

MONTARA WATER & SANITARY DISTRICT

REGULAR BOARD OF DIRECTORS MEETINGS
October 15, 2026

MINUTES

This meeting took place at the district office located at the above address. Simultaneous public access and participation was also available remotely, via telephone or the ZOOM application.

REGULAR SESSION began at 7:31 p.m.
CALL TO ORDER
ROLL CALL

Directors Present:	Boyd, Champion, Slater-Carter Young arrived at 7:32 p.m. Softky arrived at 7:40 p.m.
Directors Absent:	None
Staff Present:	Clemens Heldmaier, General Manager District Clerk, Tracy Beardsley
Others Present:	District Counsel Christine Fitzgerald District Water Engineer, Tanya Yurovsky District Accountant Peter Medina Kastama Consultants, Alison Kastama Foster & Foster, Braeleen Ballard

PRESIDENT'S STATEMENT

Director Boyd reported that Pacific Gas and Electric (PG&E) identified and repaired the cause of recent power outages. He thanked PG&E for their communication and noted that community members' persistence in raising concerns helped bring attention to the issue. He also commended PG&E's efforts to investigate and resolve the problem.

ORAL COMMENTS

Director Young reported that a member of the public was unable to locate the meeting agenda on the District's website.

Director Slater-Carter suggested using the website's search function to find the agenda.

PUBLIC HEARING

CONSENT AGENDA

1. Approve Minutes for Regular meeting September 17, 2026
2. Approve Financial Statements for August 2026
3. Approve Warrants for October 1, 2026
4. SAM Flow Report
5. Monthly Review of Current Investment Portfolio
6. Connection Permit Applications Received
7. Monthly Water Production Report
8. Rain Report
9. Monthly Solar Energy Report
10. Monthly Public Agency Retirement Service Report for July 2026

Director Slater-Carter made a motion to approve the Consent agenda 1-10. Director Champion seconded the motion. Roll call vote: Director Champion: Aye Director Young: Aye, Director Boyd: Aye, Director Slater-Carter: Aye. The motion passed 4-0.

OLD BUSINESS - none

NEW BUSINESS

1. Review and Acceptance of the June 30, 2026, Governmental Accounting Standards Board 68 (GASB 68) Actuarial Valuation

General Manager Clemens Heldmaier explained that, because the Montara Water and Sanitary District (MWSD) participates in a defined benefit pension plan, they are required to undergo a GASB 68 actuarial valuation.

Braeleen Ballard of Foster & Foster presented the annual accounting report for the District's pension plan. The District's pension plan remains in excellent financial condition and is currently overfunded. As a result, the District will continue to report a net pension asset, with the asset increasing from approximately $57,000 in the prior year to almost $225,000 in this year, primarily due to strong investment performance. She noted that the results were as expected and that there were no concerns to report.

Director Boyd formally accepted the report and thanked Ms. Ballard.

2. Review and Possible Action Concerning Completion of the 2022-23 SEWER IMPROVEMENT PROJECT AND SPOT REPAIRS

General Manager Clemens Heldmaier reported that the District received the final recommendation from the project sewer engineer regarding the sewer improvement project that began in 2023. The engineer confirmed that all work has been completed and constructed to the District's satisfaction. Based on the engineer's recommendation, staff requested that the Board authorize the filing of a Notice of Completion with the County Recorder. Following the expiration of the 35-day lien period, staff will release the remaining 5% retention payment to the contractor. Staff recommended adoption of the resolution of the Montara Water and Sanitary District accepting work of the fiscal Year 2022-2023 Sewer Improvement Project and Spot Repairs, declaring the project work is complete, approving and authorizing release of retention and final payment for said work, directing recording the Notice of Completion under California Civil Code §9204.

Director Young asked for clarification of the repair on Third Street.

General Manager Clemens Heldmaier replied that a section of sewer line on Third Street failed after collapsing beneath an underground water pressure reduction station. Due to the location of the station vault, the repair was more complex, and the District's engineer determined that immediate repairs were necessary and a change order was authorized to complete the work.

