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CAMBRIA COMMUNITY SERVICES DISTRICT

SPECIAL MEETING

Thursday, February 13, 2014 – 4:00 PM

VETERANS MEMORIAL BUILDING, 1000 MAIN ST., CAMBRIA, CA

AGENDA

This agenda is prepared and posted pursuant to Government Code Section 54954.2. By listing a topic on this agenda, the District's Board of Directors has expressed its intent to discuss and act on each item. In addition to any action identified in the summary description of each item, the action that may be taken by the Board of Directors shall include: a referral to staff with specific requests for information; continuance; specific direction to staff concerning the policy or mission of the item; discontinuance of consideration; authorization to enter into negotiations and execute agreements pertaining to the item; adoption or approval; and disapproval.

Copies of the staff reports or other documentation relating to each item of business referred to on the agenda are on file in the Office of the District Clerk, available for public inspection during District business hours. If requested, the agenda and supporting documents shall be made available in alternative formats to persons with a disability. The District Clerk will answer any questions regarding the agenda.

1. **OPENING**

- A. Call to Order
- B. Pledge of Allegiance
- C. Establishment of Quorum
- D. Report from Closed Session

2. **AGENDA REVIEW: ADDITIONS/DELETIONS**

3. **PUBLIC COMMENT (LIMITED TO 30 MINUTES)**

Members of the public may now address the Board on any item of interest within the jurisdiction of the Board but not on its agenda today. In compliance with the Brown Act, the Board cannot discuss or act on items not on the agenda. Each speaker has up to three minutes. Speaker slips (available at the entry) should be submitted to the District Clerk.

4. **MANAGER'S AND BOARD REPORTS**

- A. General Managers Report: Update on the Emergency Brackish Water Supply for the Community of Cambria (Verbal)
- B. Member and Committee Reports: Update on Emergency Brackish Water Supply for the Community of Cambria. Water Alternative Ad Hoc Committee. (Verbal)

5. **REGULAR BUSINESS**

- A. Consideration of Standing and Ad Hoc Committees and the Appointment of Board Members to those Committees and Director Assignments
- B. Consideration of CCSD Board of Director 2014 Goals
- C. Discussion of Scope of Services for Financial Plan and Rate Study by Bartle Wells and Associates

- D. Consideration of Adoption of Resolution 06-2014 Authorizing the General Manager to Seek an Emergency Coastal Development Permit from the County for an Emergency Portable Brackish Water Reverse Osmosis Treatment Facility and Requesting County Board of Supervisors Priority Assistance in Expediting Processing for Such Emergency Permit

6. PUBLIC COMMENT (CONTINUED)

Members of the public may now address the Board on any item of interest within the jurisdiction of the Board but not on its agenda today. In compliance with the Brown Act, the Board cannot discuss or act on items not on the agenda. Each speaker has up to three minutes. Speaker slips (available at the entry) should be submitted to the District Clerk.

7. FUTURE AGENDA ITEM(S)

Requests from Board members to receive feedback, direct staff to prepare information, and/or request a formal agenda report be prepared and the item placed on a future agenda. No formal action can be taken except to direct staff to place a matter of business on a future agenda by majority vote.

8. ADJOURN TO CLOSED SESSION

- A. **A. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code §54957.8 Agency Designated Representatives: Shelline Bennett and General Manager Jerry Gruber; Employee Organization: Cambria Firefighters/International Association of Firefighters (IAFF) Local 4635**

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **5.A.**

FROM: Jerry Gruber, General Manager

Meeting Date: February 13, 2014 Subject: Consideration of Standing and Ad Hoc Committees and the Appointment of Board Members to those Committees and Director Assignments

RECOMMENDATION:

It is recommended that the Board of Directors discuss and make any necessary appointments for Board Standing, Ad Hoc Committees and Director Assignments.

FISCAL IMPACT:

Miscellaneous cost associated with staff time, document preparation and any necessary research required for each Committee.

DISCUSSION:

President Bahringer will lead the discussion regarding the Standing Committees, Ad-hoc Committees and the appointment of Directors to each Committee. The following is a review of the various existing Committees and their tasks, and as appropriate, the issues to be considered by the Board:

2013-14 Budget Committee.

Task: Review the proposed budget for fiscal year 2014-2015.

Standing Committee or Ad-hoc Committee and Committee assignments: To be determined

Water Alternative Committee.

Task: Review issues relating to Water Supply Project EIR/EIS, and related matters.

Standing Committee or Ad-hoc Committee and Committee assignments: To be Determined.

Conservation Committee.

Task: Review issues relating to the Water Conservation Plan Program Update, and related matters.

Standing Committee or Ad-hoc Committee and Committee assignments: To be determined.

Shared Services Between CCSD and CCHD.

Task: Review issues related to the proposed JPA between the CCSD and CCHD, and related matters.

Standing Committee or Ad-hoc Committee and Committee Assignments” To be determined.

Utilities, Infrastructure Committee.

Recommend Ad-hoc Committee be eliminated.

Administrative Procedure Committee.

Task: Review matters relating to the following projects: Personnel Policies and Rules update, Municipal Code Update.

Standing Committee or Ad-hoc Committee and Committee assignments: To be determined.

PRO’S, Parks, Recreation and Open Space and Friends of the Fiscalini Ranch Preserve Liaison.

Discuss Board Member assignments to PROS and FFRP.

NCAC, North Coast Advisory Council.

Discuss status of continued liaison.

Intergovernmental Relations Liaisons.

Discuss Board Member assignments as liaisons, as appropriate.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___BAHRINGER ___ROBINETTE ___THOMPSON ___CLIFT ___RICE ___

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **5.B.**

FROM: Jerry Gruber, General Manager

Meeting Date: February 13, 2014 Subject: Consideration of CCSD
Board of Director 2014 Goals

RECOMMENDATION:

Discuss, review and provide direction to the General Manager regarding goals for 2014.

FISCAL IMPACT:

Goals that are being considered by the Board as part of the January 14, 2014 in part have been incorporated into the 2013/2014 Fiscal Year Budget. Once the Goals are agreed upon adjustments to the 2013/2014 fiscal year mid-year budget adjustment will be recommended for consideration by the CCSD Board of Directors. The fiscal year 2013/2014 mid-year budget adjustment will be brought to the Board in February Board meeting. Additional allocations that may be required will be incorporated into the 2014/2015 fiscal year budget for consideration by the Board of Directors as part of the budget process.

