

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MEETING OF THE BOARD OF DIRECTORS

Tuesday, January 13, 2009 – 7:00 p.m.

AGENDA

The Coastside County Water District does not discriminate against persons with disabilities. Upon request, the agenda and agenda packet can be provided in a format to accommodate special needs. If you require a copy of the agenda or related materials in an alternative format to accommodate a disability, or if you wish to attend this public meeting and will require special assistance or other special equipment, please call the District at (650) 726-4405 in advance and we will make every reasonable attempt to provide such an accommodation.

This agenda and accompanying materials can be viewed on Coastside County Water District's website located at: www.coastsidewater.org.

The Board of the Coastside County Water District reserves the right to take action on any item included on this agenda.

- 1) ROLL CALL**
- 2) PLEDGE OF ALLEGIANCE**
- 3) PUBLIC ANNOUNCEMENTS**

Any person may address the Board of Directors at the commencement of the meeting on any matter within the jurisdiction of the Board that is not on the agenda for this meeting. Any person may address the Board on an agenda item when that item is called. The chair requests that each person addressing the Board limits their presentation to three minutes and complete and submit a Speaker Slip.

4) SPECIAL ORDER OF BUSINESS

Resolution 2009-01 - A Resolution of the Board of Directors of the Coastside County Water District expressing gratitude to Everett Ascher for his leadership and dedicated service to the community in his capacity as President of the CCWD Board of Directors ([attachment](#))

5) CONSENT CALENDAR

The following matters before the Board of Directors are recommended for action as stated by the General Manager.

All matters listed hereunder constitute a Consent Calendar, are considered as routine by the Board of Directors, and will be acted upon by a single vote of the Board. There will be no separate discussion of these items unless a member of the Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- A. Requesting the Board to review disbursements for the month ending December 31, 2008 - Claims: \$441,346.07; Payroll: \$89,813.07; for a total of \$531,159.14 ([attachment](#))
- B. Acceptance of Financial Reports ([attachment](#))
- C. Minutes of the December 9, 2008 Board of Directors Meeting ([attachment](#))
- D. Installed Water Connection Capacity and Water Meters Report ([attachment](#))
- E. Total CCWD Production Report ([attachment](#))
- F. CCWD Monthly Sales by Category Report ([attachment](#))
- G. December 2008 Leak Report ([attachment](#))
- H. Rainfall Reports ([attachment](#))
- I. San Francisco Public Utilities Commission Hydrological Conditions Report for December 2008 ([attachment](#))

6) DIRECTOR COMMENTS / MEETINGS ATTENDED

7) GENERAL BUSINESS

- A. Ailanto Properties Pacific Ridge Preliminary Submittal ([attachment](#))
- B. 475 Avenue Alhambra – Water Service Agreement ([attachment](#))
- C. Mid-Year Financial Review ([attachment](#))
- D. Revisions to District Purchasing Policy and Check Signing Policy ([attachment](#))
- E. Water Reclamation Project Next Steps ([attachment](#))

8) GENERAL MANAGER’S REPORT INCLUDING MONTHLY INFORMATIONAL REPORTS ([attachment](#))

- A. Monthly Water Resources Report ([attachment](#))
- B. Water Shortage and Drought Contingency Plan Update ([attachment](#))
- C. Operations Report ([attachment](#))

9) ADJOURNMENT

RESOLUTION NO. 2009 – 01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
COASTSIDE COUNTY WATER DISTRICT EXPRESSING ITS GRATITUDE TO
EVERETT ASCHER FOR HIS LEADERSHIP AND DEDICATED SERVICE TO THE
COMMUNITY IN HIS CAPACITY AS PRESIDENT OF THE BOARD OF DIRECTORS**

*WHEREAS, Everett Ascher was originally appointed to serve on the Board of Directors of the Coastsid
County Water District on January 28, 2003, and thereafter was elected by the voters to serve on the Board of
Directors on November 4, 2003 and re-elected on November 8, 2005; and*

*WHEREAS, Director Ascher was thereafter elected by his fellow Directors to serve as President of the
Board on January 10, 2006 and thereafter presided until December 12, 2006; and*

*WHEREAS, Director Ascher was once again elected by his fellow Directors to serve as Board President
on December 11, 2007 and presided through December 9, 2008; and*

*WHEREAS, numerous accomplishments have been made by the Coastsid
County Water District under
President Ascher's leadership, including:*

- ❖ Successful completion of the third and final phase of the El Granada Pipeline Replacement Project*
- ❖ Implementation of a comprehensive multi-year capital improvement program, a financially sound and
successful operating budget, and compliance with increasingly restrictive water quality requirements*
- ❖ Providing strong District staff participation at public events promoting water conservation and awareness*
- ❖ Awarding contracts for many capital improvement projects and the successful completion of an Automatic
Meter Reading Pilot Program*
- ❖ Providing sound fiscal management as confirmed by unqualified financial audits*
- ❖ Establishing and adopting a water supply policy designed to meet the needs of current and future customers in
an environmentally responsible way*
- ❖ Adoption of a Resolution establishing a policy regarding distribution of recycled water within the District's
service boundary and formation of a water reclamation committee*
- ❖ Significant involvement in many conferences associated with the Association of California Water Agencies
(ACWA), and the California Special Districts Association (CSDA), including serving as a Director on the
ACWA Region 5 Board and providing support to ACWA on many issues and at numerous events*
- ❖ Participation in a mutual interest committee with the Montara Water & Sanitary District in developing goals
and opportunities, including next steps for regional issues and discussions of the development of a mutual
emergency supply agreement*

*WHEREAS, the Coastsid
County Water District is poised to continue the successes achieved under
President Ascher's leadership, thanks to his enthusiasm, commitment and devotion.*

*NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Coastsid
County Water District does hereby express its sincere thanks to and appreciation of Everett Ascher for his dedicated service to
this community as a President of the Board of Directors of the Coastsid
County Water District.*

*PASSED AND ADOPTED this 13th day of January 2009, by the following votes of the Board of
Directors:*

*AYES:
NOES:
ABSENT:*

*Chris R. Mickelsen
President, Board of Directors
Coastsid
County Water District*

ATTEST:

David R. Dickson, Secretary of the Board

<u>Check Number</u>	<u>Vendor No</u>	<u>Vendor Name</u>	<u>Check Date</u>	<u>Void Amount</u>	<u>Check Amount</u>
11654	ALL04	ALLIED WASTE SERVICES #925	12/12/2008	0.00	205.65
11655	ALV01	ALVES PETROLEUM, INC.	12/12/2008	0.00	1,536.77
11656	ASC01	EVERETT ASCHER	12/12/2008	0.00	1,002.52
11657	ATT01	AT&T MOBILTY	12/12/2008	0.00	508.60
11658	BRA04	GINA BRAZIL	12/12/2008	0.00	126.90
11659	BRE01	CATHLEEN BRENNAN	12/12/2008	0.00	936.16
11660	COA 15	COASTSIDE NET, INC	12/12/2008	0.00	59.95
11661	HAR03	HARTFORD LIFE INSURANCE CO.	12/12/2008	0.00	2,472.15
11662	KAI01	KAISER FOUNDATION HEALTH	12/12/2008	0.00	8,609.00
11663	PAC01	PACIFIC GAS & ELECTRIC CO.	12/12/2008	0.00	178.97
11664	PAC02	PACIFICA CREDIT UNION	12/12/2008	0.00	591.50
11665	PUB01	PUB. EMP. RETIRE SYSTEM	12/12/2008	0.00	15,618.61
11666	SAN07	SM CTY ENVIRONMENTAL HEALTH	12/12/2008	0.00	1,166.00
11667	STA15	STATE WATER RESOURCES CONTROL	12/12/2008	0.00	1,452.00
11668	VAL01	VALIC	12/12/2008	0.00	1,270.00
11669	ASS01	ACWA SERVICES CORPORATION	12/19/2008	0.00	18,012.42
11670	COU05	RECORDER'S OFFICE	12/19/2008	15.00	0.00
11671	PAC01	PACIFIC GAS & ELECTRIC CO.	12/19/2008	0.00	43,390.40
11672	PUB01	PUB. EMP. RETIRE SYSTEM	12/19/2008	0.00	22,754.52
11673	SAN03	SAN FRANCISCO WATER DEPT.	12/19/2008	0.00	99,394.52
11674	TWI01	STEVE TWITCHELL	12/19/2008	0.00	574.00
11675	UNI08	UNION BANK OF CALIFORNIA, N.A.	12/19/2008	0.00	1,045.50
11678	COU05	RECORDER'S OFFICE	12/24/2008	0.00	12.00
11679	ADP01	ADP, INC.	12/26/2008	0.00	535.55
11680	ALP02	ALPINE AWARDS ACCOUNTING	12/26/2008	0.00	143.76
11681	AME11	AMERICAN WATER WORKS	12/26/2008	0.00	211.60
11682	AND01	ANDREINI BROS. INC.	12/26/2008	0.00	6,491.00
11683	ATC01	ATCHISON, BARISONE	12/26/2008	0.00	794.75
11684	ATT02	AT&T	12/26/2008	0.00	1,125.36
11685	ATT03	AT&T LONG DISTANCE	12/26/2008	0.00	38.53
11686	AZT01	AZTEC GARDENS	12/26/2008	0.00	190.00
11687	BAR03	BARTLE WELLS ASSOCIATES	12/26/2008	0.00	6,951.57
11688	BAS01	BASIC CHEMICAL SOLUTION, LLC	12/26/2008	0.00	2,502.39
11689	BAY05	BAY AREA WATER SUPPLY &	12/26/2008	0.00	4,072.90
11690	BAY10	BAY ALARM COMPANY	12/26/2008	0.00	712.11
11691	BET02	DEOLINDA BETTENCOURT	12/26/2008	0.00	150.00
11692	BFI02	BFI OF CALIFORNIA, INC.	12/26/2008	0.00	768.00
11693	BIO01	BIOVIR LABORATORIES, INC.	12/26/2008	0.00	435.00
11694	CAL08	CALCON SYSTEMS, INC.	12/26/2008	0.00	2,628.41
11695	CAL15	CALIFORNIA URBAN WATER	12/26/2008	0.00	166.95
11696	CAR02	CAROLYN STANFIELD	12/26/2008	0.00	485.00
11697	CHA01	ALFREDO & SHARON CHAVEZ	12/26/2008	0.00	150.00
11698	COA19	COASTSIDE COUNTY WATER DIST.	12/26/2008	0.00	58.86
11699	COM01	COMMUNICATION LEASING SERVICES	12/26/2008	0.00	1,462.40
11700	CUM01	CUMMINS WEST, INC.	12/26/2008	0.00	2,786.44
11701	DAT01	DATAPROSE, INC	12/26/2008	0.00	3,993.72
11702	DIC01	DAVID DICKSON	12/26/2008	0.00	1,544.26
11703	ERS01	ERS INDUSTRIAL SERVICES INC.	12/26/2008	0.00	5,047.66
11704	FIR06	FIRST NATIONAL BANK	12/26/2008	0.00	1,634.24
11705	FRI01	FRISCH ENGINEERING, INC	12/26/2008	0.00	11,302.50
11706	GAR07	GARDINI ELECTRIC CO., INC.	12/26/2008	0.00	3,906.01
11707	GON01	GO NATIVE, INC	12/26/2008	0.00	697.94
11708	GRA02	GRAPHIC CONTROLS LLC	12/26/2008	0.00	454.78
11709	GRA03	GRAINGER, INC.	12/26/2008	0.00	865.55
11710	GRA05	GRANITEROCK	12/26/2008	0.00	520.20
11711	GUI01	JOE GUISTINO	12/26/2008	0.00	27.00
11712	HAL01	HMB BLDG. & GARDEN INC.	12/26/2008	0.00	88.61
11713	HAL24	H.M.B.AUTO PARTS	12/26/2008	0.00	69.05
11714	HAN01	HANSONBRIDGETT. LLP	12/26/2008	0.00	4,349.00
11715	HAR03	HARTFORD LIFE INSURANCE CO.	12/26/2008	0.00	2,156.15
11716	HOM01	HOME DEPOT	12/26/2008	0.00	844.12
11717	IED01	IEDA, INC.	12/26/2008	0.00	1,000.00

