

# MUIR BEACH COMMUNITY SERVICES DISTRICT

19 Seacape Drive ♦ Muir Beach, CA 94965 ♦ 415-388-7804 ♦ www.muirbeachcsd.com



Wed, September 28, 2005  
7:00 PM – Regular Meeting

Board of Directors  
Community Center  
19 Seacape Drive  
Muir Beach, CA 94965

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## TIMING OF ITEMS ON AGENDA

The Board attempts to hear all items in order as stated on the agenda, however it reserves the right to take items out of the order listed at any time during the course of the meeting.

## SPECIAL NEEDS

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Leighton Hills at 415-388-7804. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure participation in the meeting.

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## AGENDA

### Item 1 CALL TO ORDER

Steve Shaffer, Board President  
Peter Rudnick, Board Vice President  
Danny Hobson, Director  
Deborah Kamradt, Director  
Maury Ostroff, Director

Leighton Hills, District Manager  
Sharry Mullin, District Secretary-Treasurer

### Item 2 NATIONAL PARK SERVICE REPORT

A representative of the National Park Service may be present to provide an update or report on activities relevant to Muir Beach.

### Item 3 CONSENT CALENDAR

*All items on the Consent Calendar are considered to be either routine or non-controversial, and will be enacted by a single action of the Board. Upon request from a Board member, staff, or member of the public, specific items may be transferred from the Consent Calendar to the Regular Agenda for separate discussion and consideration.*

- A. **Approval of Expenditures** – For August 2005, attached at page 7
- B. **Approval of Minutes** – Regular meeting August 31, 2005, attached at page 10

### Item 4 FIRE DEPARTMENT REPORT

By John John Sward, Fire Chief, or other representative of the Fire Department.

**Item 5 PUBLIC HEARING ITEMS**

*Public hearings provide the general public and interested parties the opportunity to provide testimony on certain items, such as ordinances, rather than to simply comment on regular agenda items. If you later challenge an action on a hearing item in court, you may be limited to raising only those issues you or someone else raised in testimony at the Public Hearing, or in written correspondence delivered to the Board of Directors at or prior to the Public Hearing.*

**Introduction and Reading of Ordinance (by title only)** – Ordinance No. 2005-2, An ordinance of the Board of Directors of the Muir Beach Community Services District establishing a schedule of rate charges for water service. The ordinance is attached at page 4.

After this introduction and initial reading, the Board may schedule the matter to be heard at a future meeting. After taking testimony at such a hearing, the Board may then act on the proposed ordinance.

**Item 6 DISTRICT MANAGER'S REPORT**

Harvey handled a leak admirably over Labor Day weekend, arranging for water service to the affected people at scheduled times (Starbuck Extension) and arranging for and helping with the repairs.

Nothing else needs reporting.

**Item 7 RECREATIONAL ITEMS**

Reports/comments from the audience.

**Item 8 ITEMS REMOVED FROM THE CONSENT CALENDAR**

Discussion and action on items, if any, transferred from the Consent Calendar to the Regular Agenda.

**Item 9 PUBLIC OPEN TIME**

1. *Topics should be within the jurisdiction of the CSD (water, roads, fire & public recreation).*
2. *The topic should not be elsewhere on the agenda.*
3. *The Board and staff may only briefly respond to statements and questions (legal requirement for items not posted on an agenda).*
4. *Public comments are limited to 3 minutes per speaker, unless waived by the Board.*
5. *The period for public open time is limited to 15 minutes, unless waived by the Board.*