Director Young inquired about the work performed at 600 Marine Avenue.

General Manager Clemens Heldmaier responded that he did not recall all the specific details but explained that a similar issue had been identified during ongoing work. A problem was discovered and required corrective action.

Director Young asked if the District would absorb the cost of these repairs.

General Manager Clemens Heldmaier replied that costs will be absorbed by the District. It is for the District and not any development.

Director Slater-Carter made a motion to approve adoption of the resolution of the Montara Water and Sanitary District accepting work of the fiscal Year 2022-2023

Sewer Improvement Project and Spot Repairs, declaring the project work is complete, approving and authorizing release of retention and final payment for said work, directing recording the Notice of Completion under California Civil Code §9204. Director Champion seconded the motion. Roll call vote: Director Champion: Aye Director Young: Aye, Director Boyd: Aye, Director Slater-Carter: Aye, Director Softky: Aye. The motion passed 5-0.

3. Review and Possible Action Concerning Designation of Voting Representative for Association of California Water Agencies (ACWA).

General Manager Clemens Heldmaier reported that the Association of California Water Agencies (ACWA) has historically conducted member voting only during in-person conferences held twice annually. ACWA is now transitioning to an electronic voting process for its member agencies. An upcoming vote on the restated and amended ACWA bylaws requires each member agency to designate an authorized voting representative. The designated representative would be responsible for casting votes on behalf of the Montara Water and Sanitary District (MWSD) in accordance with ACWA's voting procedures. If the Board does not appoint a Director as the voting representative, the General Manager will automatically serve in that role for electronic ACWA voting purposes. Staff recommends that the Board designate a voting representative for ACWA electronic voting and authorize that representative to vote on the proposed restated and amended ACWA bylaws.

General Manager Clemens Heldmaier noted that Director Softky is currently their designated representative.

Director Softky confirmed his willingness to continue serving in that role.

Director Boyd asked about an alternate representative if the designate is not available.

General Manager Clemens Heldmaier stated that if no one is designated then it will be the General Manager. However, if the designated representative cannot vote, then they would have to notify ACWA of the change in designation.

By express acclamation, Director Softky was reaffirmed as the District’s designated representative.

REPORTS

1. Sewer Authority Mid-Coastside Meeting (SAM) (Slater-Carter)

Director Boyd reported on a presentation by One Shoreline regarding flood protection efforts for the Coastside including the Sewer Authority Mid-Coastside (SAM) facilities following the severe 2022-23 storms. He highlighted the leadership of General Manager Kishen Prathivadi, who worked with

OneShoreline and the U.S. Army Corps of Engineers to advance potential projects that could secure significant federal and state funding for flood resilience improvements. Proposed measures include berm enhancements, electrical infrastructure relocation, and protection of critical facilities from rising waters. He noted broad support for the effort and expressed optimism that continued collaboration could provide substantial long-term benefits for the Coastside.

Director Champion asked what the duration of the project would be.

Director Boyd noted that it would be a few years but emphasized that participation is voluntary and agencies may opt out at any stage.

Director Softky asked for clarification about OneShoreline.

Director Boyd explained that OneShoreline is an independent countywide special purpose district dedicated to the water-related impacts of climate change, governed primarily by local elected officials, including city council members and county supervisors.

Director Young confirmed it is for San Mateo County.

The Board discussed concerns about Kelvin waves, Stone Dam, and flooding in Pilarcitas Creek, noting that many factors can influence creek flows and flood conditions.

Director Boyd recommended reviewing the September 14th meeting on YouTube, which provides a good overview of the practical steps staff are taking to address these issues.

2. Mid-Coast Community Council (MCC) Meeting

Director Young reported on Caltrans' Highway One Moss Beach improvement project, which remains in environmental review. Options under consideration include traffic signals and roundabouts. The improvements will not be completed before the Cypress Point development is occupied, raising traffic-safety concerns. Project plans are available on the San Mateo County website, and the public may provide input. A separate presentation covered bicycle access. Instead of a dedicated lane along Highway One, planners are considering a route from 14th Street through Carlos Street.