<u>Check Number</u>	<u>Vendor No</u>	<u>Vendor Name</u>	<u>Check Date</u>	<u>Void Amount</u>	<u>Check Amount</u>
11718	IRO01	IRON MOUNTAIN	12/26/2008	0.00	243.14
11719	IRV01	IRVINE, DAVID E.	12/26/2008	0.00	1,340.00
11720	JAC02	JACK HENRY & ASSOCIATES, INC.	12/26/2008	0.00	2,030.45
11721	KEN03	KENNEDY/JENKS CONSULTANTS	12/26/2008	0.00	23,973.28
11722	LIQ01	LIQUIVISION TECHNOLOGY, INC.	12/26/2008	0.00	8,250.00
11723	MAZ01	MAZE & ASSOCIATES, INC.	12/26/2008	0.00	526.00
11724	MCT01	MCTV6	12/26/2008	0.00	1,950.00
11725	MET06	METLIFE SBC	12/26/2008	0.00	1,241.32
11726	MIK01	MIKE LEWIS CONCRETE CONSTRUCTI	12/26/2008	0.00	600.00
11727	MIS01	MISSION UNIFORM SERVICES INC.	12/26/2008	0.00	154.93
11728	MON01	DARIN BOVILLE	12/26/2008	0.00	300.00
11729	MON07	MONTEREY COUNTY LAB	12/26/2008	0.00	9,333.00
11730	OCE04	OCEAN SHORE CO.	12/26/2008	0.00	1,066.47
11731	OFF01	OFFICE DEPOT	12/26/2008	0.00	79.63
11732	ONL01	ONLINE RESOURCES	12/26/2008	0.00	50.00
11733	ONT01	ONTRAC	12/26/2008	0.00	167.48
11734	PAC02	PACIFICA CREDIT UNION	12/26/2008	0.00	591.50
11735	PAU01	PAULO'S AUTO CARE	12/26/2008	0.00	196.04
11736	PCI01	PC, INC	12/26/2008	0.00	23,543.20
11737	PIT04	PITNEY BOWES	12/26/2008	0.00	231.00
11738	PUB01	PUB. EMP. RETIRE SYSTEM	12/26/2008	0.00	16,164.35
11739	PUM01	PUMP REPAIR SERVICE CO. INC.	12/26/2008	0.00	20,026.53
11740	RIC01	RICOH AMERICAS CORPORATION	12/26/2008	0.00	794.47
11741	RIC04	RICE TRUCKING--SOIL FARM	12/26/2008	0.00	152.52
11742	ROB01	ROBERTS & BRUNE CO.	12/26/2008	0.00	1,580.75
11743	ROG01	ROGUE WEB WORKS, LLC	12/26/2008	0.00	255.00
11744	ROM02	ROMEO PACKING COMPANY	12/26/2008	0.00	324.75
11745	SAN02	SAN MATEO CTY RESOURCE CONSERV	12/26/2008	0.00	2,500.00
11746	SAN05	SAN MATEO CTY PUBLIC HEALTH LA	12/26/2008	0.00	493.80
11747	SAN10	SAN MATEO COUNTY	12/26/2008	0.00	5,035.00
11748	SEW01	SEWER AUTH. MID- COASTSIDE	12/26/2008	0.00	570.00
11749	SIE02	SIERRA CHEMICAL CO.	12/26/2008	0.00	2,618.33
11750	STE02	JIM STEELE	12/26/2008	0.00	780.00
11751	TAI02	TAIT ENVIRONMENTAL SYSTEMS	12/26/2008	0.00	200.00
11752	TET01	JAMES TETER	12/26/2008	0.00	18,130.38
11753	TRC01	TRC	12/26/2008	0.00	361.25
11754	TUR04	SUSAN TURGEON	12/26/2008	0.00	36.94
11755	UB*00571	TIM HOEFLING ATTN: VICKEY KOHLHAUS	12/26/2008	0.00	24.56
11756	UB*00572	RONALD FIORE	12/26/2008	0.00	62.24
11757	UB*00573	SUSAN DUPRE	12/26/2008	0.00	99.00
11758	UB*00574	ANDREA PRESCOTT	12/26/2008	0.00	67.18
11759	UB*00575	KEN STRICKLAND	12/26/2008	0.00	52.98
11760	UB*00576	SHELLY FLYNN (SAREO)	12/26/2008	0.00	53.13
11761	UB*00577	ELEANOR SOTO	12/26/2008	0.00	33.16
11762	UB*00578	CALIFORNIA SUITES	12/26/2008	0.00	34.05
11763	VAL01	VALIC	12/26/2008	0.00	1,270.00
11764	WAT02	WATER EDUCATION FOUND.	12/26/2008	0.00	1,000.00
11765	WES11	WEST COAST AGGREGATES, INC.	12/26/2008	0.00	478.75
Report Total:				15.00	441,346.07

CHECK NOS. 11676 & 11677 - VOID

COASTSIDE COUNTY WATER DISTRICT - PERIOD BUDGET ANALYSIS
PERIOD ENDING DECEMBER 31, 2008

ACCOUNT	DESCRIPTION	CURRENT ACTUAL	CURRENT BUDGET	B/(W) VARIANCE	B/(W) % VAR	YTD ACTUAL	YTD BUDGET	B/(W) VARIANCE	B/(W) % VAR
REVENUE									
1-0-4120-00	Water Revenue -All Areas	309,248	309,091	157	0.1%	2,975,599	3,326,890	(351,291)	(10.6%)
1-0-4170-00	Water Taken From Hydrants	3,319	2,083	1,236	59.3%	25,261	12,500	12,761	102.1%
1-0-4180-00	Late Notice -10% Penalty	3,910	4,167	(257)	(6.2%)	27,724	25,000	2,724	10.9%
1-0-4230-00	Service Connections	752	667	86	12.9%	4,400	4,000	400	10.0%
1-0-4235-00	CSP Connection T & S Fees	6,970	0	6,970	0.0%	13,940	0	13,940	0.0%
1-0-4920-00	Interest Earned	0	0	0	0.0%	54,393	50,062	4,331	8.7%
1-0-4925-00	Interest Revenue T&S Fees	0	0	0	0.0%	0	0	0	0.0%
1-0-4927-00	Inerest Revenue Bond Funds	0	0	0	0.0%	0	0	0	0.0%
1-0-4930-00	Tax Apportionments/Cnty Checks	265,805	300,000	(34,195)	(11.4%)	360,477	350,000	10,477	3.0%
1-0-4950-00	Miscellaneous Income	7,736	6,333	1,403	22.1%	49,729	38,000	11,729	30.9%
1-0-4960-00	CSP Assm. Dist. Processing Fee	0	0	0	0.0%	0	0	0	0.0%
1-0-4965-00	ERAF REFUND -County Taxes	0	0	0	0.0%	0	0	0	0.0%
1-0-4970-00	Wavecrest Reserve Conn. Fees	0	0	0	0.0%	0	0	0	0.0%
REVENUE TOTALS		597,740	622,341	(24,600.51)	(4.0%)	3,511,523	3,806,452	(294,929)	(7.7%)
EXPENSES									
1-1-5130-00	Water Purchased	99,395	88,542	(10,853)	(12.3%)	708,121	828,586	120,465	14.5%
1-1-5230-00	Pump Exp, Nunes T P	1,756	1,667	(89)	(5.3%)	8,563	10,000	1,437	14.4%
1-1-5231-00	Pump Exp, CSP Pump Station	38,023	14,060	(23,963)	(170.4%)	221,331	179,470	(41,861)	(23.3%)
1-1-5232-00	Pump Exp, Trans. & Dist.	1,025	1,378	353	25.6%	13,655	14,469	814	5.6%
1-1-5233-00	Pump Exp, Pilarcitos Can.	308	50	(258)	(515.8%)	1,342	300	(1,042)	(347.2%)
1-1-5234-00	Pump Exp. Denniston Proj.	1,959	6,208	4,249	68.4%	11,437	37,248	25,811	69.3%
1-1-5235-00	Denniston T.P. Operations	5,683	7,463	1,780	23.8%	26,398	44,778	18,380	41.0%
1-1-5236-00	Denniston T.P. Maintenance	880	3,000	2,120	70.7%	15,119	18,000	2,881	16.0%
1-1-5240-00	Nunes T P Operations	10,752	7,022	(3,730)	(53.1%)	60,238	73,731	13,493	18.3%
1-1-5241-00	Nunes T P Maintenance	4,891	4,308	(583)	(13.5%)	19,280	25,848	6,568	25.4%
1-1-5242-00	CSP Pump Station Operations	589	708	119	16.8%	3,812	4,248	436	10.3%
1-1-5243-00	CSP Pump Station Maintenance	0	10,000	10,000	100.0%	11,816	20,000	8,184	40.9%
1-1-5318-00	Studies/Surveys/Consulting	9,414	4,167	(5,247)	(125.9%)	18,663	25,002	6,339	25.4%
1-1-5321-00	Water Conservation	7,698	3,333	(4,365)	(131.0%)	16,755	19,998	3,243	16.2%
1-1-5322-00	Community Outreach	2,250	2,641	391	14.8%	7,464	15,846	8,382	52.9%
1-1-5411-00	Salaries & Wages -Field	77,212	63,338	(13,874)	(21.9%)	430,982	411,699	(19,284)	(4.7%)
1-1-5412-00	Maintenance -General	19,803	15,066	(4,737)	(31.4%)	100,367	90,396	(9,971)	(11.0%)
1-1-5414-00	Motor Vehicle Expense	2,275	4,833	2,558	52.9%	19,797	28,998	9,201	31.7%
1-1-5415-00	Maintenance -Well Fields	0	2,117	2,117	100.0%	5,738	12,702	6,964	54.8%