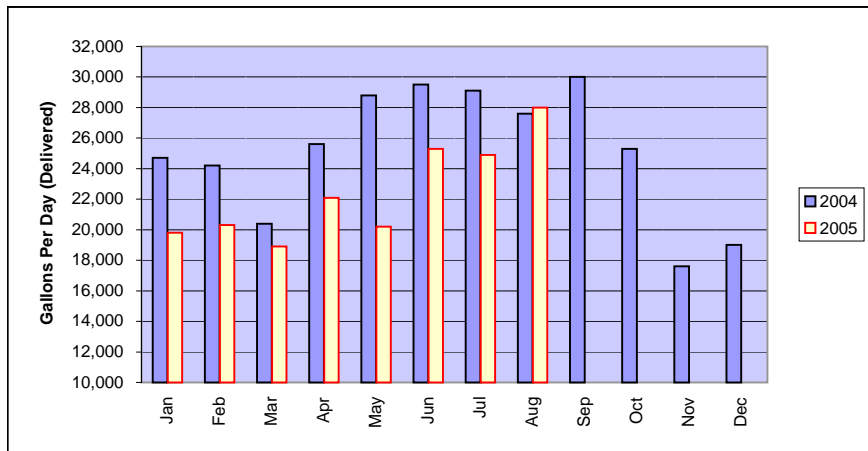
**Item 10 SELECTION OF DATE FOR NEXT MEETING**

- 4<sup>th</sup> Wednesday is October 26 (Sharry gone)
- 3<sup>rd</sup> Wednesday is October 19
- 1<sup>st</sup> Wednesday in Nov is November 2

**Item 11 ADJOURNMENT**

## Water Production Table

End Date	Gallons Per Day					Billings	
	Pumped	Delivered	12 Mo Avg (Delivered)	Leaks		Month	12 Mos Rolling Avg
Aug 16, 05	29,700	28,000	22,600	1,480	5%	\$ 8,364	\$ 78,930
Jul 16, 05	27,000	24,900	22,600	1,980	7%	\$ 7,083	\$ 78,640
Jun 16, 05	26,900	25,300	22,900	1,580	6%	\$ 7,352	\$ 79,760
May 16, 05	24,400	20,200	23,300	3,850	16%	\$ 5,847	\$ 81,020
Apr 16, 05	25,300	22,100	24,000	2,380	9%	\$ 6,421	\$ 83,390
Mar 16, 05	23,600	18,900	24,300	4,110	17%	\$ 5,239	\$ 84,380
Feb 16, 05	23,500	20,300	24,400	3,120	13%	\$ 6,048	\$ 84,840
Jan 16, 05	21,900	19,800	24,700	2,110	10%	\$ 5,902	\$ 86,260
Dec 16, 04	25,900	19,000	25,100	6,180	24%	\$ 5,431	\$ 87,300
Nov 16, 04		17,600	25,500	-	N/A	\$ 5,265	\$ 88,590
Oct 16, 04	27,300	25,300	26,300	1,920	7%	\$ 7,200	\$ 91,370
Sep 16, 04	32,300	30,000	26,300	2,240	7%	\$ 8,777	\$ 91,560
Aug 16, 04	29,400	27,600	26,200	1,720	6%	\$ 8,069	\$ 91,060
Jul 16, 04	31,400	29,100	25,900	2,150	7%	\$ 8,207	\$ 90,200
Jun 16, 04	31,100	29,500	26,200	1,540	5%	\$ 8,618	\$ 91,070
May 16, 04	30,000	28,800	26,000	1,090	4%	\$ 8,213	\$ 90,370
Apr 16, 04	28,100	25,600	25,500	1,860	7%	\$ 7,411	\$ 87,080
Mar 16, 04	22,500	20,400	25,200	1,310	6%	\$ 5,695	\$ 84,700
Feb 16, 04	26,200	24,200	25,300	1,300	5%	\$ 7,467	\$ 83,440
Jan 16, 04	32,100	24,700	25,100	6,910	22%	\$ 6,948	\$ 80,660



## ORDINANCE No. 2005-2

### AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MUIR BEACH COMMUNITY SERVICES DISTRICT ESTABLISHING A SCHEDULE OF RATE CHARGES FOR WATER SERVICE

The Board of Directors of the Muir Beach Community Services District does ordain as follows:

#### **Section 1**      **Repeal of Existing Ordinance**

Ordinance 2003-02-26-01 establishing the existing schedule of rate charges for water service is repealed with regard to charges for water service after the effective date of this ordinance.