DISCUSSION:

The following three goals for 2014 are being presented to the CCSD Board of Directors for consideration.

1. Rate adjustments: Task to be assigned, Consultants, Staff, Public Input. Monthly billing software support, Capital Improvement Program support, etc.
2. Alternative Water Supply: Measurement of success, EIR completed, permits secured by November of 2014. Task to be assigned, California Coastal Commission, Staff, Public input, California Parks, State Water Resources Control Board, California Department of Public Health.
3. East Ranch Improvements: Measure of success, 25 parking spots available for use, and 20 children can use the land to play. Task to be assigned, Parks Recreation and Open Space Commission to have the task of permitting, schedule and funding.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ BAHRINGER ___ ROBINETTE ___ THOMPSON ___ CLIFT ___ RICE ___

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **5.C.**

FROM: Jerry Gruber, General Manager

Meeting Date: February 13, 2014

Subject: Discussion of Scope of Services for Financial Plan and Rate Study by Bartle Wells and Associates

RECOMMENDATION:

Discuss and approve Bartle Wells Proposal for Water and Sewer Financial Plans and Rate Studies and authorize the General Manager to enter into an Agreement with Bartle Wells and Associates.

FISCAL IMPACT:

\$ 30,000.00 dollars was budgeted as part of the fiscal year 2013/2014 water budget under account number 11 6080 M 11 Rate Study and \$ 15,000.00 was budgeted as part of the fiscal year 2013/2014 wastewater budget under account number 12 6080M 12 Rate Study. The larger amount budgeted to the water budget represents that a larger percentage of time will be spent evaluating the Districts current water rates. The proposal from Bartle Wells and Associates is not to exceed \$ 44,000.00 therefore there are sufficient funds within this year’s budget to cover the cost of the proposal.

DISCUSSION:

The CCSD Board of Directors directed to the General Manager to move forward with and bring back a proposal for consideration regarding a Water and Sewer Plan and Rate Study. The Board directed staff to work on the current Rate structure in a manner that would promote water conservation and also address infrastructure and capital needs. The current Wastewater rate structure is consumption based and a recommended methodology would be to incorporate a strength based system of billing that would better capture the cost to treat Wastewater.

Attached for your review and consideration is a detailed proposal from Bartle Wells and Associates that focuses on the development of a long term Financial Plan, the evaluation of Rate Structure Alternatives, and the incorporation of District input and building a consensus for the recommendations. Bartle Wells has worked successfully with the CCSD on our revised master fee schedule and the Districts revised connection fees for both Water and Wastewater. Bartle Wells and Associates is a recognized industry leader in rate studies and financial planning. Since they have in depth knowledge of the District, they will be able to incorporate their knowledge from the previous two studies into the Water and Sewer Financial Plan and Rate Study.

Attachment: Bartlett Wells

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___BAHRINGER___ROBINETTE ___ THOMPSON ___ CLIFT ___RICE ___



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

1889 Alcatraz Avenue
Berkeley, CA 94703
510 653 3399 fax: 510 653 3769
www.bartlewells.com

November 12, 2013

Cambria Community Services District
1316 Tamsen Street, Suite 201
Cambria, CA 93428

Attn: Jerry Gruber, General Manager

Re: Proposal for Water & Sewer Financial Plans & Rate Studies

Bartle Wells Associates is pleased to submit this proposal to assist the Cambria Community Services District with development of water and sewer enterprise financial plans and rate studies. Bartle Wells Associates specializes in providing independent financial advisory and utility rate consulting services to California water and wastewater agencies. We have extensive experience developing long-term financial plans and utility rate studies for a wide range of public agencies. And we have a strong track record of building consensus for final recommendations.

We often recommend agencies phase in both overall rate increases as well as any potential rate structure modifications over a few years, if possible, to minimize the annual impact on ratepayers. Key elements of our proposal include:

- **Develop Long-Term Financial Plans:** Develop 10-year financial plans for the District's water and sewer enterprises. The plans will serve as financial roadmaps for funding each utility's operating and capital improvement programs while maintaining long-term financial stability.
- **Evaluate Rate Structure Alternatives:** Evaluate the District's water and sewer rate structures and identify alternatives or modifications to better achieve District objectives while meeting the legal requirements of Proposition 218. BWA has extensive experience helping agencies evaluate and implement a wide range of utility rate structures and/or rate modifications. Final rate recommendations will be designed to a) fund each utility's costs of providing service, b) be fair and equitable to all customers, c) provide a prudent balance of revenue stability and conservation incentive, and d) comply with the substantive requirements of Proposition 218.
- **Incorporate District Input & Build Consensus for Recommendations:** Throughout the project, we will work closely with the District to identify and evaluate key alternatives and their impacts, gain ongoing input, and build consensus for final recommendations. Our proposal includes 2 progress meetings with staff and 2 Board Workshops to obtain District input during the rate study process. We will also draft the required Proposition 218 Notice and participate in the Proposition 218 Rate Hearing to help gain public acceptance.

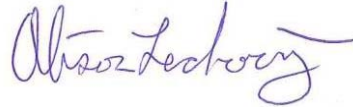
We have enjoyed working with the District on our prior assignments and appreciate the opportunity to assist the District with development of water and sewer financial plans and rate studies. Please contact us if you have any questions or would like any additional information.

Sincerely,

BARTLE WELLS ASSOCIATES

A handwritten signature in blue ink that reads "Alex T. Handlers". The signature is fluid and cursive, with a long horizontal stroke at the end.

Alex T. Handlers, CIPFA
Principal/Vice-President

A handwritten signature in blue ink that reads "Alison Lechowicz". The signature is cursive and somewhat compact.

Alison Lechowicz
Financial Analyst

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Section 1: Firm & Project Team Qualifications



BARTLE WELLS ASSOCIATES

Leaders in California Water & Wastewater Finance

Bartle Wells Associates (BWA) is an independent financial advisor to public agencies with expertise in water and wastewater rates and finance. Our firm was established in 1964 and is owned and managed by its principal consultants. We have over 45 years of experience advising local governments on the complexities and challenges in public finance. We have advised over 500 public agency clients in the western United States. We have a diversity of abilities and experience to evaluate all types of financial issues faced by local governments and to recommend the best and most-practical solutions.

Bartle Wells Associates has a stable, well-qualified professional team. Our education and backgrounds include finance, civil engineering, business, public administration, public policy, and economics. The firm is owned and managed by its principal consultants who have been with the firm for many years.