ACCOUNT	DESCRIPTION	CURRENT ACTUAL	CURRENT BUDGET	B/(W) VARIANCE	B/(W) % VAR	YTD ACTUAL	YTD BUDGET	B/(W) VARIANCE	B/(W) % VAR
1-1-5610-00	Salaries/Wages-Administration	55,750	47,517	(8,233)	(17.3%)	295,044	308,860	13,815	4.5%
1-1-5620-00	Office Supplies & Expense	9,077	11,613	2,535	21.8%	43,958	69,675	25,717	36.9%
1-1-5621-00	Computer Services	3,910	4,492	582	13.0%	24,402	26,950	2,548	9.5%
1-1-5625-00	Meetings / Training / Seminars	4,257	2,708	(1,549)	(57.2%)	8,930	16,250	7,320	45.0%
1-1-5630-00	Insurance	31,545	41,112	9,568	23.3%	251,013	246,675	(4,338)	(1.8%)
1-1-5640-00	Employees Retirement Plan	53,299	30,406	(22,893)	(75.3%)	200,891	197,640	(3,251)	(1.6%)
1-1-5681-00	Legal	4,845	4,750	(95)	(2.0%)	11,850	28,500	16,650	58.4%
1-1-5682-00	Engineering	281	2,083	1,802	86.5%	3,445	12,500	9,055	72.4%
1-1-5683-00	Financial Services	526	3,948	3,422	86.7%	18,356	23,688	5,332	22.5%
1-1-5684-00	Payroll Tax Expense	7,679	8,119	439	5.4%	48,932	52,771	3,838	7.3%
1-1-5687-00	Membership, Dues, Subscript.	1,150	4,330	3,180	73.4%	27,489	25,983	(1,506)	(5.8%)
1-1-5688-00	Election Expenses	0	0	0	0.0%	0	0	0	0.0%
1-1-5689-00	Labor Relations	0	1,250	1,250	100.0%	0	7,500	7,500	100.0%
1-1-5700-00	San Mateo County Fees	6,201	2,000	(4,201)	0.0%	8,798	9,200	402	4.4%
1-1-5705-00	State Fees	1,452	0	(1,452)	#DIV/0!	9,156	23,000	13,844	60.2%
1-1-5710-00	Deprec, Trucks, Tools, Equipt.	0	0	0	0.0%	0	0	0	0.0%
1-1-5711-00	Debt Svc/Existing Bonds 1998A	0	0	0	0.0%	235,578	235,610	32	0.0%
1-1-5712-00	Debt Svc/Existing Bonds 2006B	1,046	0	(1,046)	0.0%	324,492	325,174	682	0.2%
1-1-5713-00	Contribution to CIP & Reserves	36,167	36,167	(0)	(0.0%)	217,000	217,000	(0)	(0.0%)
1-1-5745-00	CSP Connect. Reserve Contribu.	6,970	0	(6,970)	0.0%	13,940	0	(13,940)	0.0%
1-1-5746-00	Wavecrest CSP Connt. Reserve	0	0	0	0.0%	0	0	0	0.0%
EXPENSE TOTALS		508,066	440,396	(67,670)	(15.4%)	3,444,153	3,688,292	244,139	6.6%
NET INCOME		89,675	181,945	(92,270)		67,370	118,160	-50,790	

COASTSIDE COUNTY WATER DISTRICT

INVESTMENT REPORT

December 31, 2008

		<i>Restricted</i>	<i>Restricted</i>	<i>Restricted for CSP CIP Projects</i>		
	CASH FLOW & OPERATING RESERVE	EMERGENCY RESERVES	CAPITAL EXPENDITURES	DISTRICT CSP CONTRIBUTION	CSP T&S FEES	TOTAL
DISTRICT BALANCES						
<u>CASH IN FNB</u>						
OPERATING ACCOUNT			\$668,423.71			\$668,423.71
CSP T&S ACCOUNT					\$22,650.64	\$22,650.64
TOTAL FIRST NATIONAL BANK	\$0.00	\$0.00	\$668,423.71	\$0.00	\$22,650.64	\$691,074.35
CASH WITH L.A.I.F	\$297,870.00	\$700,000.00	\$1,323,172.93	\$267,655.14	\$20,483.25	\$2,609,181.32
UNION BANK - Project Fund Balance			\$3,340,297.69			\$3,340,297.69
CASH ON HAND	\$2,130.00					\$2,130.00
TOTAL DISTRICT CASH BALANCES	\$300,000.00	\$700,000.00	\$5,331,894.33	\$267,655.14	\$43,133.89	\$6,642,683.36
ASSESSMENT DISTRICT BALANCES						
<u>CASH IN FIRST NATIONAL BANK (FNB)</u>						
REDEMPTION ACCOUNT		\$ 85,800.65				
RESERVE ACCOUNT (Closed Account 8-4-04)		\$ -				
TOTAL ASSESSMENT DISTRICT CASH		\$ 85,800.65				
<i>This report is in conformity with CCWD's Investment Policy and there are sufficient funds to meet CCWD's expenditure requirements for the next three months.</i>						

**COASTSIDE COUNTY WATER DISTRICT
CRYSTAL SPRINGS PROJECT
CAPITAL PROJECTS FY 08/09**

December 31, 2008

<u>PROJECT</u>	<u>Actual to date</u>	<u>FY 08/09 CIP Budget</u>	<u>% Completed</u>
El Granada Pipeline Phase 3 1128-03	\$1,784,348	\$2,300,000	77.6%
TOTALS	\$1,784,348	\$2,300,000	77.6%

**COASTSIDE COUNTY WATER DISTRICT
APPROVED CAPITAL IMPROVEMENT PROJECTS
FISCAL YEAR 2008-2009**

31-Dec-08

Acct No.	Approved CIP Budget FY 08/09	Actual To Date FY 08-09	% Completed
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PIPELINE PROJECTS

Highway #1 South Phase I / II	1121-46	\$ 100,000	\$ 37,690	37.7%
Highway 92 - Main Line Replacement (Spanishtown)		\$ 100,000		0.0%
Main Street/Hwy 92 Widening Project	1120-93	\$ 50,000	\$ 4,600	9.2%

WATER TREATMENT PLANTS

Denniston Intake Maintenance	1120-03	\$ 27,000	\$ 35,437	131.2%
Denniston Sludge Ponds		\$ 100,000		0.0%
Denniston WTP- Filter Flow Meters		\$ 6,000		0.0%
Nunes- Replace Cl2/pH Analyzer	1118-10	\$ 15,000	\$ 4,131	27.5%
Nunes Filter Media Replacement	1121-25	\$ 50,000	\$ 51,288	102.6%
Nunes UST removal and replaced with AGST	1121-44	\$ 15,000	\$ 23,611	157.4%
Nunes WTP - Head Loss System Replacement	1118-10	\$ 15,000	\$ 15,064	100.4%

FACILITIES & MAINTENANCE

AMR Program	1121-41	\$ 50,000	\$ 15,151	30.3%
PRV Valves Replacement Project	1121-43	\$ 20,000	\$ 17,000	85.0%
Meter Change Program	1117-06	\$ 17,000	\$ 11,607	68.3%
Main Office - Replace Skylights (repair leaks)		\$ 25,000		0.0%
Fire Hydrant Replacement	1121-49	\$ 40,000	\$ 15,876	39.7%
Pilarcitos Culvert Repair	1121-48	\$ 100,000	\$ 2,880	2.9%
District Digital Mapping		\$ 75,000		0.0%

EQUIPMENT PURCHASE & REPLACEMENT

Vehicle Replacement	1118-04	\$ 27,000		0.0%
Computer System	1118-02	\$ 25,000	\$ 11,706	46.8%
Office Equipment/Furniture	1118-02	\$ 20,000	\$ 1,435	7.2%
SCADA/Telemetry	1120-82	\$ 500,000	\$ 5,227	1.0%

PUMP STATIONS / TANKS / WELLS

Crystal Springs VFD Project		\$ 68,000		0.0%
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**COASTSIDE COUNTY WATER DISTRICT
 APPROVED CAPITAL IMPROVEMENT PROJECTS
 FISCAL YEAR 2008-2009**