#### **Section 2**      **Purpose**

The purpose of this ordinance is to adopt a revised schedule of rate charges for water service provided to customers of the Muir Beach Community Services District ("District") such that the expenses of the District continue to be properly and fairly distributed among its customers.

#### **Section 3**      **Findings of Necessity**

The Board of Directors finds as follows:

1. Water is a finite and precious resource.
2. California Constitution, Article X Section 2 provides, "It is hereby declared that because of conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use of or unreasonable method of use of water be prevented, and that the conservation of such water is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare."
3. The State Water Resources Control Board authorizes the District's use of water under Permit 21085 ("Water Rights Permit") subject to the limitation, among other things, that the District utilize a system of tiered water rates.
4. Conservation efforts by the District's water users have resulted in reductions in total daily water usage by the District of more than 15% from the time that water rates were last established. This has resulted in fewer gallons of water over which the District can spread its costs of operation, thereby creating a need for the District to revise its rates charged for water service in order to properly and fairly distribute its costs of operation among its customers.

#### **Section 4**      **Incorporation of 25% Capital Surcharge into Rates**

Existing rates are subject to a 25% surcharge reserved for capital improvements in accordance with District Ordinance 2001-07-25-1. The Board of Directors finds that water billing statements will be clarified and simplified through the incorporation of the 25% surcharge into a single schedule of water rates as provided in Section 5 of this ordinance.

**Section 5 Adoption of Schedule of Rate Charges for Water Service**

All water consumers using District water shall be subject to monthly charges for water as follows:

<b>Tiers</b>	<b>Gallons</b>	<b>Charge</b>	
<b><i>Tier One</i></b>	0 to 2,250	\$ 23.00	Flat charge
<b><i>Tier Two</i></b>	2,251 to 5,000	\$ 0.85	per 100 gallons used, plus charge from prior tier
<b><i>Tier Three</i></b>	5,001 to 15,000	\$ 1.19	per 100 gallons used, plus charge from prior tier
<b><i>Tier Four</i></b>	15,001+	\$ 1.49	per 100 gallons used, plus charge from prior tier

Note

1. Rates **include** a 25% surcharge reserved for capital improvements to the community's water system.
2. Charges are calculated per gallon; rates are shown per 100 gallons for clarity only.

**Section 6 Effective Date**

This ordinance shall be effective upon adoption by the Board of Directors.

**Section 7 Severability**

If any section, subsection, sentence, clause, phrase, portion or part of this ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such section shall not affect the validity of the remaining portions of this ordinance. The Board of Directors hereby declares that it would have passed this ordinance, any section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, clauses, or phrases may be declared invalid or unconstitutional.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2005 by the following vote of the Board of Directors.

Ayes:

Noes:

Absent:

\_\_\_\_\_  
Steven Shaffer, Board President

Attest:

\_\_\_\_\_  
Sharon Mullin, District Secretary

## Comparison of Proposed Rates with June 2003 Rates

### Proposed Rates (including 25% capital surcharge)

Tiers	Gallons	Charge
<i>Tier One</i>	0 to 2,250	\$ 23.00 Flat charge
<i>Tier Two</i>	2,251 to 5,000	\$ 0.85 per 100 gallons used, plus charge from prior tier
<i>Tier Three</i>	5,001 to 15,000	\$ 1.19 per 100 gallons used, plus charge from prior tier
<i>Tier Four</i>	15,001+	\$ 1.49 per 100 gallons used, plus charge from prior tier

Note

1. Rates **include** a 25% surcharge reserved for capital improvements to the community's water system.
2. Charges are calculated per gallon; rates are shown per 100 gallons for clarity only.