BWA specializes in three professional services: utility rate and fee studies, financial plans, and project financing. We are the only independent financial advisor providing *all three* of these interrelated services to public agencies.

BWA Key Services

- *Financial Plans*
- *Rate & Fee Studies*
- *Project Financing*

RATE AND FEE STUDIES Our *rate studies* employ a cost-of-service approach and are designed to maintain the long-term financial health of a utility enterprise while being fair to all customers. We develop practical recommendations that are easy to implement and often phase in rate adjustments over time to minimize the impact on ratepayers. We also have extensive experience developing impact fees that equitably recover the costs of infrastructure required to serve new development. BWA has completed hundreds of water and wastewater rate and fee studies. We have helped communities implement a wide range of water and sewer rate structures and are knowledgeable about the legal requirements governing rates and impact fees including Proposition 218 and Government Code 66000. We develop clear, effective presentations and have represented public agencies at hundreds of public hearings to build consensus for our recommendations.



Our offices are located in Berkeley, in a circa 1900 Victorian Building.

FINANCIAL PLANS Our *financial plans* provide agencies with a flexible roadmap for funding long-term operating and capital needs. We evaluate the wide range of financing options available, develop a plan that recommends the best financing approach, and clearly identify the sources of revenue for funding projects and repaying any debt. We also help agencies develop prudent financial policies, such as fund reserve targets, to support sound financial management. BWA has developed over 2,000 water and wastewater enterprise financial plans to help public agencies fund their operating and capital programs, meet debt service requirements, and maintain long-term financial health.

PROJECT FINANCING Our *project financing* experience includes over 300 bond sales and numerous bank loans, lines of credit, and various state and federal grant and loan programs. We generally recommend issuing debt via a competitive sale process to achieve the lowest cost financing possible. To date, we have helped California agencies obtain over \$5 billion of bond financing, \$350 million in low-rate SRF loans and grants, and hundreds of millions in bank loans and lines of credit. We work only for public agencies; we are independent financial advisors and do not buy, trade, or resell bonds. Our work is concentrated on providing independent advice that enables our clients to finance their projects on the most favorable terms—lowest interest rates, smallest issue size, and greatest flexibility.

Bartle Wells Associates is a charter member of the **National Association of Independent Public Finance Advisors** (NAIPFA), which establishes strict criteria for independent advisory firms. All of our lead consultants are *Certified Independent Public Finance Advisors*.



Bartle Wells Associates is committed to providing value and the best advice to our clients. Our strength is *quality*—the quality of advice, service, and work we do for all our clients.

PROJECT APPROACH & STAFFING

BWA uses a **team approach** for most projects, typically assigning two consultants to each assignment, including at least one principal consultant. Our general project approach is to work closely with staff and other members of the project team, identify objectives, set milestones, have frequent communication, and remain flexible to resolve unanticipated issues. *BWA has a long track record of completing assignments on-schedule and on-budget.*

BWA proposes to assign Alex Handers, a principal and vice-president of the firm, as project manager and principal-in-charge for this engagement. Alex has consulted for over 100 California public agencies. He has extensive experience developing financial plans and utility rate and fee studies for water and wastewater agencies. He also is experienced evaluating financing alternatives for capital improvement programs and has helped California agencies obtain over \$2 billion of low-cost project funding. He is a Certified Independent Public Finance Advisor.

Alex will be assisted by Alison Lechowicz, a financial analyst with substantial experience assisting in the development of water and wastewater rate and fee studies. Alex and Alison recently assisted the Cambria Community Services District with updates to the District’s water and sewer development impact fees and the District’s miscellaneous fees and charges. Resumes for Alex and Alison are attached to this proposal. Other BWA staff are available to assist the project team if ever needed.

Section 2: Proposed Scope of Services

This section presents a draft scope of services that we believe forms a sound basis for completing this assignment. Bartle Wells Associates will work with the Cambria Community Services District to finalize a scope of services that meets the District's objectives and schedule.

TASK A. PROJECT INITIATION & DATA COLLECTION

1. Project Team Orientation

To initiate our work, hold a conference call with the District to accomplish the following:

- Identify members of District staff, Board Members, engineering consultants, and other consultants/advisors who will participate in the project.
- Determine the roles and responsibilities of all project participants.
- Identify other parties that may have a significant interest in the project, such as community groups, business organizations, and large customers.
- Establish project schedule and key milestone dates.
- Confirm the key goals and expectations of the District's project team.

2. Investigation and Data Collection

Assemble the information necessary to understand the District's utility systems, finances, customers and usage, rate and fee structures. Assistance and cooperation of District staff will be needed to assemble the relevant background information. The objectives of investigation and data collection are to develop a complete understanding of the water and sewer enterprises and finances, and to reach an agreement on basic assumptions to be used in the study. A list of preliminary information needs is attached to this proposal.

Task A Deliverables Include:

- Project kickoff conference call
- List of project goals and objectives
- Project schedule developed with District input
- Project team contact list
- List of key assumptions and alternatives underlying the utility rate and fee studies

TASK B. 10-YEAR UTILITY ENTERPRISE FINANCIAL PLANS

1. Develop Forecasts and Projections

Based on evaluation of the data assembled and input provided by staff and other members of the project team, prepare forecasts and projections to be used in the development of financial projections for the District's water and sewer utilities. Develop projections for the following areas (and others as appropriate):

Cost Escalation Factors: Review historical cost trends and work with project team to develop reasonable cost escalation factors for both operating and capital expenditures. Work with staff to estimate potential new operating costs, such as new O&M costs related to planned capital improvements, or costs for complying with future permit requirements.

Long-Term Capital Repairs & Replacements: Based on input from District staff, determine a reasonable amount to include for required near-term capital improvement needs as well as future ongoing repairs

and replacements to aging infrastructure. BWA often recommends that agencies phase in funding for long-term system rehabilitation over a few years, as rates are gradually increased.

Water Demand & Sales: With District input, develop forecasts of the overall level of water sales accounting for anticipated growth, future conservation efforts, and price elasticity (the decline in water sales in response to an increase in water rates).

Other Financial Projections: With District input, develop reasonable and slightly conservative assumptions for future growth, investment earnings, and other relevant financial variables.

Review projections with District staff for agreements on assumptions, interpretation of data, and completeness of approach.

