson Beach fire departments. We will need to continue to recruit new
13 volunteers as several recent recruits have relocated.

14 FIREHOUSE. We have received our building permit and are currently interviewing project managers
15 to assist us with the process. While we are confident we have sufficient funding on hand to complete
16 the most significant phases of the project with rising costs we will likely need to initiate a capital
17 campaign to both finish the final outfitting of the firehouse and be prepared for future capital
18 expenditures such as new vehicles.

19 DISASTER PREPAREDNESS. The team continues to meet and train on a regular basis and is getting
20 ready to join us at the BBQ to serve as event coordinators to help out with any issues at the event.
21 We also just received word that we are getting a mass casualty trailer loaded with supplies. They will
22 also be assisting us with the side walk CPR event August 16th at the beach parking lot. We haven't
23 yet set a date but with the firewise committee they will be hosting an evacuation drill later this
24 summer.

25 FIREWISE. Our Firewise group continues to do great work. They are once again hosting the chipper
26 program that is off to a flying start see banners out around the community. Another is scheduled this
27 week with several more to come. Sign up at WWW.Marinwildfire.org. Late summer they will be
28 hosting an evacuation drill with the disaster committee.

29 MWPA. We have just completed clearing an evacuation corridor on the southbound side of HWY 1
30 with the cooperation and consent of many homeowners. The vegetation management of the upper
31 park trail is being considered as part of the coastal permitting by MWPA. We anticipate collaborating
32 with NPS to perform maintenance in the fall of this year on the Banducci Ranch site that was treated
33 in late 2022. We are preparing to do work on the Terwilliger/ACR site pending approval under the
34 Governor's emergency proclamation regarding coastal wildfire projects.

35 BBQ. This year we've adjusted the layout of toon town and have built a new ticket booth in
36 preparation for the BBQ. At the time of this report we can hope to be able to report it is just about to
37 be a success!

38 Revenues from the BBQ were 94,000, income will be 55-60,000. This is 50% higher than average,
39 while less than last year (which was a big outlier).

40 **Item 9: District Manager Report** – Mary Halley A. District Manager Mary Halley will present brief
41 highlights from her DM report (see attached). Her report as always is available in full as part of each
42 meeting packet at <https://muirbeachcsd.com/meetings/> .
43

1 Water: creek still flowing well due to late rains.
2 Marin Water seasonal intertie possibility: Some continuing conversations, but intertie may be going to
3 the wayside but supplanted with the possibility of us drilling a well farther from the creek on NPS
4 property, with NPS Aquatic Biologist Darren Fong having a lot of interest in that approach. It may be a
5 longer process, but we are pursuing a test well to see if being farther from the creek could reduce
6 impact on the creek.
7 Lots of work done on wells recently. Spring water flushing just done, and Thiemo will do the valve
8 exercising in the next months. New valves have been going in and we want to keep them in good
9 working order.
10 Lower tank: signed agreement to have a new meter put on the tank for better leak detection.
11 Cross-connection Control Plan: board will probably be seeing decisions coming up about what
12 approach we're going to take to meet this new regulation. Some ideas for different options are in the
13 report. We did get an extension until the end of the year, as did Bolinas and Inverness, so we will see
14 if we can collaborate or coordinate with these other districts on planning and implementation costs.
15
16 Firehouse: Current MBVFA grant amounts are \$340,000 total since 2018.
17 We have spent 98,299.49 on soft costs, leaving a current balance of \$241,751, plus an additional
18 grant from county of \$100,000, so the total we are holding for firehouse project from grants is
19 \$341,751.
20
21 CC update: Sefton Murray is having to step down, so we are looking for a new rental coordinator.
22
23 Prop 68: submitted app for building permit to county, so ball is in their court.
24 Measure A funding: setting aside some funding for whatever happens with deck railing, and to
25 balance match the Prop 68 funds. The Sunset-Cove trail is complete, as is the Refuge Shed also
26 complete, which were both Measure A funded.
27

28 ***Close Regular Board Meeting and Open Public Hearing***
29 **Item 10: Public Hearing for Water Rate Increase**

30 The District's ability and procedures for setting water rates are regulated by Prop 218 under CA Civil
31 Code. Water rate ordinances and rates can be extended by a maximum of 5-years with the current
32 ordinance expiring 6/30/2025. Notice of Public Hearing for Water Rate Increase to be held on May 28,
33 2025 at Regular Board Meeting, with a 45-day public comment period, which was distributed/posted
34 on April 14, 2025 (*See attached*)
35

36 **Procedure:**

37 **A. Public Hearing**

- 38 1. Board may provide a report
- 39 2. Public testimony
- 40 3. Board President will do "last call" for any protest votes

41 **B. District Manager will count Protest Ballots and report results to Board**

42 **C. Board will report results of Protest Ballots**

- 43 1. if a majority of protest votes 50%+1(79) are received, the Board shall not proceed with further
44 consideration of the rate increase
- 45 2. if no majority of protest votes 50% (78) or less are received, the Board may proceed with
46 discussion of ordinance by Board members and vote

