

AGENDA & MEETING NOTES

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| Meeting Date: | April 4, 2024 |
| Meeting Notes Finalized on: | June 11, 2024 |
| Project/Committee: | Operations Committee: Canyon Road Lateral Connections |

INVITEES

| TEAM | Name | TITLE/ROLE |
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| BCPUD | Georgia Woods | General Manager |
| | Jennifer Blackman | Outgoing General Manager |
| | Kevin McElroy | Board Member/Committee Member |
| | Andrew Alexander Green | Board Member/Committee Member |
| Nute Engineering | Mark Wilson | Sr. Engineer |

AGENDA:

- General review of the Canyon Road Lateral Connections Project history
- Review and discuss relevance of plans and specifications prepared by Nute Engineering to upgrade and move a sewer main and connect individual existing customers to the main in the San Rafael Sanitation District
- Consider options and next steps for the Canyon Road Lateral Connections Project

POST-MEETING NOTES:

In-Person Meeting Thursday April 4, 2024 (Mark Wilson joined via Zoom):

The Zoom recording was accidentally deleted—so these post-meeting notes reflect participants' recall of the discussion (based on personal notes) and the last 15 minutes of the meeting captured using OtterAi (in lieu of minutes)

- Committee reviewed *Canyon Road Design of Residential Sewage Pump Systems and Lateral Connections Proposal for Design Engineering Services*
- **Committee highlighted some of the key aspects/and history of this project**

- This engineering project plan can be summarized as follows:
 - The 6 homeowners on Canyon Road will be connected to the BCPUD's sewer system
 - Each homeowners will install a wastewater storage tank and booster pump on their individual property
 - There is the possibility that existing septic tanks may be able to serve as the storage tanks for the new systems
 - There is a likely possibility that homes will require electrical upgrades to accommodate the new booster pumps
 - Wastewater will be pumped from the homeowner's storage tanks via new, privately-owned pressurized laterals that will be installed in a shared trench in Canyon Road (which is privately-owned), up to a point of connection with the BCPUD's existing sewer main on Terrace Ave.
 - A complexity of this project is that since Canyon Road is privately owned (by the adjacent property owners), surveying of each property will need to occur and easements will need to be established prior to the trenching and laying of sewer laterals in Canyon Road
 - **Summary of District work done on this project, thus far:**
 - Over the past year-plus, Jennifer and the district's consulting engineer for regulatory wastewater matters, Kathryn Gies of West Yost, have worked hard to gain approval (from the Regional Water Quality Control Board) to add these 6 houses to BCPUD's sewer collection system.
 - Jennifer has also conducted extensive research and project management related to this project. Through engagement of Nute Engineering, she has laid out a "broad vision" for how homeowner-owned laterals and pump systems can convey sewage from these 6 homes to BCPUD's sewer main on Terrace Ave.
 - Up to now, none of the Canyon Road residents have paid for District's work on their behalf; and there is no intention, at this time, to have residents pay for this work
 - When the Canyon Road homeowners were presented with this "broad vision" some were dismayed that they would have to pay for the installation of the storage tank, booster pump and lateral connection to the BCPUD's sewer main
- Committee reviewed the **San Rafael Sanitation District' Project Plans and bid** for Construction for the San Rafael Project

- Noted major differences between that project and the proposed Canyon Road Lateral Connections Project, including:
 - San Rafael Sanitation District (SRSD) customers were already existing customers of the SRSD
 - Customers are not upgrading from septic system to city sewer system
 - SRSD paid for the upgrades
 - Upgrades were needed to address environmental impact of SRSD's own existing sewer system on the Bay
 - The bid for construction costs is likely to be very different between the SRSD project and Canyon Road project; it is not clear that using the SRSD as an exemplar (to give Canyon Road residents a sense of project costs) would be particularly valuable exercise. Andrew pointed out that cost of a project like this will be difficult to predict

- Participants discussed the need to better understand the likely **permitting requirements** associated with this project. For example, will Coastal Development Permit (CDPs) be required:
 - For upgrades that need to happen on individual properties/homes?
 - For entire project/shared trench and installation of laterals in the private road?
 - What permits or regulations will need to be considered if septic systems need to be abandoned?
 - Aside: participants discussed the fact that some of these properties are small and hilled and may have limited space for a new holding tank. Participants discussed the possibility: if the septic tanks cannot be repurposed, could the new storage tank be housed in the existing septic tank? However, Mark pointed out that the protocol for abandoning septic systems is prescriptive (you must fill the vault with rocks etc.)