2. Evaluate Financing Alternatives for Capital Improvements

Evaluate options for financing proposed capital improvement projects. Our evaluation will:

- Estimate the amount and timing of any debt, if needed, to finance capital projects.
- Evaluate the alternative borrowing methods available including bonds, COPs, state and federal loan programs, bank loans and lines of credit, and other options.
- Recommend the appropriate type of debt, its term and structure.
- Evaluate possible combinations of financing methods, such as partial pay-as-you-go cash funding supplemented by debt when needed.

3. Allocated Capital Improvement Costs to Existing vs. Future Customers

Work with District staff, and potentially the consulting engineers who developed the most recent water and sewer master plans, to allocate capital project costs to existing ratepayers vs. future customers, who should generally pay for capacity improvements benefitting new development.

4. Establish Prudent Minimum Fund Reserve Targets

Evaluate the adequacy of the District's current water and sewer enterprise fund reserves. Establish prudent minimum fund reserve targets based on the District's operating and capital funding projections. Develop an implementation plan for achieving and maintaining the recommended reserve fund levels.

5. Develop 10-Year Cash Flow Projections

Develop cash flow projections showing the financial position of the District's water and sewer enterprises over the next 10 years. The cash flows will project fund balances, revenues, expenses, and debt service coverage, and will incorporate the forecasts developed with staff input, including funding needs for future repairs and replacements. After developing a base-case cash flow scenario, we can develop alternatives for additional evaluation such as capital project alternatives, project financing alternatives, the impacts of different levels of conservation and water sales, etc. During this phase, BWA will work closely with the project team to develop and hone financial and rate projections. BWA typically recommends that rate increases be phased in over time to minimize the annual impact on ratepayers.

6. Evaluate Rate Increase Options

Based on the cash flow projections, determine the annual revenue requirements for the District's water and sewer enterprises and project required utility rate increases. Evaluate the financial impact of various rate adjustment alternatives, such as phasing in required rate increases over a number of years. If appropriate, develop a reduced rate alternative for each utility and evaluate impacts on the District's ability to fund capital projects.

7. Review Existing Financial Policies & Recommend New Policies as Appropriate

Review the District's existing financial and/or rate policies, if relevant. Discuss potential policy modifications and/or other policies that the District may want to consider adopting to help provide policy guidance for long-term financial health.

Task B Deliverables Include:

- Summary of 10-year capital improvement funding needs for the District's water and sewer utilities along with identification of capital project alternatives for evaluation
- Evaluation of financing alternatives for capital improvements and recommended financing approach or approaches
- Recommendations for minimum fund reserve targets
- 10-year financial projections and financial plan for the water and sewer utilities
- Identification of alternative rate increase scenarios for District evaluation
- Meet with District to present findings, discuss alternatives, gain input, and develop preliminary recommendations

TASK C. WATER & SEWER RATE STRUCTURE ALTERNATIVES

1. Review the District's Existing Water & Sewer Rate Structures

Review the District's existing water and sewer rate structures and discuss advantages and disadvantages compared to other rate approaches for each utility. Evaluate existing rates for general compliance with the substantive requirements of Proposition 218. Summarize and discuss finding with the District's project team.

2. Conduct Rate Survey of Regional Utility Agencies

Review and summarize water and sewer rates of other regional and/or comparable agencies. Summarize results in easily understandable tables and/or charts.

3. Analyze Utility Billing Data

Analyze current and historical water utility billing data to determine reasonable and conservative estimates of water demand to use in developing rate options. Water use can fluctuate from year to year depending on various factors such as weather, economy, and local conservation efforts. Ideally, we would prefer to analyze 3 years of utility billing data in order to determine slightly conservative demand projections.

Residential sewer flows can be estimated based on historical metered water consumption during the wettest winter months (typically December through March), when customers typically use minimal to no water for landscape irrigation.

Based on the analysis, BWA will develop a) estimates of water consumption patterns that will be used to develop updated tiered water rates, and b) estimates of wastewater flow and strength loadings that will be used to develop sewer rates for each customer class.

4. Identify & Evaluate Rate Structure Modifications & Alternatives

Identify alternative rate structures or modifications to the District's existing water and sewer rates designed to improve equity, conservation, and other District objectives. For each utility, discuss pros and cons of different rate structure options and their general impacts on different types of customers.

Rate structure options will be refined as the study progresses based on input from the District's project team. If appropriate, work with District staff to identify key criteria for evaluating and comparing the rate alternatives and their ability to achieve a balance of District objectives. Some potential rate structure modifications may include the following:

Water Rate Structure Alternatives

- Changes in the percentage of rate revenues recovered by fixed vs. variable charges
- Revisions to water rate tiers, tier breakpoints, and/or tier steepness
- Potential phase out of the free water allowance included in the base rate
- Modifications to ensure equity between residential and non-residential rates
- Modifications to existing rate classes
- Potential seasonal rates

Sewer Rate Structure Alternatives

- Changes in the percentage of rate revenues recovered by fixed vs. variable charges
- Modifications to ensure equity between residential and non-residential rates
- Modifications to existing rate classes
- Incorporation of a wastewater strength-based rate component (for example, the variable rate for restaurants with high strength wastewater discharge would be higher than the variable rate for a store or office with much lower wastewater strength)

5. Develop Equitable Cost Allocations

Pursuant to the California Constitution Article 13D, Section 6 (established by Proposition 218), the amount of the fee or charge imposed on any parcel shall not exceed the proportional cost of service attributable to the parcel. In order to comply with this requirement, BWA will allocate the costs of providing water and sewer service to appropriate billing components (e.g. fixed rates, variable rates, rate tiers, wastewater strength loadings, etc.) to ensure equity both *between* customer classes and *within* each class. Unit costs will be developed for each billing component based on the costs allocated to each component divided by the total demand associated with each billing component. These unit costs will then be applied to the water and sewer demand profiles of each customer class.

6. Develop Preliminary & Final Rate Recommendations

Based on the water and sewer financial plans and rate analyses, develop draft rate recommendations. The recommendations can include a multi-year phase in of both overall rate increases and proposed rate structure modifications. Review preliminary recommendations and key alternatives with the District to gain additional input. Based on input received, develop final draft water and sewer rate recommendations.

Final rate recommendations will be designed to a) fund each utility's long-term costs of providing service, b) be fair and equitable to all customers, c) provide a prudent balance of revenue stability and conservation incentive, and d) comply with the substantive requirements of Proposition 218. Based on input from staff, develop a plan for implementing any rate structure modifications and/or rate adjustments.