31-Dec-08

	Acct No.	Approved CIP Budget FY 08/09	Actual To Date FY 08-09	% Completed
Well Rehabilitation	1121-38	\$ 60,000	\$ 20,027	33.4%
Alves Tank Recoating, Interior+Exterior		\$ 150,000		0.0%
Miramar Tank Interior Recoat + Mixing		\$ 300,000		0.0%
Cahill Tank Exterior Recoat + Ladder		\$ 160,000		0.0%
El Granada Pump Station #2 Removal Project	1120-48	\$ 50,000	\$ 1,288	2.6%
EG Tank #3 Recoating Interior + Exterior		\$ 260,000		0.0%
CSP Pump #2 Rehabilitation		\$ 75,000		0.0%
Tank Staff Gauge Repair		\$ 15,000		0.0%
Intrusion Alarms at all Tanks		\$ 50,000		0.0%
New Pilarcitos Well		\$ 10,000		0.0%
Pilarcitos Canyon Blending Station		\$ 50,000		0.0%
Tank Ladder Project		\$ 50,000		0.0%

NUNES/ DENNISTON WTP PRIORITY (SHORT-TERM) IMPROVEMENTS

Nunes / Denniston Short Term WTP Modifications	1121-21	\$ 1,651,000	\$ 101,969	6.2%
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DENNISTON WTP PRIORITY (SHORT-TERM) IMPROVEMENTS

Denniston Storage Tank Modification Project		\$ 686,000	\$ 21,078	3.1%
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DENNISTON WTP (LONG-TERM) IMPROVEMENTS (MEMBRANE FILTRATION)

Denniston Electrical System Upgrade/Expansion		\$ 30,000		0.0%
Denniston Pre/Post Treatment Study	1127-04	\$ 200,000	\$ 24,162	12.1%

NUNES WTP (LONG-TERM) IMPROVEMENTS (UV DISINFECTION)

Modify Filters for Rate of Flow Control		\$ 10,000		0.0%
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WATER SUPPLY DEVELOPMENT

Reclamation Project Planning	1127-00	\$ 100,000	\$ 7,806	7.8%
Water Supply Alternatives Evaluation		\$ 50,000		0.0%

TOTALS		\$ 5,402,000	\$ 429,031	7.9%
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**COASTSIDE COUNTY WATER DISTRICT
 APPROVED CAPITAL IMPROVEMENT PROJECTS
 FISCAL YEAR 2008-2009**

31-Dec-08

Acct No.	Approved CIP Budget FY 08/09	Actual To Date FY 08-09	% Completed
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FY 07/08 CIP Projects - paid in FY 08/09

Nunes WTP Raw Water Turbidimeter

\$ 10,000 \$ 8,016

NON-BUDGETED ITEMS (CAPITAL EXPEDITURES)

Denniston Emergency Shut Down

\$ 11,204

Denniston Valve Replacement

\$ 3,246

EG Tank #1 Modification Project

1121-42 \$ 117

**Legal Cost Tracking Report
12 Months At-A-Glance**

**Acct. No.5681
ANTHONY CONDOTTI
Legal**

Month	Admin (General Legal Fees)	CSP	Transfer Program	CIP	Personnel	Lawsuits 62% Reimbursable	Infrastructure Project Review (Reimbursable)	TOTAL
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Jan-08	3,854	1,386						5,240
Feb-08	1,630	1,305		1,956				4,891
Mar-08	2,353	312		59				2,724
Apr-08	4,718	293	78	1,014				6,102
May-08	3,774	995		234				5,003
Jun-08	1,379	1,373	78	196	176			3,200
Jul-08	1,895	624	78	68				2,666
Aug-08	2,843	156	137	39				3,174
Sep-08	1,312		156	20			20	1,507
Oct-08	1,636	351	78	189			117	2,371
Nov-08	1,662		156				956	2,774
Dec-08	678			117				795

TOTAL	27,734	6,794	761	3,891	176	0	1,092	40,446
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**Engineer Cost Tracking Report
12 Months At-A-Glance**

**Acct. No. 5682
JAMES TETER
Engineer**

Month	Admin & Retainer	Phase 3 EG Pipeline	CIP	Short Term WTP Imprv.	Studies & Projects	TOTAL	Reimbursable from Projects
Jan-08	1,268	4,593		7,585	3,249	16,696	3,249
Feb-08	1,190	7,099	1,051	6,246		15,586	
Mar-08	954	1,413	314	18,019	157	20,857	157
Apr-08	2,210	1,413	5,535	15,681	1,131	25,970	1,131
May-08	611			14,644		15,255	
Jun-08	454		1,440	9,392	2,544	13,829	2,544
Jul-08	963	681		403	2,254	4,300	2,254
Aug-08	1,563		782	8,782	1,486	12,613	1,486
Sep-08	641		531	12,930	2,887	16,988	2,887
Oct-08	480		11,603	3,220	1,771	17,074	1,771
Nov-08	480		11,849	81	1,820	14,229	1,820
Dec-08	281		14,110	81	3,740	18,211	1,820
TOTAL	11,095	15,199	47,214	97,062	21,038	191,608	19,118

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE BOARD OF DIRECTORS MEETING

Tuesday, December 9, 2008

- 1) **ROLL CALL:** President Ascher called the meeting to order at 7:04 p.m., Present at roll call were Directors Ken Coverdell, Jim Larimer, Chris Mickelsen, and Bob Feldman.

Also present were: David Dickson, General Manager; Patrick Miyaki, Legal Counsel; Joe Guistino, Superintendent of Operations; Cathleen Brennan, Public Outreach/Program Development /Water Resources Analyst; JoAnne Whelen, Administrative Assistant/Recording Secretary and Gina Brazil, Office Manager.

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC ANNOUNCEMENTS:** There were no public announcements; however Director Coverdell requested to address the Board as a member of the public. He referenced an article in the December 3, 2008 edition of the Half Moon Bay Review, and commented that he was confused and concerned that the article stated that the Coastside County Water District had offered to pay for a proposed recycled water project on the coastside and he wondered if that was the CCWD Board's intent.

Brief discussion ensued with Vice-President Mickelsen stating that it was his understanding that CCWD would provide a lot of money and grant funding opportunities for the project, and noted that the San Francisco Public Utilities Commission and the Bay Area Water Supply and Conservation Agency have expressed an interest in supporting a recycling project. Director Larimer added that there is a clear need to improve the expansion of the District's reserve water supply, and this project may be the least expensive alternative. Director Feldman stated that he felt that all of the Directors had been clear in presenting their support of the project at the two recent meetings conducted on November 24, 2008 at the Sewer Authority Mid-Coastside (SAM). He also

encouraged anyone interested in understanding the District's position on this potential project, to view the video of these two meetings on the District's website. President Ascher declared that the intent was to convey the CCWD Board's interest in participating and investing in the recycling project and he felt that CCWD's financial strength would be an important element in getting the recycling project constructed.

Mr. Dickson provided clarification by explaining that the users of recycled water would be paying for the water reclamation, the District would be backing the financing of the water recycling facility, and that the costs would be recovered through the rates paid by the recycled water users. He further added that the District's rate payers will actually benefit from this project versus other means that the District could explore to achieve the same necessary water supply goals. Mr. Dickson also stated that the District's ability to finance the project and the justification for backing the financing, comes from the benefit that it will provide to the customers and it also establishes the District's position as the lead agency.

4) SPECIAL ORDER OF BUSINESS

A. Election of CCWD Board President and Vice-President

President Ascher opened the discussion of the election of officers.

ON MOTION by President Ascher and seconded by Director Coverdell, the Board voted unanimously for Vice President Chris Mickelsen to serve as President of the CCWD Board for the 2009 year term:

Director Coverdell	Aye
Vice-President Mickelsen	Aye
Director Larimer	Aye
Director Feldman	Aye
President Ascher	Aye

ON MOTION by President Mickelsen and seconded by Director Ascher, the Board voted unanimously for Director Bob Feldman to serve as Vice-President of the CCWD Board for the 2009 year term:

Director Coverdell	Aye
Director Larimer	Aye
Director Feldman	Aye
Director Ascher	Aye
President Mickelsen	Aye

Director Ascher announced that the new officers would take their positions effective immediately and passed the gavel over to President Mickelsen.

President Mickelsen thanked former President Ascher and the Board and stated that he was looking forward to moving the District forward, especially in the area of a water-recycling project.

5) CONSENT CALENDAR

- A. Requesting the Board to review disbursements for the month Ending November 30, 2008- Claims: \$517,454.30; Payroll: \$71,610.71; for a total of \$589,065.01
- B. Acceptance of Financial Reports
- C. Minutes of the November 18, 2008 Board of Directors Meeting
- D. Installed Water Connection Capacity and Water Meters Report
- E. Total CCWD Production Report
- F. CCWD Monthly Sales by Category Report
- G. November 2008 Leak Report
- H. Rainfall Reports
- I. San Francisco Public Utilities Commission Hydrological Conditions Report for November 2008
- J. Notice of Completion - Acceptance of the Phase 3 El Granada Transmission Pipeline Replacement Project

Director Larimer requested clarification on the monthly production and sales reports, which was provided by Mr. Guistino.

Vice-President Feldman stated that he had reviewed the monthly claims and found all to be in order.

ON MOTION by Director Ascher and seconded by Director Larimer, the Board voted as follows, to accept the Consent Calendar in its entirety:

Director Coverdell	Aye
Director Ascher	Aye
Director Larimer	Aye
Vice-President Feldman	Aye
President Mickelsen	Aye

6) DIRECTOR COMMENTS / MEETINGS ATTENDED

Director Ascher reported on his attendance at the Association of California Water Agencies Fall Conference held in Long Beach, CA, noting that the focus of the event was on environmental concerns, recycling and conservation matters.

Director Feldman noted that he had attended a Water Resources Committee meeting and the committee's recommendations in regards to adopting the Pilarcitos Integrated Watershed Management Plan would be presented later, under the General Business portion of the agenda. He also reported on the Sewer Authority Mid-Coastside (SAM) Recycled Water Committee Meeting, and the SAM Board meeting, both conducted on November 24, 2008.