### June 2003 Rates (including 25% capital surcharge)

Tiers	Gallons	Charge	<i>Proposed Change from 2003</i>
<i>Tier One</i>	0 to 2,244	\$ 18.75 Flat charge	\$4.25
<i>Tier Two</i>	2,245 to 4,488	\$ 0.79 per 100 gallons used, plus charge from prior tier	7.1%
<i>Tier Three</i>	4,489 to 8,976	\$ 0.96 per 100 gallons used, plus charge from prior tier	Merged, see note.
<i>Tier Four</i>	8,977 to 14,960	\$ 1.13 per 100 gallons used, plus charge from prior tier	5.5%
<i>Tier Five</i>	14,961+	\$ 1.30 per 100 gallons used, plus charge from prior tier	15.0%

Note

The total number of tiers was reduced from 5 to 4, mostly eliminating tier 3. The marginal rates in tier 3 had very little effect until water usage was at the upper end of the tier anyway. For instance, at 6,000 gallons, the marginal charges represented \$14 out of total charges of \$51, making it a good tier to merge.

### Sample Changes

Gallons	Cu Ft.	Old	New	Change
2,250	301	\$ 19	\$ 23	\$ 4 **
5,000 *	668	\$ 41	\$ 46	\$ 5 **
6,000	802	\$ 51	\$ 58	\$ 7 **
7,000	936	\$ 61	\$ 70	\$ 9 **
15,000	2,005	\$ 148	\$ 165	\$ 18
20,000	2,674	\$ 212	\$ 240	\$ 27
50,000	6,684	\$ 601	\$ 687	\$ 86

\* The median (average) usage is close to 5,000 gallons per month.

\*\* Although the change from \$18.75 to \$23.00 represents a sizable percentage move, the dollar change is very small and less than the increases in costs (and applies to everyone in the District). **Please be aware of the small dollar changes when computing percentage changes.**

Muir Beach Community Services District  
 Expenditures  
 August 2005

	TOTAL	Admin	Water Cap Impr	Fire	Rec	Roads	Water
Harvey Pearlman - Water Manager	2,420.00	0.00	0.00	0.00	385.00	209.00	1,826.00
Hills, Leighton - District Manager	2,083.00	520.75	416.60	208.30	208.30	312.45	416.60
Harper, Kevin - audit	1,142.00	1,142.00	0.00	0.00	0.00	0.00	0.00
Mullin, Sharon	1,131.89	696.89	0.00	0.00	0.00	0.00	435.00
Salvador Gonzalez	497.50	0.00	0.00	0.00	150.00	85.00	262.50
State Compensation Insurance Fund	450.97	0.00	0.00	0.00	151.51	37.18	262.28
Juana Gonzalez	432.00	0.00	0.00	0.00	432.00	0.00	0.00
PG&E	356.41	0.00	0.00	0.00	91.99	0.00	264.42
CalPers	356.20	0.00	0.00	0.00	0.00	0.00	356.20
Golden State Lumber - rock for hydrants	290.49	0.00	0.00	0.00	0.00	290.49	0.00
Payroll taxes	279.22	279.22	0.00	0.00	0.00	0.00	0.00
Calif Rural Water Assn - membership	245.00	0.00	0.00	0.00	0.00	0.00	245.00
Wang, Emiko - yoga	216.00	0.00	0.00	0.00	216.00	0.00	0.00
Eigsti, Lisa - community center expense	190.00	0.00	0.00	0.00	190.00	0.00	0.00
Lonna Richmond - bistro	180.00	0.00	0.00	0.00	180.00	0.00	0.00
Amer Water Works Assoc - membership	150.00	0.00	0.00	0.00	0.00	0.00	150.00
Pearlman, Harvey - mileage allowance	135.00	0.00	0.00	0.00	0.00	0.00	135.00
SBC	126.31	94.14	0.00	0.00	0.00	0.00	32.17
Western Water Products - filters	125.45	0.00	0.00	0.00	0.00	0.00	125.45
Marin County Tax Collector - legal	125.00	125.00	0.00	0.00	0.00	0.00	0.00
Paychex, Inc.	123.88	123.88	0.00	0.00	0.00	0.00	0.00
Jose Alcala	120.00	0.00	0.00	0.00	0.00	0.00	120.00
Hach Company - water testing	118.45	0.00	0.00	0.00	0.00	0.00	118.45
Cingular Wireless	92.09	57.21	0.00	0.00	0.00	0.00	34.88
Knox, Nancy - bistro pastries	47.50	0.00	0.00	0.00	47.50	0.00	0.00
USPS	41.60	0.00	0.00	0.00	0.00	0.00	41.60
Goodman Building Supply - repairs	22.95	0.00	0.00	0.00	22.95	0.00	0.00
Misc Vendor - bistro exp	22.70	0.00	0.00	0.00	22.70	0.00	0.00
<b>TOTAL</b>	<b>11,521.61</b>	<b>3,039.09</b>	<b>416.60</b>	<b>208.30</b>	<b>2,097.95</b>	<b>934.12</b>	<b>4,825.55</b>