3. California Special Districts Associations (CSDA) Report (Slater-Carter)-none

4. Local Agency Formation Commission (LAFCo) Report (Slater-Carter)

Director Slater-Carter reported that she will attend the regional meeting of the California Association of Local Agency Formation Commissions (CALAFCO) and noted that upcoming board elections should make the meeting particularly interesting.

5. Attorney's Report (Fitzgerald)

District Counsel Christine Fitzgerald provided updates on two recent state actions that may affect the District. First, she reported on Senate Bill 1159, signed by the Governor on September 30th. The legislation amends several statutes, including the Brown Act, California Public Records Act, CEQA, and the Coastal Act, clarifying that artificial intelligence systems and agents are not considered persons with rights to participate in governmental proceedings or submit requests under those laws. It is intended to protect public agencies from excessive automated public comments, records requests, and similar submissions generated without meaningful human involvement, while preserving the public's ability to use AI tools to assist with legitimate participation provided that the volume and frequency are reasonably consistent with human participation. This provides public agencies with additional protection against potentially abusive automated activity while maintaining existing public rights. Second, District Counsel Christine Fitzgerald discussed the Governor's recent statewide emergency proclamation issued in anticipation of El Niño-related storms. The proclamation is intended to support advance preparation for potential flooding, landslides, coastal erosion, and damage infrastructure impacts. Of particular relevance to the District, is that it directs state agencies to expedite permitting, regulatory approvals, and technical assistance for projects designed to reduce storm-related risks and encourages coordination with water and wastewater utilities to improve emergency preparedness and service restoration. Staff will monitor potential opportunities for expedited approvals or state assistance and will update the Board as appropriate.

6. Directors' Report

Director Slater-Carter noted concerns that AI tools may monitor public meetings and use publicly available information for purposes such as marketing or model training. Although no specific intent has been confirmed, the growing use of AI may increase the use of meeting information by third parties.

Director Softky reported on a symposium workshop he attended examining how to build trust in artificial intelligence systems used for decision-making. Researchers and technology experts discussed the importance of ensuring AI systems are reliable and trustworthy as they become more autonomous.

Director Slater-Carter noted new laws may help agencies manage automated public records requests and recommended verifying requestors' identities. She also advised the District to consider potential tribal interests and consultation requirements affecting facilities or future projects.

Director Young said she attended the Half Moon Bay Forum and noted that traffic concerns were not discussed despite ongoing congestion and planned housing development in the area.

Directors Young and Boyd discussed the District's strategic plan. Director Softky suggested inviting Chris Benford to share her experience developing a successful strategic plan and offer insights so the District may consider its own planning process in preparation for the upcoming Municipal Services Review.

The Board agreed that any discussion would need to be formally agendized and structured before proceeding. It was clarified that the conversation was exploratory, that legal considerations may need review, and that there was no indication Ms. Benford was seeking to be hired to lead the work. District Counsel Christine Fitzgerald and staff will follow up to confirm next steps.

7. General Manager's Report (Heldmaier)-none

FUTURE AGENDAS

BREAK at 8:30pm

CONVENE IN CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code §54956.8)

Property: 771 Rivera Rd., Montara, CA
Agency Negotiators: District General Manager; District General Counsel
Negotiating parties: Coast Wholesale Florists, a corporation/Miller-Havice Ranch
Under Negotiation: Price and Terms of Payment.

CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
Paragraph (2) or (3) of subdivision (d) of Gov. Code § 54956.9 (one potential case)

ADJOURNMENT at 9:40 pm

The district has a curfew of 10:30 pm for all meetings. The meeting may be extended for one hour by vote of the Board.

Respectfully Submitted,

Signed_____
Secretary

Approved on the 19th of November 2026

Signed_____
President