47 **D. Vote regarding Draft-MBCSD Water Rate Ordinance 2025-1**

48 (*See attached Draft – MBCSD Water Rate Ordinance 2025-1*)
49

1 Background:

2 At the January 29, 2025 Board meeting, District Manager Halley presented data on the current status
3 of the Water Department's revenues, expenses, use trends, and finances, with the recommendation
4 that a modest water rate increase of 15-20% would be needed to maintain water revenues at
5 consistent levels as water use declines due to water conservation. At that meeting, the Board directed
6 DM Halley and Director Hills to develop a water rate increase proposal to cover the next 5-years to be
7 considered for implementation in the next FY25/26 budget cycle. The current recommendation, based
8 on the data presented at the January meeting, is for a 15% increase to be charged singularly to the
9 Service Fee plus an April 2025 CPI (1.3%) adjustment to be applied both to the Service Fee and the
10 Meter Charges which cover capital improvements. The new MBCSD Water Rate Ordinance 2025-1
11 reflects these changes for the next 5-year period starting FY2025/26 through FY2029/30.

12
13 Murray goes over the issue. The increase will apply solely to the variable portion of the water bill, not
14 the fixed meter charge. So, for residents that are conserving water, the dollar increase will be minimal.
15 The increase is not a penalty for conserving, but when water use drops, revenue also drops, and so in
16 trying to run a water system, those fixed costs don't drop, and so an increase in revenue is necessary.

17
18 Open to public. Ernst Karel asks about how the breakdowns were arrived at for the discount rates,
19 outlined under Section 6 ("Customers who use **less than 4,500 gallons** per bi-monthly billing period
20 will receive a conservation discount of 50% (which is equal to \$1.36 per 100 gallons); customers who
21 use **4,501 to 10,000 gallons** per bi-monthly billing period will receive a conservation discount of 43%
22 (which is equal to paying \$1.55 .per 100 gallons); and customers who use **10,001 to 30,000 gallons**
23 per bi-monthly billing period will receive a conservation discount 30% (which is equal to paying \$1.90
24 per 100 gallons). Those customers who use more than 30,001 gallons per bi-monthly billing period will
25 receive no conservation discount (which will be equal to paying the full \$2.72 per 100 gallons)."). He
26 notes that the first two windows are both about 5,000 gallons, while the last window of 20,000 gallons,
27 where essentially very high-water users in the upper part of that range are still receiving a
28 "conservation discount". There is no answer as to how the breakdowns were arrived at, but go back to
29 the original District Manager Donovan, but Hills notes that in the future these discount tiers could be
30 revisited and revised.

31
32 Halley notes that originally they were price tiers, but now legally we're required to have the same
33 prices for all users, so legal counsel said we could offer discounts for different usage tiers.

34
35 Murray acknowledges that further analysis is needed on this question, and that perhaps the highest
36 water users can be brought to the table for conversation because it's a larger ecological issue. She
37 notes that, "We have just had the team come out and tell us our water usage is too high, and it's
38 impacting our streams."

39
40 Consensus is that, despite the tiers and percentages possibly being revisited in the future, and that
41 we should ask the question of how they have been determined, it could be the subject of a future
42 amendment, and we should pass the current water rate motion now.

43
44 Halley counts protest ballots and presents to board. There was 1 protest letter (among 156 active
45 water meters).

46
47 MOTION: To move forward with the proposed water rate increase.
48 Moved: Shaffer seconded by Taylor
49 Vote: AYES: Unanimous.

1 ***Close Public Hearing and Resume Regular Board Meeting***

2 **Item 11: Open in Regular Board Meeting – FY2025-26 Draft-Budget – First Review**

3 The first reading of the proposed FY2025-26 Draft-Budget will be presented by the District Manager
4 for discussion and preliminary review. (See attached FY2025-26 Draft-Budget – May 2025) The
5 Budget Hearing and final approval of the FY2025-26 Budget will be at the July 23, 2025 Regular
6 Board meeting.

7
8 Halley says that this is a conservative budget. With the water rate increase, for the first time we're not
9 estimating a deficit in the water department. This will allow us to continue projects such as replacing
10 valves and improving infrastructure. The fire budget reflects that we're building a new firehouse.

11
12 **Item 12: Public Open Time**

13 Steve Shaffer asks Halley to get someone to cut the growth on the south side of Pacific Way, as it's
14 very overgrown. Halley acknowledge that ground maintenance crews will be on it.

15
16 **Item 13: Recognitions & Board Member Items**

17 Hills compliments Halley for arranging for CalTrans to clear the fallen pine tree near Green Way.

18
19 Taylor thanks Hills for overseeing solid, unbreakable internet service at the BBQ this year.

20
21 Karel thanks Taylor and Gove for overseeing the MWPA project of cutting overgrowth on the south
22 side of Hwy 1.

23
24 **Item 14: Next Meeting Date and Adjournment**

25 Next Board Meeting Date: July 23, 2025.

26
27 There being no further business to come before the board, the meeting is adjourned.

28 Meeting adjourned at 19:45 pm.