Director Larimer stated that, along with all other CCWD Board members, he had attended the two SAM meetings as well. He also reported on a meeting he recently had with Mr. Jeff Peck and Mr. Scott Holmes, representing the Big Wave Project, where he learned a great deal about potential recycling plant alternatives, and suggested inviting Mr. Holmes to attend a future Board meeting to explain some of the potential options to the Board.

President Mickelsen added that he had toured the Pacifica Water Recycling Plant years ago with Mr. Holmes and had also learned a lot and felt that with applying sound science and utilizing the resources within the community, the recycling project should move forward. President Mickelsen also reported on the Bay Area Water Supply and Conservation Agency (BAWSCA) meeting.

Director Ascher stated that it was an absolute pleasure to serve as the Board's President over the past year and appreciated the support and confidence of both the Board and Staff. He highlighted the Board's accomplishments over the past year, including the completion of Phase 3 of the El Granada Pipeline Replacement Project, starting to move forward on a water reclamation project, the District's successful financial state, and water conservation programs, and excellent public outreach. He also noted that the District was making progress in discussing an emergency inter-tie connection with the Montara Water & Sanitary District. He thanked everyone once again, for working together as a team to accomplish all the projects that contributed to the District's success over the past year.

President Mickelsen and Director Coverdell both expressed their appreciation to Director Ascher for the progress accomplished and for his outstanding leadership over the past year.

7) GENERAL BUSINESS

A. Adoption of Pilarcitos Integrated Watershed Management Plan

Mr. Dickson introduced this item, and provided a brief background of the progress that twenty agencies had accomplished over the past two years, resulting in a Memorandum of Understanding to cover implementation of the Plan. He also noted that Ms. Brennan, the District's Water Resources Analyst, had successfully taken the contents of a three hundred-page document and summarized it into five-page report for the Board's review of the Plan.

Ms. Brennan explained that the Pilarcitos Integrated Watershed Management Plan was a collaborative effort among all the participants to produce a balanced approach to managing the Pilarcitos watershed. She noted that the Plan consists of two sections, one which assesses the state of the watershed and the other which states the projects, the goals and objectives and the executive summary. She explained the purpose of the Plan and advised that the Plan would be updated annually, which will reflect recent activities and progress accomplished on the projects.

President Mickelsen and Vice-President Feldman, both members of the committee, added a few comments about the development of the Plan and Ms. Brennan addressed several questions from the Board. Director Larimer requested that the committee be advised that the Board felt that the key goal was not really expressed in the straightforward detail that it could have been, and the District would prefer it be re-stated in the future. Mr. Dickson and Mr. Miyaki assisted with the language in stating the following motion.

ON MOTION by Director Larimer and seconded by Director Coverdell, the Board voted as follows, to adopt the Pilarcitos Integrated Watershed Management Plan, recognizing that CCWD agrees with it's principles in concept, and that the District wants to state clearly, that a main goal of the Pilarcitos Integrated Watershed Management Planning should be to preserve and maintain the domestic water supply:

Director Coverdell	Aye
Director Ascher	Aye
Director Larimer	Aye
Vice-President Feldman	Aye
President Mickelsen	Aye

Ms. Brennan reiterated that the Plan would be submitted to the public at the Blue Circle event, on December 16th at 3:30 p.m. at the Skylawn Memorial Park. Mr. Miyaki noted that all Directors are able to attend this public event and that the District is not required to publicly notice the meeting.

B. Approval of Trustee Removal and Appointment for the Hartford's Deferred Compensation Plan

Mr. Dickson explained the nature and principles of this item, noting that the Hartford has requested that the District approve the Resolutions reassigning the appointment of the trustee to Reliance Trust Company. Discussion ensued, with Mr. Miyaki addressing some questions from the Board.

ON MOTION by Director Ascher and seconded by Vice-President Feldman, the Board voted as follows, to ratify the Resolutions and direct staff, including the finance committee, if necessary, to obtain answers to the questions raised by Director Larimer and if it is determined that it is not perfunctory, the decision will be made to bring the matter back to the attention of the CCWD Board of Directors:

Director Coverdell	Aye
Director Ascher	Aye
Director Larimer	Aye
Vice-President Feldman	Aye
President Mickelsen	Aye

C. Appointment of CCWD Board Member Representatives and alternate(s) to participate in San Mateo County Local Agency Formation Commission (LAFCo) election of officers

Mr. Dickson referenced his staff report, which included the background of this agenda item, and explained the District's role in the LAFCo's election process and the importance of selecting alternate representatives.

ON MOTION by Director Coverdell and seconded by President Mickelsen, the Board voted as follows, to appoint Director Ascher as the first alternate to participate in the San Mateo County Local Agency Formation Commission election of officers should President Mickelsen be unavailable, followed by Directors Feldman, Larimer and Coverdell as additional alternates:

Director Coverdell	Aye
Director Ascher	Aye
Director Larimer	Aye
Vice-President Feldman	Aye
President Mickelsen	Aye

8) GENERAL MANAGER'S REPORT INCLUDING MONTHLY INFORMATIONAL REPORTS

Mr. Dickson referenced his staff report, and addressed questions concerning the replacement of the District's server. He also reiterated that he had not heard back from the Sewer Authority Mid-Coastside (SAM) representatives in regards to scheduling the next Water Reclamation Committee meeting, but would remain diligent in continuing to stay in contact with SAM in an effort to schedule the meeting.

Director Larimer noted that Mr. Miyaki had recently advised the Board of the California Water Codes on the District's role and responsibilities in terms of delivering recycled water to our customers and that he had responded via e-mail with a list of questions inquiring further about the authority and the types of things the District is authorized to pursue. He requested that his list of questions be addressed in an open session of the CCWD Board. He offered to work further with Mr. Dickson and Mr. Miyaki to formulate the questions so that possibly the questions could be addressed at the January Board meeting.

Mr. Dickson suggested that some of the questions could be difficult to answer at this point, and he recommended that an overview of the District's next steps be presented. Director Larimer stated that he felt the issue is very urgent and agreed that there are many options and solutions but the District needs to understand all of the relevant facts as soon as possible.

President Mickelsen agreed that the District will move forward and quickly on this matter. Board discussion ensued and it was proposed that possibly the January 13, 2009 Board meeting could start at 6:00 p.m. to allow ample time to discuss some of the questions and next steps associated with this proposed project.

- A. **Monthly Water Resources Report**
- B. **Water Shortage and Drought Contingency Plan Update**
- C. **Operations Report**

Mr. Guistino addressed a question from Director Ascher in regards to the present situation at the Canada Cove Mobil Home Park. Discussion ensued, with Mr. Dickson assuring the Board that District staff is working through the difficult issues to establish a number of potential solutions that will benefit Canada Cove and the residents and protect the District's water system.

9) ADJOURNMENT

The meeting was adjourned at 9:06 p.m. The next regular meeting of the Coastside County Water District's Board of Directors is scheduled for Tuesday, January 13, 2009.

Respectfully submitted,

David R. Dickson, General Manager
Secretary of the Board

Chris R. Mickelsen, President
Board of Directors
Coastside County Water District

COASTSIDE COUNTY WATER DISTRICT
Installed Water Connection Capacity & Water Meters

2008

Installed Water Connection Capacity	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Total
HMB Non-Priority													
5/8" meter	1	1		6	1	2	3	2	3	1			20
3/4" meter		1											1
HMB Priority													
5/8" meter		1											1
3/4" meter													0
1" meter													0
County Non-Priority													
5/8" meter				4					3				7
3/4" meter													0
1" meter													0
County Priority													
5/8" meter													0
3/4" meter		1											1
1" meter													0
Monthly Total	1	4	0	10	1	2	3	2	6	1	0	0	30

5/8" meter = 1 connection
3/4" meter = 1.5 connections
1" meter = 2.5 connections

Installed Water Meters	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Totals
HMB Non-Priority	1	2.5		6	1	2	3	2	3	1			21.5
HMB Priority		1											1
County Non-Priority				4					3				7
County Priority		1.5											1.5
Monthly Total	1	5	0	10	1	2	3	2	6	1	0	0	31

TOTAL CCWD PRODUCTION (MG) ALL SOURCES-2008

	PILARCITOS		DENNISTON		CRYSTAL SPRINGS	RAW WATER	UNMETERED	TREATED
	WELLS	LAKE	WELLS	RESERVOIR	RESERVOIR	TOTAL	USAGE	TOTAL
JAN	6.47	29.20	0.00	0.00	7.03	42.70	2.99	39.71
FEB	9.39	38.24	0.00	0.00	0.00	47.63	2.78	44.85
MAR	9.04	40.42	1.01	3.94	0.00	54.41	3.83	50.58
APR	0.00	58.26	0.88	13.53	1.84	74.51	4.06	70.45
MAY	0.00	29.32	2.89	14.00	54.87	101.08	5.36	95.72
JUN	0.00	0.00	3.32	9.15	77.34	89.81	5.6	84.21
JUL	0.00	0.00	3.50	9.75	75.32	88.57	7.136	81.43
AUG	0.00	0.00	0.33	2.55	87.00	89.88	4.492	85.39
SEPT	0.00	0.00	0.00	0.00	76.90	76.90	4	72.90
OCT	0.00	0.00	0.00	0.00	77.73	77.73	3.53	74.20
NOV	0	0.00	0	0.00	51.83	51.83	2.98	48.85
DEC	4.75	0.00	0	0.00	48.34	53.09	4	49.09
								0
TOTAL MG	29.65	195.44	11.93	52.92	558.20	848.14	50.761	797.38
% TOTAL	3.5%	23.0%	1.4%	6.2%	65.8%	100.0%	6.0%	94.0%