7. Evaluate Rate Impacts on District Customers

Calculate the rate impacts of each rate alternative on a range of utility customers (e.g. different customer classes, customers with different levels of water or sewer use, etc.) Work with the project team to identify customer and usage profiles to use for calculating the rate impacts. Discuss additional rate structure adjustments that may reduce the impact on certain customers if warranted and/or requested by the project team.

Task C Deliverables Include:

- Utility rate surveys
- Independent evaluation of existing water and sewer rate structures
- Analysis of utility billing data
- Identification of rate alternatives and their impacts
- Meet with District to present findings, discuss alternatives, gain input, and develop preliminary rate structure recommendations

TASK D. MEETINGS, PRESENTATIONS, REPORTS & PROP. 218 NOTICE

1. Meetings (2 Progress Meetings)

Meet with the District's project team to present findings, discuss alternatives and their impacts, gain ongoing input, and develop and hone recommendations.

2. Board Workshops (2 Workshops)

Develop a PowerPoint presentation and present findings, recommendations, and alternatives to the District's Board of Directors for input and discussion. The presentation will provide background and study objectives, identify financial challenges facing the water and sewer enterprises, make a clear case why any rate increases are needed, describe the proposed rate structure and key alternatives, show rate impacts on various customer profiles, present findings of the water and sewer rate surveys, and discuss related financial and policy recommendations. Board input will be incorporated into draft and final recommendations.

3. Proposition 218 Rate Hearing

BWA will attend the Prop. 218 Rate Hearing, provide a summary presentation explaining key findings and recommendations, and remain available to respond to questions.

4. Prepare Draft & Final Reports

Submit a draft summary report for District review and feedback. The report will summarize key findings and recommendations, discuss key alternatives when applicable, and provide a sound basis for the proposed rates in conformance with Proposition 218. Receive input on draft report from the District's project team and develop a final report.

5. Compliance With Proposition 218

BWA will assist the District with drafting the required Proposition 218 rate notice. BWA recommends the notice go beyond the minimum legal requirements and provide clear and concise explanation of the reasons for any rate increases or adjustments. We have found that ratepayers are generally much more accepting of rate increases or rate structure modification when they understand the reasons underlying the changes.

6. Public Education and Consensus-Building

Rate adjustments are often controversial. BWA has extensive experience developing clear presentations that facilitate public understanding of the need for rate increases. We understand the importance of building consensus and public acceptance for our recommendations and can assist the District in developing public education materials.

Task E Deliverables Include:

- Draft and final reports summarizing key findings, alternatives, and recommendations
- Draft and final Proposition 218 rate notice
- Attendance at up to 5 meetings at the District including 2 progress meetings, 2 Board workshops, and the Proposition 218 Rate Hearing.
- PowerPoint presentation summarizing key findings, alternatives, and recommendations for Board/Public Workshops
- Summary PowerPoint presentation for the Prop. 218 Rate Hearing
- Assistance with any public outreach efforts

SECTION 3: AVAILABILITY & FEES

1. Bartle Wells Associates is prepared to begin work upon the District's authorization to proceed.
2. During the project development period, BWA will be available at all reasonable times and on reasonable notice for meetings and for consultation with District staff, attorneys, consulting engineers, and others as necessary.
3. Bartle Wells Associates will perform all work related to the assignment. Alex Handlers, a firm principal and vice president will be assigned as project leader on this assignment. He will serve as the lead contact person for BWA and will be involved with the project a day-to-day basis.
4. The fees for services outlined in this proposal will not exceed \$44,000 including direct expenses.

The fee is based on the following assumptions:

- a. The project will be completed by July 1, 2014 or other mutually agreeable date preferred by the District. BWA will work to meet all District scheduling requirements and deadlines.
 - b. All necessary information will be provided by the District and/or its other consultants in a timely manner.
 - c. Development of a draft, final draft, and final versions of tables. Time and expenses involved in revising tables and assumptions may constitute additional services if not achievable within the budget.
 - d. The fee is based on a total of up to 5 trips to the District for meetings and presentations including 2 progress meetings, 2 Board Workshops, and the Proposition 218 rate hearing.
5. Progress payments and direct expenses are payable monthly on a time and materials basis as the work proceeds as provided in our Billing Rate Schedule 2013, which will remain in effect for the duration of this project.
 6. In addition to the services provided under this proposal, the District may authorize Bartle Wells Associates to perform additional services for which the District will compensate us based on consultants' hourly rates at the time the work is performed, plus direct expenses. Any such authorization will be made in writing by the District's General Manager or other authorized District official. Additional services may include, but are not limited to:
 - Meetings or presentations in excess of five (5)
 - Changes in project scope
 - Delays in project schedule
 - Assistance with obtaining financing for capital improvement projects
 - Any other services not specified
 7. Bartle Wells Associates will maintain in force, during the full term of the assignment, insurance as provided in the Certificate of Insurance attached.
 8. If the project is terminated for any reason, Bartle Wells Associates is to be reimbursed for professional services and direct expenses incurred up to the time notification of such termination is received.
 9. This proposal may be withdrawn or amended if not accepted within 90 days of its date.

BARTLE WELLS ASSOCIATES
BILLING RATE SCHEDULE 2013
Rates Effective 1/1/2013

Professional Services

Financial Analyst I	\$95 per hour
Financial Analyst II	\$135 per hour
Senior Financial Analyst	\$165 per hour
Senior Consultant	\$195 per hour
Principal Consultant	\$235 per hour

The professional time rates include all overhead and indirect costs. Bartle Wells Associates does not charge for secretarial support services and internal computer time. Expert witness, legal testimony or other special limited assignment will be billed at one and one-half times the consultant's hourly rate.

The above rates will be in effect through duration of this project.

Direct Expenses

Subconsultants will be billed at cost plus ten percent. Word processing and computer-assisted services related to official statement production are charged as direct expenses at \$60 per hour. Other reimbursable direct expenses incurred on behalf of the agency will be billed at cost plus ten percent. These reimbursable costs include, but are not limited to:

- Travel, meals, lodging
- Long distance telephone and fax
- Printing and report binding
- Special statistical analysis
- Outside computer services
- Bond ratings
- Automobile mileage
- Messenger services and mailing costs
- Photocopying
- Graphic design and photography
- Special legal services
- Legal advertisements

Insurance

Bartle Wells Associates maintains insurance in the amounts and coverage as provided in the attached schedule of insurance. Additional or special insurance, licensing, or permit requirements beyond what is shown on the schedule of insurance are billed in addition to the contract amount.

Payment

Fees will be billed monthly for the preceding month, and will be payable within 30 days of the date of the invoice. A late charge of 1.0 percent per month may be applied to balances unpaid after 60 days.