Muir Beach Community Services District  
**Expenditures**  
 August 2005

Total paid out of the Water Capital Improvements Fund	416.60
Total paid out of the General Fund	11,105.01
	<u>11,521.61</u>
Total paid out of the Rental Security Deposit Trust	0.00
Total paid out of the Water Security Deposit Trust	0.00
Total paid out of the Shaffer Medical Trust Fund	371.31
Total checks issues	<u><u>11,892.92</u></u>

The above bills were approved for payment by the Muir Beach Community Services District Board of Directors on the \_\_\_\_\_ day of \_\_\_\_\_, 2005.

**MUIR BEACH COMMUNITY SERVICES DISTRICT**

\_\_\_\_\_  
 Steve Shaffer, President

\_\_\_\_\_  
 Leighton Hills, District Manager



**Muir Beach Community Services District  
P&L Budget vs. Actual  
July through August 2005**

Accrual Basis

	<u>Jul - Aug 05</u>	<u>Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
Water Operations Income	12,329	65,910	19%
Consumption Surcharge	3,138	16,790	19%
Recreational Activities Income	1,099	14,830	7%
Donations	50		
Grant Income	0	15,140	0%
Tax Income	0	128,000	0%
Interest Income	2,356	5,320	44%
<b>Total Income</b>	<u>18,971</u>	<u>245,990</u>	<u>8%</u>
<b>Expense</b>			
Accounting & Bookkeeping	1,085	18,500	6%
Administration Fees	7,916	25,000	32%
Bistro Expenses	116	600	19%
Employee Benefits	712	4,620	15%
Event Costs	0	750	0%
Insurance	0	7,640	0%
Legal & Professional	3,739	11,500	33%
Licenses, Memberships & Fees	2,675	5,900	45%
Meeting Expense	56		
Misc Operating Expenses	0	2,100	0%
Office Expense	58	1,200	5%
Outside Services	543	2,940	18%
Payroll Expenses	7,125	40,224	18%
Postage & Delivery	130	1,010	13%
Repair & Maintenance	519	16,500	3%
Supply	118	10,170	1%
Telephone	453	1,910	24%
Travel Expense	451	1,620	28%
Utilities	896	9,160	10%
Water Testing & Expense	330	9,000	4%
<b>Total Expense</b>	<u>26,924</u>	<u>170,344</u>	<u>16%</u>
<b>Net Ordinary Income</b>	<u>-7,953</u>	<u>75,646</u>	<u>-11%</u>
<b>Net Income</b>	<u><u>-7,953</u></u>	<u><u>75,646</u></u>	<u><u>-11%</u></u>

1                                   **MUIR BEACH COMMUNITY SERVICES DISTRICT**  
2                                   **Minutes of the Board of Directors' meeting held on**  
3                                   **Wednesday, August 31, 2005**  
4  
5  
6

7                   **Item 1 CALL TO ORDER**  
8

9                   President Shaffer called the regular meeting of the Muir Beach Community Services District  
10                   Board of Directors to order at 7:24 pm on Wednesday, August 31, 2005.  
11

12                   **Roll Call**  
13

14                   PRESENT: DIRECTORS: Shaffer, Rudnick, Ostroff, Hobson-after Item 2  
15                   PRESENT: OFFICIALS: District Manager Hills, Secretary/Treasurer Mullin  
16