12 Month Running Total

797.38

SOURCES OF UNMETERED WATER								
2008								
MG								
	Dennist on Plant	Nunes Plant	Main Flushing	Detector Checks*	Main Breaks	Fire Dept	Other	Total
JAN	0.000	2.94	0.002	0.023	0.001	0.001	0.026	2.993
FEB	0.000	2.71	0	0.058	0.013	0.002	0	2.783
MAR	0.890	2.86	0.005	0	0.071	0.003	2.7	6.529
APR	1.520	2.42	0.097	0.001	0.02	0.001	0.03	4.089
MAY	1.767	3.176	0.05	0.001	0.36	0.001		5.355
JUN	1.781	3.48	0.01	0	0.03	0.001	0.3	5.602
JUL	2.353	3.981	0.1	0.044	0.49	0.001	0.167	7.136
AUG	0.611	3.8	0	0	0.07	0.001	0.01	4.492
SEP	0.000	3.56	0	0.322	0.085	0.001	0.035	4.003
OCT	0.000	3.33	0	0.004	0.081	0.001	0.114	3.53
NOV	0.000	3.033	0.01	0.165	0.007	0.001	-0.237	2.979
DEC	0.000	3.571	0	0.02	0.163	0.006	0.236	3.996
TOTAL	8.92	38.86	0.27	0.64	1.39	0.02		53.49

Comments

drained 3 feet of EG 1

1.2MG to EG 1/1.5 MG to Der
fill section 1 of EGPipeline

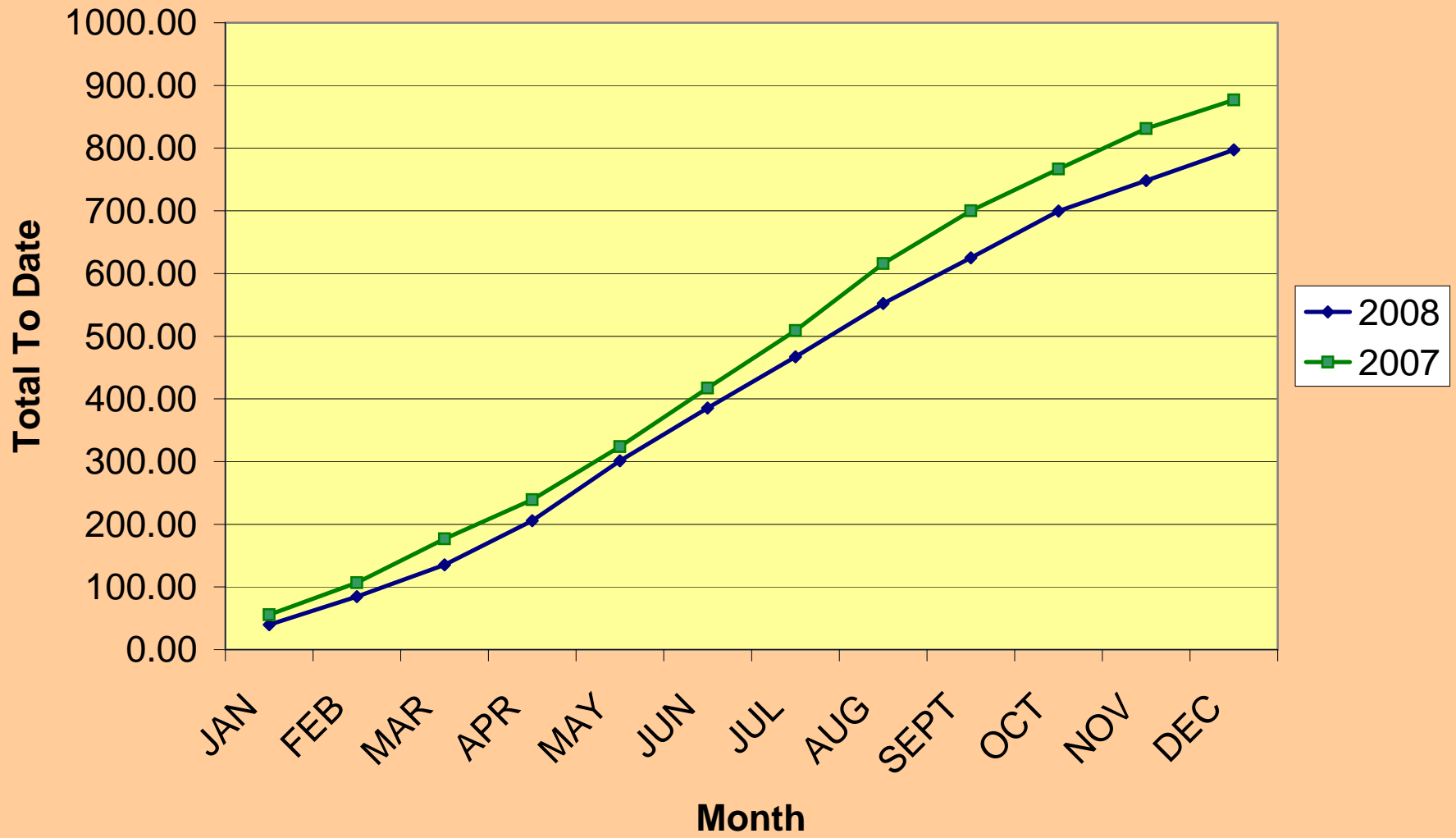
EG3 load and flush

Tie in flushes/ Denniston FTW
alto tie in

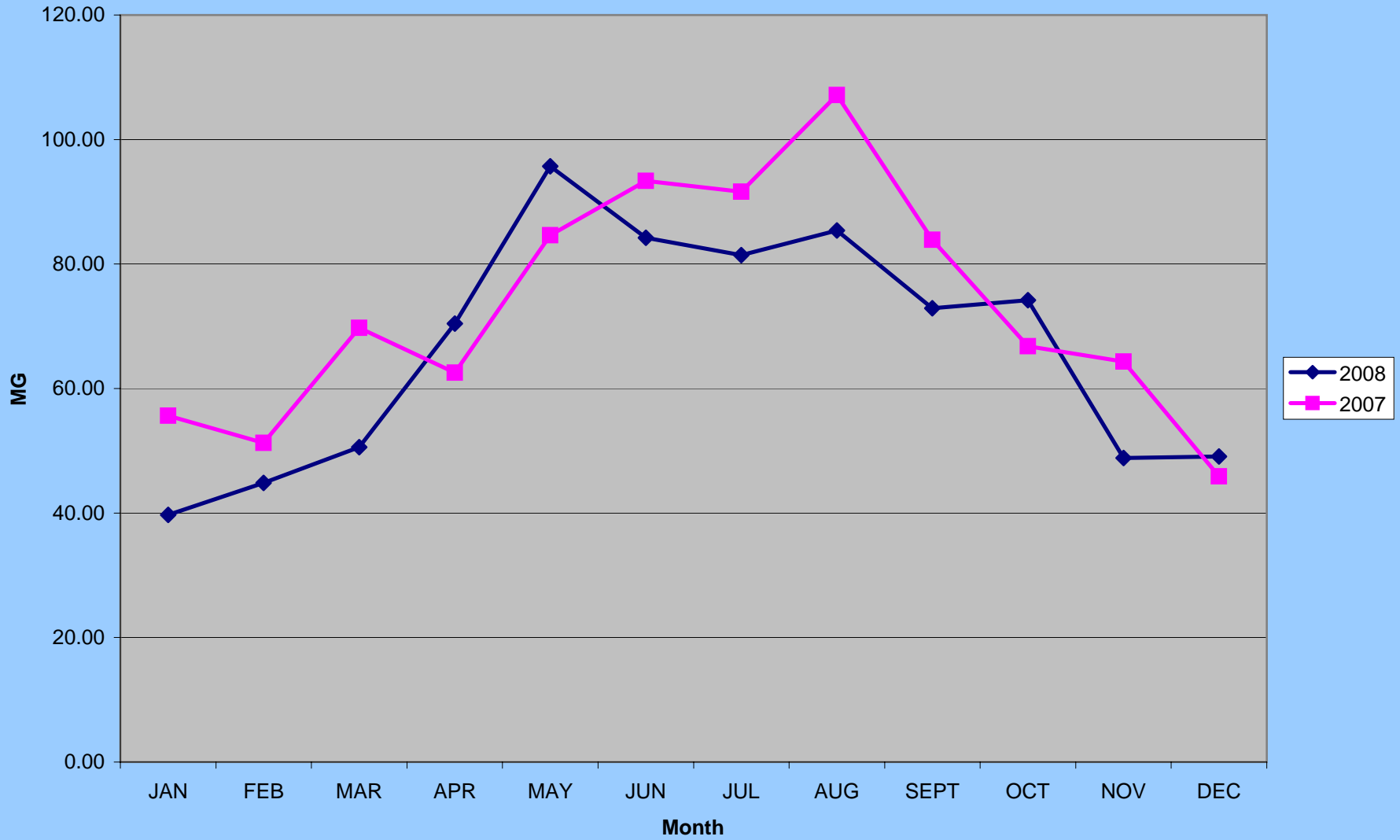
35,000 gallons into tanks
114,000 gallons into tanks

* although this water is metered, it is not part of the sales figures.