Insured: BARTLE WELLS ASSOCIATES

Bartle Wells Associates will maintain in force, during the full term of the assignment, insurance in the amounts and coverage as provided in this schedule. If additional insurance is required, and the insurer increases the premium as a result, then the amount of the increase will be added to the contract price.

TYPE OF INSURANCE	COMPANY POLICY NUMBER	COVERAGES AND LIMITS	EXP. DATE
Commercial General Liability	Hartford Insurance Company Policy #35-SBA PA6857	<ul style="list-style-type: none"> ■ \$2,000,000 General Aggregate ■ \$2,000,000 Products Comp/Op Aggregate ■ \$1,000,000 Personal & Advertising Injury ■ \$1,000,000 Each Occurrence 	6/1/14
Automobile Liability	Hartford Insurance Company Policy #35-UEC VU2842	<ul style="list-style-type: none"> ■ \$1,000,000 Combined Single Limit 	6/1/14
Workers Compensation & Employers' Liability	Hartford Underwriters Insurance Company Policy #35-WEC FG7858	<p>Workers' Compensation: Statutory Limits for the State of California. Employers' Liability:</p> <ul style="list-style-type: none"> ■ Bodily Injury by Accident - \$1,000,000 each accident ■ Bodily Injury by Disease - \$1,000,000 each employee ■ Bodily Injury by Disease - \$1,000,000 policy limit 	6/1/14
Professional Liability	Chubb & Son, Inc. BIND094045	<p>Solely in the performance of services as municipal financing consultants for others for a fee.</p> <p>Limit: \$2,000,000 Per Occurrence & Aggregate (including defense costs, charges, and expenses)</p>	6/1/14

ATTACHMENTS

PROJECT TEAM RESUMES

LIST OF PRELIMINARY INFORMATION NEEDS

ALEX T. HANDLERS, MPA, CIPFA



Experience

Alex T. Handlers is a principal and vice president of Bartle Wells Associates with expertise in the areas of water and wastewater rates and finance. He develops long-term financial plans, utility rates, and capacity charges for water and wastewater enterprises. He has managed projects for a wide range of California cities, counties, and special districts and completed over 150 consulting assignments.

Mr. Handlers has helped agencies implement a wide variety of water and sewer rate and fee structures and is knowledgeable about the legal requirements of Prop. 218, AB1600, and Prop. 26. He also specializes in evaluating financing alternatives for capital improvement programs and securing project financing. He is a Certified Independent Public Finance Advisor who has helped California agencies obtain over \$2 billion in financing via bonds, COPs, bank loans, lines of credit, and various state and federal grant and loan programs.

Education

M.P.A. - University of Washington

B.A. - Lehigh University

Certifications

CIPFA – Certified Independent Public Finance Advisor

Member – National Association of Independent Public Finance Advisors

Representative Projects

- **Cambria Community Services District:** Developed updated water and sewer capacity fees designed to recover the full costs of infrastructure and assets benefiting new development. Updated the District's miscellaneous fees and charges.
- **Soquel Creek Water District:** Developed long-term financial plan and water rate recommendations supporting funding of a potential regional seawater desalination plant to be jointly operated with the City of Santa Cruz. Recommended rate modifications designed to increase conservation incentive and developed emergency rates for various levels of required water cutbacks. Served as independent financial advisor on over \$40 million of water revenue bonds, COPs and a bank loan.
- **City of San Carlos:** Developed a 10-year sewer enterprise financial plan and rate study. Evaluated a number of rate alternatives and recommended rate increases needed to fund high-priority Master Plan improvements and debt service requirements for the regional wastewater treatment plant.
- **City of Poway:** Evaluated conservation-oriented water rate structures and assisted City in transitioning from a uniform block rate to a tiered, inclining block rate structure to help meet conservation targets. Developed financial projections accounting for the impacts of conservation.
- **Joshua Basin Water District:** Long-term financial plan and water rate study recommending a gradual increase in water rates coupled with rate structure modifications to provide additional conservation incentive. Worked closely with a community advisory committee throughout process.
- **City of San Mateo:** Long-term sewer enterprise financial plan and rate study supporting over \$180 million of wastewater system capital improvements.
- **City of Santa Clara:** Comprehensive wastewater enterprise financing plan, rate study, and capacity charge update. Developed residential rate options incorporating a variable rate component based on winter water use.

ALEX T. HANDLERS continued

- **Redwood City:** Developed sewer enterprise financial plan to provide increased funding for sewer collection system rehabilitation and fund the City's share of costs for rebuilding the regional wastewater treatment plant. Sewer rate study recommendations included modifications designed to improve rate equity between customer classes. Developed long-term water and recycled water enterprise financing plan supporting a \$73 million recycled water project with a series of gradual rate adjustments. Recommended a new Water Supply Capacity Fee to recover recycled water facility costs to indirectly provide potable supply for growth.
- **Alameda County Water District:** Comprehensive development fee study; recommended a series of modifications to existing charges to improve revenue recovery, equity and fee administration.
- **City of Port Hueneme:** Developed water and sewer enterprise financial plans and rate studies designed to fully recover the City's costs of service and provide adequate funding for ongoing repairs and replacements. Developed a water rate study that gradually phases in new volumetric water rates. The City previously charged flat monthly rates for water service. Worked with a citizen-based advisory committee to build consensus for final recommendations.
- **City of Palm Springs:** Developed a long-term wastewater enterprise financial plan and sewer rate study supporting an \$80 million capital improvement program.
- **City of Mountain View:** Water and sewer financial plans, rate studies, and capacity charge updates. Recommended rate structure modifications to equitably recover costs of service.
- **South Bayside System Authority:** Developed 10-year financial plan supporting \$400 million of capital improvements to a regional JPA that provides wastewater treatment services to Redwood City, Belmont, San Carlos, and the West Bay Sanitary District (Menlo Park). Served as financial advisor on issuance of over \$120 million via a combination of bonds, State Revolving Fund (SRF) loans, and a line of credit.
- **City of Hesperia:** Developed water and wastewater financing plans, rates, and connection fees to support engineering master plan recommendations. Recommended a phase in of water & sewer rate adjustments including rate structure modifications designed to gradually increase conservation incentive.
- **City of San Bruno:** Water and wastewater financial plans and rate studies. Recommended modifications to both water and sewer rate structures to improve rate equity.
- **Union Sanitary District (Union City/Fremont/Newark):** Developed a long-term financial plan supporting over \$100 million of wastewater system capital improvements. Conducted a comprehensive analysis and update of the District's capacity fees levied on new development.
- **San Francisco Public Utilities Commission:** Developed water and sewer enterprise financial projections supporting over \$1 billion of bonds issued to help fund a 10-year, \$4.3 billion upgrade to the Hetch-Hetchy regional water system and wastewater system capital improvements.
- **Ironhouse Sanitary District (Oakley, CA):** Developed financial plan supporting financing of a new wastewater treatment plant. Assisted District in obtaining a \$50 million SRF loan. Updated the District's capacity fees and charges.
- **City of Fresno:** Developed wastewater enterprise financial plan and rate study. Developed new system of water connection fees designed to recover costs of existing facilities and future supplemental water supply projects benefiting new development.