- Participants discussed the potential advantages of a **phased approach to construction**:
 - The idea would be to first build the common components of the projects (e.g. install infrastructure along trench). Once this "base" infrastructure is built, it would enable households to construct their specified property upgrades (e.g. upgrades to electrical, storage tanks etc.) at a later date.
 - Phased approach may be a more effective strategy to get buy-in from homeowners, in order to build some momentum to get their projects off the ground
 - Would increase the resale value of home: homeowner would have paid for their right to access the base infrastructure, even if they don't currently have

- the funds to perform all necessary upgrades (or if their current septic system is red-tagged in the future)
- In consideration of a phased approach, Mark Wilson reiterated that Nute Engineering will not engage with individual homeowners, beyond what is described in their project plan, and that their existing proposal is contingent on BCPUD acting as the intermediary/go-between
 - BCPUD Directors (Kevin in particular) were interested in the possibility of **BCPUD paying for some aspects of the project:**
 - Kevin pointed out that ultimately adding 6 sewer customers means more revenue for management/operation of BCPUD's sewer system, so there is potentially a value added for the District
 - Participants agreed that if BCPUD did pay for portions of the project District would pay for shared "base" infrastructure (e.g. trenching along canyon road etc.) not the individual upgrades needed on individual homeowners' property
 - Participant agreed that a more accurate cost estimate on the "base" infrastructure build-out would be essential for District to decide whether it will cover some/all these costs
 - Jennifer cautioned that per the district's sewer ordinances, the lateral connections should be owned by and the responsibility of the homeowners, regardless of who pays for the installation
 - Jennifer said there is historical precedent for customers paying for their sewer connections to the District's mains. She pointed out that with moratoria applicable to the system, such occurrences are exceedingly rare, and she could only think of the following examples:
 - Fire House joined BCPUD's sewer system (and built a holding tank for sewage collected from Fire House/Clinic/Mesa Park and a pump system to directly pump sewage into sewer pond)
 - A residential customer purchased an existing sewer connection and then applied to the BCPUD to transfer it to his property on Terrace Avenue; thereafter, he installed a storage tank, booster pump and lateral (several hundred feet long)
 - BCPUD did not pay for any of these upgrades
 - Participants discussed the following other miscellaneous, related points:
 - The BCPUD is prepared to pay for the necessary upgrades to its existing sewer infrastructure to accommodate the incorporation of these new customers (i.e. upgrades to the sewer main and manhole on Terrace Ave.)
 - The District will need to further discuss and review its current policy regarding the sewer system's Connection Fee (What is the cost a new

customer to charged to connect to BCPUD’s system? Is the District prepared to waive this fee?)

- A water customer on Horseshoe Hill paid for a large portion of BCPUD’s water Main serving her property to be replaced. BCPUD did not pay for this infrastructural upgrade. The relevance of this case to Canyon Road project was not clear.
- The District owns sewer mains on other privately owned roads (including the Little Mesa, where some customers also have storage tanks and booster pumps). In each case, the homeowner is responsible for the tank, pump and lateral connection.
 - Jennifer said the rationale for requiring Canyon Road residents to pay for their newly approved lateral connections has nothing to do with the infrastructure being on a private road. The rationale instead stems from the addition of new customers to BCPUD’s sewer system and the district’s sewer ordinance, which states that the customers own/are responsible for their connection all the way to the BCPUD sewer main; the relevant precedents are the two mentioned above.
 - Jennifer pointed out that when the District relocated a portion of its sewer main on the Little Mesa due to the threat of bluff erosion, existing impacted customers paid for the installation of storage tanks, booster pumps and new lateral connections to the new main.

| Follow-up Action Item | Assigned To | Details | Start Date | Due Date |
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| Look into permitting requirements related to this project (will Coastal Permits be required?) | BCPUD staff | Contact county planners to determine what sort of permits will be required for this project | 4/4/2024 | ? |

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| Further investigate and cost-out Phased Approach to project | BCPUD staff | BCPUD staff continue to work with Nute Engineering (Mark Wilson) to see if we can come up with some gross cost estimates for conducting base engineering and construction portion of the project | 4/4/2024 | ? |
| KM: Schedule a meeting with Canyon Road homeowners | BCPUD staff and Operations Committee | Once we have a better idea of the project cost and direction, meet with Canyon Road property owners to keep the project progressing. (FYI our last meeting with them was on December 6, 2023) | 5/23/2024 | |
| KM: Consider creating an Ad-Hoc Committee to focus on this project. | BCPUD staff and Board | Is this an appropriate use of the Operations Committee, or should this be an Ad-Hoc Committee? | 5/23/2024 | |