17                   **Item 2 APPOINTMENT OF NEW DIRECTOR**  
18

19                   MOTION: To appoint Danny Hobson to the office of Director of the Muir Beach  
20                   Community Services District for the remainder of the vacant term.  
21                   Moved: Rudnick, seconded by Ostroff  
22                   Vote: AYES: Unanimous  
23

24                   District Manager Hills administered the oath of office to Danny Hobson and she joined the  
25                   Board.  
26

27                   **Item 3 NATIONAL PARK SERVICE REPORT**  
28

29                   No National Park Service personnel were present.  
30

31                   **Item 4 CONSENT CALENDAR**  
32

- 33                   A. **Approval of Expenditures** – For July 2005, which includes a total of \$13,582.32  
34                   in General Fund expenditures, \$1,466.60 in Water Capital Improvement Fund  
35                   expenditures, and \$371.31 in checks issued from the trust funds, for a total of  
36                   \$15,420.23 in warrants issued.  
37  
38                   B. **Approval of Minutes** – Regular meeting July 27, 2005  
39

40                   MOTION: To adopt the Consent Calendar, which includes Items A and B above.  
41                   Moved: Rudnick, seconded by Hobson  
42                   Vote: AYES: Unanimous

1  
2 **Item 5 FIRE DEPARTMENT REPORT**  
3

4 Chief John Sward reported that Deputy Chief Dave Carniglia has moved from Muir Beach.  
5 He asked that the Board write a Notice of Appreciation. Leighton will work with John on  
6 preparing the notice.  
7

8 Approval has been received for foundation work on the house at Golden Gate dairy.  
9

10 Some major work is being done on the new tractor. It appears to have never been lubed so  
11 bushings and a filter are being replaced. A new restrictor is being installed in order to be  
12 able to operate attachments. Bob Winkelmann is doing the work.  
13

14 **Item 6 DISTRICT MANAGER'S REPORT**  
15

16 **Water Operations and Revenues** - A graph was presented that illustrated the decline in  
17 water usage from last year, especially among the large water users. Maury and Leighton  
18 have developed a revised rate schedule which reinstates most of the revenue loss due to the  
19 lower consumption. They think the water bills will be clearer to residents if usage is  
20 expressed in gallons instead of cubic feet. The proposed rate increase will be \$9 or less for  
21 most users. County Counsel has said there may be changes in the relatively near future in  
22 how rate increases are implemented. The Board determined it was best to proceed using  
23 current procedures rather than wait an indefinite period. A proposed ordinance will be  
24 placed on the next agenda.  
25

26 **Item 7 ITEMS REMOVED FROM THE CONSENT CALENDAR**  
27

28 No items were removed from the Consent Calendar.  
29

30 **Item 8 PUBLIC OPEN TIME**  
31

32 Harvey pointed out a wooden heart sculpture that Jim White donated to the Community  
33 Center. He would like the Board to send Jim a letter thanking him for his donation.  
34

35 Kathy Sward requested that recreation be added as a standing agenda item.  
36

37 The solar panel installation at the Community Center has been completed. At Gerry  
38 Pearlman's suggestion, Leighton called the County and discovered that they will give the  
39 District a \$500 grant for converting to solar.  
40

41 Arlene Robertson has asked that the District remove a tree located on Cove Lane near her  
42 house. The District's policy is that it permits residents to remove unsafe or undesired trees  
43 from District property upon District approval and at resident expense (unless a hardship  
44 exists). Trees have invariably been planted by residents, not by the District, and the costs of  
45 care or removal of those trees should also be paid for by the residents unless an economic  
46 hardship exists.

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**Item 9 NEXT MEETING DATE**

The next meeting date is scheduled for Wednesday, September 28, 2005.

The meeting was adjourned at 7:58 pm.

These minutes were approved by the Muir Beach Community Services District Board of Directors, during their meeting on \_\_\_\_\_.

\_\_\_\_\_  
Steve Shaffer, Board President

\_\_\_\_\_  
Sharon Mullin, Secretary