ALISON M. LECHOWICZ, MPA



Experience

Alison M. Lechowicz is a Financial Analyst with Bartle Wells Associates. She works closely with public agencies, engineers, legal counsel, and other consultants to develop water and sewer rates and assessments, development impact fees, and long-term financial plans for utility enterprises. Alison also helps agencies evaluate financing alternatives for public works projects, coordinates state and federal grant and loan applications, and evaluates bond refinancing opportunities. She has consulted for a range of public agencies throughout California and her background in public administration is helpful in understanding the California legislative and policy setting environment and in conducting analyses tailored to meet the needs of diverse communities. Alison is also an expert witness on electric rate design and has testified before the California Public Utilities Commission.

Education

M.P.A., Environmental Science and Policy - Columbia University

B.S., Conservation and Resource Studies - University of California, Berkeley

Representative Projects

- **Cambria Community Services District:** Water and sewer capacity charge updates and development of updated miscellaneous District fees and charges based on a cost of service approach.
- **City of Morgan Hill:** Water and sewer rate and impact fee studies, included sewer rates and impact fees to fund a \$40 million expansion of the regional sewage treatment plant.
- **City of Huntington Park:** Water and sewer rates, financing plan for capital program, assisted City in drafting Prop 218 notices.
- **City of Palmdale:** Developed 3-year schedule of sewer collection system charges, evaluated customer sewerage generation rates as a method for apportioning costs to customer groups, developed multiyear financial plan, reviewed service charge ordinances.
- **Napa Berryessa Resort Improvement District:** Financing plan for \$10.5 million in water and sewer improvements, prepared application for USDA loan, prepared assessment district documents.
- **City of Modesto:** Credit review package for Clean Water State Revolving Fund loan of \$125 million.
- **City of Milpitas:** Water and sewer revenue requirements, evaluation of renewal and replacement reserves, financial master plan.
- **Sewerage Agency of Southern Marin:** Financial master plan, debt financing alternatives, design of private lateral replacement grant program for local homeowners.
- **Stege Sanitary District:** Sewer rate design, cash flow analysis, and financial master plan.
- **Tahoe-Truckee Sanitation Agency:** Policy review of assignment of costs to customer classes, revenue program review.
- **City of Colfax:** Affordability review of sewer rates, drafted policy statement summarizing affordability criteria used in state funding decisions.
- **City of Williams:** Comprehensive impact fee study for water, sewer, fire, police and civic facilities.
- **California City and County Street Light Association:** Expert witness in Southern California Edison's 2012 General Rate case on street light facilities charges and distribution electric rates.
- **Tulare Irrigation District:** Financial advisor for the issuance of nearly \$10 million to fund capital improvements and purchase permanent water supply entitlements from the Central Valley Project.
- **Town of Apple Valley:** Evaluated the financial feasibility of the Town acquisition of a private water system using different valuation methods, estimated results of operations and net revenues under public ownership.

**Cambria Community Services District
Water & Sewer Financial Plans & Rate Studies
Preliminary Information Needs**

1) Financial Information

- a) Adopted water & sewer budgets
- b) Historical financial results in budget format for past 3 years (if available)
- c) Audited financial statements for 3 prior fiscal years
- d) Breakdown of utility fund reserve balances as of June 30, 2013 (and for prior 3 years too if readily available)
- e) Outstanding debt service schedules and debt documents describing legal covenants
- f) Any anticipated changes in future water or sewer operating expenses
- g) Any other financial information or projections that would be helpful

2) Rates & Financial Policies

- a) Current water & sewer rate resolutions/ordinances
- b) Historical utility rates for the past 10 years (or more if easily available)
- c) Prior rate studies
- d) Any existing financial policies related to the water or sewer utilities
- e) Any legal agreements that might impact water or sewer finances or obligations

3) Customer & Usage Information

- a) Water accounts by customer class and meter size (for past 3 years if available)
- b) Sewer accounts by customer class (for past 3 years if available)
- c) Excel files of water usage & billing data for past 2-3 years (we can discuss)
- d) Historical & projected growth & any anticipated changes in the District's customer base

4) Capital Improvements

- a) Latest water & sewer capital improvement programs
- b) Identification of key capital improvement alternatives, if warranted
- c) Water & sewer master plans, if available
- d) History of capital expenditures for each utility for past 3-5 years
- e) Any other information on future capital needs, if relevant
- f) Estimates of future costs for infrastructure repairs and replacements (we can discuss)

5) Other Information

- a) Contacts for District project team members
- b) Any other relevant information we should be aware of

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

FROM: Jerry Gruber, General Manager
Tim Carmel, District Counsel

AGENDA NO. **5.D.**

Meeting Date: February 13, 2014 Subject: Consideration of Adoption of Resolution 06-2014 Authorizing the General Manager to Seek an Emergency Coastal Development Permit from the County for an Emergency Portable Brackish Water Reverse Osmosis Treatment Facility and Requesting County Board of Supervisors Priority Assistance in Expediting Processing for Such Emergency Permit

RECOMMENDATIONS:

That the Board of Directors adopt Resolution 06-2014 authorizing the General Manager to Seek an Emergency Coastal Development Permit from the County for an Emergency Portable Brackish Water Reverse Osmosis Treatment Facility and Requesting County Board of Supervisors Priority Assistance in Expediting Processing for Such Emergency Permit.

FISCAL IMPACT:

Staff is unable to quantify the fiscal impact of this action at this time, other than the processing of any necessary permits from other regulatory agencies for the Emergency Portable Brackish Water Reverse Osmosis Treatment Facility will take significant staff time to secure.