CUMULATIVE PRODUCTION



Production 2008 vs 2007



**Coastside County Water District Monthly Sales By Category (MG)
2008**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	MG to Date
RESIDENTIAL	21.17	31.05	19.64	36.623	28.871	53.578	30.064	53.703	29.785	46.449	23.142	36.05	410.13
COMMERCIAL	5.38	1.1	6.17	1.23	6.781	1.477	7.938	1.441	7.877	1.238	5.593	1.026	47.25
RESTAURANT	1.96	0.04	2.13	0.053	2.887	0.045	3.231	0.026	2.673	0.127	3.722	0.123	17.02
HOTELS/MOTELS	4.48	0.24	4.5	0.138	5.305	0.136	5.671	0.158	5.778	0.126	1.831	0.088	28.45
SCHOOLS	0.93	0.07	0.86	0.068	2.224	0.171	3.515	0.115	3.428	0.103	0.332	0.052	11.87
MULTI DWELL	4.51	6.08	4.38	5.921	5.146	6.365	5.762	6.217	5.382	6.054	2.759	2.828	61.40
BEACHES/PARKS	0.38	0.01	0.28	0.025	0.786	0.064	1.173	0.079	0.993	0.094	0.568	0.009	4.46
FLORAL	17.55	0.21	17.31	0.227	22.968	0.293	16.961	0.35	15.601	0.306	6.556	0.292	98.62
RECREATIONAL	0.07	0.16	0.06	0.174	0.096	0.209	0.111	0.228	0.12	0.2	0.065	0.167	1.66
MARINE	1.15	0	0.32	0	0.402	0	0.37	0	1.143	0	0.943	0	4.33
IRRIGATION	3.12	0.48	0.12	1.476	14.77	3.251	28.197	3.333	17.651	2.634	0.382	1.695	77.11
Portable Meters	0	0.33	0	0.284	0	1.296	0	1.587	0	1.735	0	0.403	5.64
Unmetered Usage													
TOTAL - MG	60.70	39.77	55.77	46.22	90.24	66.89	102.99	67.24	90.43	59.07	45.89	42.73	767.93

Running 12 Month Total

767.93

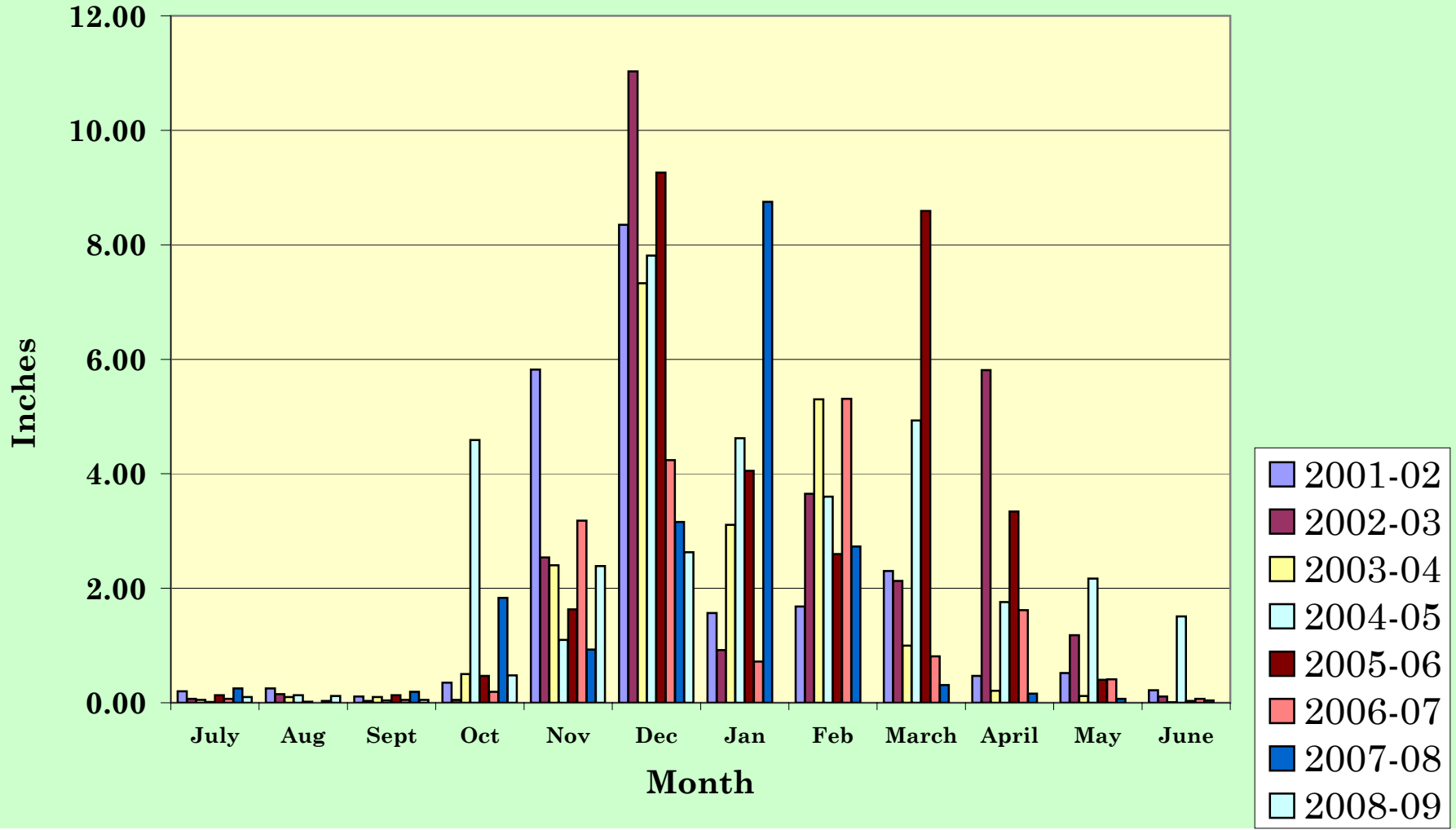
**Coastside County Water District Monthly Sales By Category (MG)
2007**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	MG to Date
RESIDENTIAL	21.27	34.33	18.74	27.400	22.997	49.261	33.276	52.936	29.526	47.223	21.889	30.912	389.75
COMMERCIAL	6.32	1.38	5.73	1.098	6.465	1.358	8.888	1.390	7.543	1.407	5.943	1.072	48.60
RESTAURANT	2.29	0.00	2.19	0.000	2.256	0.001	2.431	0.012	2.576	0.022	2.133	0.016	13.93
HOTELS/MOTELS	4.66	0.13	4.11	0.125	10.163	0.152	5.008	0.186	6.057	0.150	5.441	0.096	36.28
SCHOOLS	0.53	0.13	0.77	0.094	1.153	0.286	3.389	0.171	3.043	0.272	2.162	0.070	12.08
MULTI DWELL	5.37	6.38	4.57	5.776	4.674	6.513	5.709	6.594	5.859	6.468	4.623	5.172	67.71
BEACHES/PARKS	0.29	0.02	0.41	0.094	0.842	0.114	1.093	0.076	1.461	0.079	0.613	0.016	5.11
FLORAL	14.73	0.24	14.69	0.222	21.682	0.256	22.718	0.269	18.705	0.280	15.882	0.212	109.88
RECREATIONAL	0.08	0.18	0.06	0.204	0.061	0.242	0.099	0.242	0.082	0.187	0.063	0.222	1.72
MARINE	1.35	0.00	0.98	0.000	1.363	0.000	1.438	0.000	1.423	0.000	1.068	0.000	7.62
IRRIGATION	0.30	0.69	0.11	0.887	3.939	2.339	25.280	3.226	26.044	2.697	9.324	0.981	75.81
PORTABLE METERS	0.00	0.30	0.11	0.171	0.000	0.278	0.000	1.468	0.000	1.069	0.000	0.711	4.11
Unmetered Usage													
MG	57.18	43.78	52.48	36.07	75.59	60.80	109.33	66.57	102.32	59.85	69.14	38.77	771.88

