

1999-2000 GRAND JURY FINAL REPORT

CHANNEL ISLANDS BEACH COMMUNITY SERVICES DISTRICT (CIBCSD)

Respondents: Board of Supervisors
Chief Administrative Officer

Recommendation (R-1):

The County and the District should invoke the binding arbitration clause in the contract in an effort to avoid any costly County effort to withdraw from the 30-year contract established in 1996.

Response:

At their July 13, 1999 meeting, the Board of Supervisors directed the Harbor Department staff to prepare an analysis of the potential cost and associated impact of the County's potential withdrawal from the Channel Islands Beach Community Service District water services agreement. That report has not been finalized for presentation to the Board. The Board of Supervisor and the Chief Administrative Officer believe that until County staff returns to the Board with its completed analysis and recommendation, and until the Board takes a position on the withdrawal issue, there is no County position from which to arbitrate. It would, therefore, be premature to consider initiating an arbitration process at this time.

Recommendation (R-2):

By mutual agreement, the Harbor lessees' concerns should be addressed in the arbitration proceedings.

Response:

The Board and the CAO believe there are still opportunities to work with the CIBCSD and the lessees to address the lessees concerns in a setting other than binding arbitration. As stated above, until a final recommendation regarding a withdrawal proposal is acted upon by the Board of Supervisors, there is no basis from which to pursue arbitration, which is still an available alternative.

Recommendation (R-3):

The Water Service Agreement should be amended to modify the further composition of the Water Utility Rate Review Committee (WURRC). Instead of four resident/owners being selected from the District and approved by the District Board there should only be three selected and Board of Supervisors should appoint a member at large. The WURRC would then be composed of:

- 1. The Director of the County Harbor Department.*
- 2. Three Harbor Lessee representatives.*
- 3. Three residents or property owners in the District.*
- 4. A member of the District's Board of Directors.*
- 5. One appointee by the Board of Supervisors.*

This change will provide the lessees an equal status with residents/property owners on the rate review committee.

Response:

Because the role of the WURRC is advisory to the CIBCSD Board, the Board of Supervisors considers the addition of service area members to the Board of Directors a more effective approach to enhance representation than changing the composition of the WURRC.