DISCUSSION:

The Board of Directors took several actions at the January 30, 2014 Board of Directors Meeting that were critical to moving forward with the development of an emergency water supply for the community. This included declaring a Stage 3 Water Shortage Condition and implementing a Stage 3 Water Conservation Program with enhanced water conservation measures and restrictions on the use of potable water. The Board also authorized the use of emergency contracting procedures under the provisions of the Public Contract Code to develop and complete an emergency water supply project. The General Manager was also authorized to enter into an agreement with the consulting firm CDM Smith to support completion of the emergency water supply project.

The identified water supply project, an Emergency Portable Brackish Water Reverse Osmosis Treatment Facility, is being proposed to be located on property owned by the CCSD at the San Simeon Creek Well Field. Staff recognizes that such a project, even on a temporary emergency basis, implicates many issues relating to permits and regulations under the jurisdiction of other governmental entities. This includes the County of San Luis Obispo. In this respect, the County has enacted the Coastal Zone Land Use Ordinance (Title 23 of the San Luis Obispo County Code), as part of its implementation of its General Plan and the San Luis Obispo County Local Coastal Program. The Coastal Zone Land Use Ordinance establishes procedures and regulations for the issuance of Emergency Coastal Development Permits (Section 23.03.045).

We must move forward with all available speed and resources in order to get the Emergency Portable Brackish Water Reverse Osmosis Treatment Facility on line and functioning in time to safeguard the health, safety and welfare of the residents of the Cambria community so that the CCSD can provide needed water to sustain the community during the continuing drought conditions. An Emergency Coastal Development Permit is required for the Emergency Portable Brackish Water Reverse Osmosis Treatment Facility.

Accordingly, staff is recommending adoption of the attached Resolution to authorize the General Manager to take any and all steps necessary to immediately seek all needed approvals from the County and other regulatory agencies having jurisdiction over permitting for the Emergency Portable Brackish Water Reverse Osmosis Treatment Facility. This would include obtaining an Emergency Coastal Development Permit, under the San Luis Obispo County Coastal Zone Land Use Ordinance.

In addition, the Resolution also requests that the Board of Supervisors of the County of San Luis Obispo take any and all necessary actions to assist and facilitate the expedited processing for an Emergency Portable Brackish Water Reverse Osmosis Treatment Facility.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ BAHRINGER ___ ROBINETTE ___ THOMPSON ___ CLIFT ___ RICE ___

RESOLUTION NO.06-2014
FEBRUARY 13, 2014

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMBRIA COMMUNITY SERVICES DISTRICT
AUTHORIZING THE GENERAL MANAGER TO SEEK AN
EMERGENCY COASTAL DEVELOPMENT PERMIT FROM THE
COUNTY, FOR AN EMERGENCY PORTABLE BRACKISH WATER
REVERSE OSMOSIS TREATMENT FACILITY AND REQUESTING
COUNTY BOARD OF SUPERVISORS PRIORITY ASSISTANCE IN
EXPEDITING PROCESSING FOR SUCH EMERGENCY PERMIT

WHEREAS, the Governor of the State of California has declared a State of Emergency due to record dry conditions and concerns over the State's dwindling water supplies and it has further been determined that the domestic water supply for the CCSD may be inadequate based upon the continued lack of precipitation and the current water levels in the aquifers that provide the domestic water supply for the CCSD, and specifically that water levels in the San Simeon and Santa Rosa creek aquifers are such that the CCSD staff has determined that the available water supply is insufficient to meet demand; and

WHEREAS, during the last several months the CCSD has instituted enhanced water conservation measures pursuant to the authority in Water Code Section 353 and Water Code Section 375, et seq., and on January 30, 2014 the Board of Directors declared a Stage 3 Water Shortage Condition and implemented a Stage 3 Water Shortage Conservation Program and additional and more restrictive enhanced water conservation measures and restrictions on the use of potable water; and

WHEREAS, as a result of these conditions the CCSD is facing an emergency situation in that, without some alternative supply of water, the CCSD will effectively run out of water in approximately four (4) months; and

WHEREAS, in response to this emergency situation, CCSD staff has identified an emergency water supply project capable of providing the CCSD with critically needed water and, pursuant to Public Contract Code Sections 20682.5(g) and 22050, the Board of Directors has authorized the use of emergency contract procedures to develop and complete the emergency water supply project; and

WHEREAS, the Board of Directors has authorized the General Manager to enter into agreements with consultants to provide for an emergency water supply project consisting of an Emergency Portable Brackish Water Reverse Osmosis Treatment Facility to be located on CCSD owned property at the San Simeon Creek Well Field; and

WHEREAS, in order to implement the San Luis Obispo County General Plan and the San Luis Obispo County Local Coastal Program, the County of San Luis Obispo has enacted the Coastal Zone Land Use Ordinance (Title 23 of the San Luis Obispo County Code), which establishes procedures and regulations related to the issuance of Emergency Coastal Development Permits; and

WHEREAS, given the severe emergency water supply conditions facing Cambria, the Board of Directors recognizes the critical need to move forward as expeditiously as possible to get the Emergency Portable Brackish Water Reverse Osmosis Treatment Facility on line and functioning in order to safeguard the health, safety and welfare of the residents of the Cambria community by immediately developing and implementing the emergency water supply project to sustain the community during continued drought conditions; and

WHEREAS, to the extent necessary, the Board of Directors recognizes that it must immediately seek any and all needed approvals from the County and other regulatory agencies having jurisdiction over permitting the Emergency Portable Brackish Water Reverse Osmosis Treatment Facility, including promptly obtaining an Emergency Coastal Development Permit.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cambria Community Services District as follows:

1. The General Manager is hereby authorized to take any and all steps necessary to secure any approvals that are deemed necessary from the County of San Luis Obispo and other regulatory agencies, including an Emergency Coastal Development Permit, in order to expedite the implementation of the Emergency Portable Brackish Water Reverse Osmosis Treatment Facility to serve and sustain the residents of Cambria during the severe water shortage emergency currently facing the community.
2. The Board of Supervisors of the County of San Luis Obispo is hereby respectfully requested to take any and all necessary actions to assist and facilitate expedited processing for an Emergency Coastal Development Permit for an Emergency Portable Brackish Water Reverse Osmosis Treatment Facility, which is needed to protect the health and safety of our citizens.
3. This Resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED THIS 13TH day of February 2014.

James Bahringer, President
Board of Directors

APPROVED AS TO FORM:

Timothy J. Carmel
District Counsel

ATTEST:

Justine Harris
Interim District Clerk