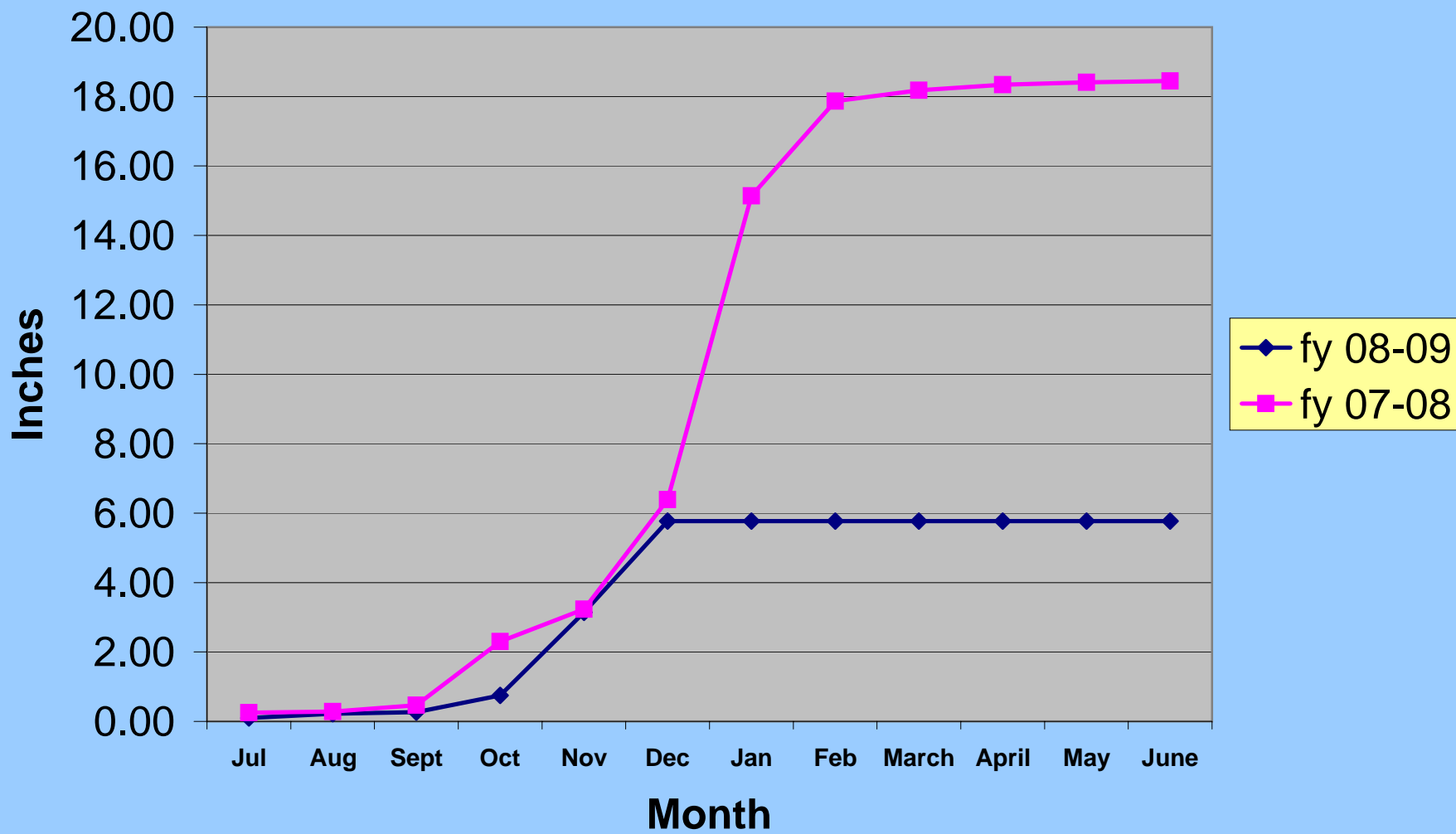
Coastside County Water District

Rainfall by Month

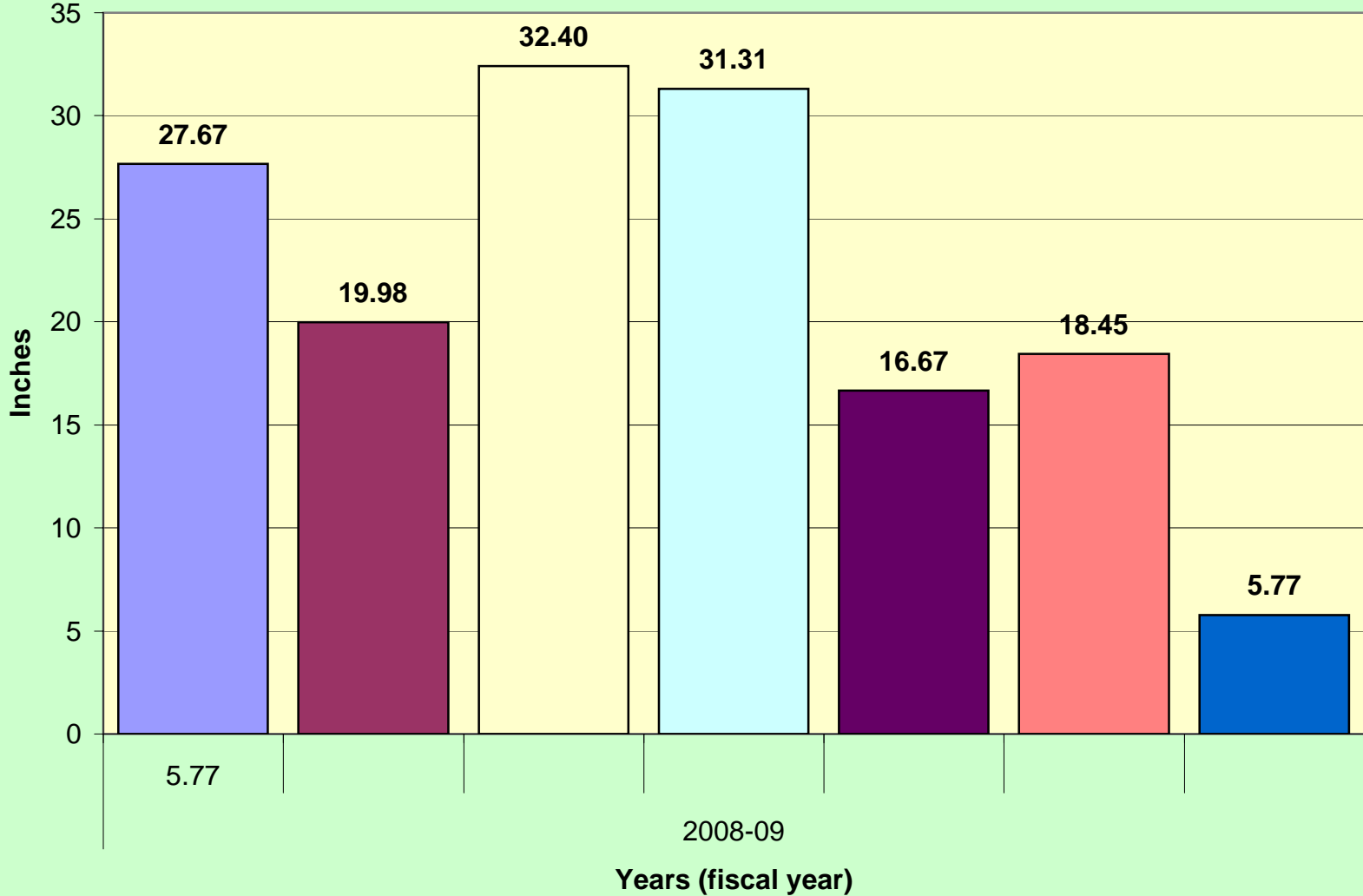
July '08 thru Jun '09



Rainfall Totals fy 08 - 09



Rain Totals



MONTHLY CLIMATOLOGICAL SUMMARY for DEC. 2008

NAME: Office CITY: Half Moon Bay STATE: CA ELEV: 80 LAT: 37 38' 00" LONG: 122 25'59"

TEMPERATURE (°F), RAIN (in), WIND SPEED (mph)

DAY	MEAN TEMP	HIGH	TIME	LOW	TIME	HEAT DEG DAYS	COOL DEG DAYS	RAIN	AVG WIND SPEED	HIGH	TIME	DOM DIR
1	54.3	60.0	2:30p	50.1	6:00a	10.7	0.0	0.01	0.3	7.0	7:30p	SSW
2	56.0	62.7	12:00p	48.3	12:00m	9.0	0.0	0.01	1.0	10.0	2:30p	WSW
3	52.7	63.0	2:00p	44.9	4:00a	12.3	0.0	0.01	1.2	14.0	7:30p	NNE
4	52.0	60.5	3:30p	46.7	9:30p	13.0	0.0	0.00	2.8	15.0	10:30a	N
5	56.2	63.9	3:00p	49.0	3:30a	8.8	0.0	0.00	5.4	24.0	8:00a	NNE
6	57.7	64.0	2:30p	50.2	12:00m	7.3	0.0	0.00	4.1	17.0	11:00a	N
7	52.4	58.5	12:30p	45.1	8:00a	12.6	0.0	0.00	1.8	12.0	1:00p	N
8	52.2	58.4	11:30a	42.9	11:30p	12.8	0.0	0.00	1.8	13.0	12:00p	NNE
9	48.8	58.7	1:30p	40.5	2:30a	16.2	0.0	0.00	1.9	16.0	1:00p	NNE
10	53.4	62.6	3:30p	47.6	7:00a	11.6	0.0	0.00	4.3	24.0	6:30a	N
11	56.6	68.3	3:00p	47.8	10:00p	8.7	0.3	0.00	3.0	16.0	8:00a	N
12	54.4	60.8	1:30p	49.9	6:30a	10.6	0.0	0.03	1.3	14.0	7:00p	WSW
13	49.0	54.4	1:00p	42.2	11:00p	16.0	0.0	0.04	3.0	82.0	5:30a	NNW
14	45.5	55.6	12:30p	36.5	4:30a	19.5	0.0	0.52	2.7	127.0	6:00p	SE
15	47.7	55.2	3:00p	38.7	11:30p	17.3	0.0	0.30	1.8	24.0	2:30a	SSW
16	42.6	52.2	2:00p	37.5	5:00a	22.4	0.0	0.18	13.0	127.0	6:30a	NNE
17	43.8	51.6	2:30p	38.4	7:30a	21.2	0.0	0.00	2.7	17.0	5:30a	N
18	49.0	59.0	1:30p	37.0	8:00a	16.0	0.0	0.01	1.4	14.0	1:30a	SE
19	50.6	60.1	1:00p	38.1	12:00m	14.4	0.0	0.23	0.8	104.0	7:30a	WNW
20	43.8	52.3	3:00p	35.5	5:00a	21.2	0.0	0.01	1.4	10.0	1:00p	NNE
21	50.2	54.5	9:30p	44.7	7:30a	14.8	0.0	0.41	1.1	17.0	8:00p	SE
22	49.2	57.9	3:00p	42.9	7:30a	15.8	0.0	0.22	0.7	17.0	2:30a	SW
23	48.9	59.7	2:30p	40.7	8:00a	16.1	0.0	0.04	0.7	10.0	3:00p	S
24	54.5	61.0	11:30a	48.9	12:30a	10.5	0.0	0.05	4.8	26.0	11:30p	ESE
25	49.0	54.6	1:30a	40.7	10:30a	16.0	0.0	0.53	4.4	25.0	9:00a	NNW
26	45.6	53.3	1:30p	38.4	12:00m	19.4	0.0	0.00	1.3	14.0	3:30a	NW
27	46.2	57.3	2:30p	37.1	7:30a	18.8	0.0	0.00	0.3	8.0	2:00a	N
28	49.6	59.0	12:30p	43.7	2:00a	15.4	0.0	0.01	0.2	7.0	9:00p	NNE
29	53.3	63.9	2:00p	47.0	1:00a	11.7	0.0	0.00	1.1	10.0	2:00a	NNE
30	51.1	59.7	2:30p	44.5	11:00p	13.9	0.0	0.01	2.9	17.0	8:00a	N
31	50.3	59.7	1:00p	42.1	3:30a	14.8	0.0	0.01	1.3	13.0	9:00a	NNE
	50.5	68.3	11	35.5	20	448.7	0.3	2.63	2.4	127.0	14	N

Max >= 90.0: 0

Max <= 32.0: 0

Min <= 32.0: 0

Min <= 0.0: 0

Max Rain: 0.53 ON 12/25/08

Days of Rain: 11 (>.01 in) 7 (>.1 in) 0 (>1 in)

Heat Base: 65.0 Cool Base: 65.0 Method: Integration

San Francisco Public Utilities Commission

Hydrological Conditions Report

For December 2008

J. Chester, B. McGurk, A. Mazurkiewicz, M. Tsang, January 6, 2009

Current System Storage

Current Hetch Hetchy System and Local Bay Area storage conditions are summarized in Table 1.

Table 1 Current Storage As of January 1, 2009							
Reservoir	Current Storage		Maximum Storage		Available Capacity		Percent of Maximum Storage
	Acre-Feet	Millions of Gallons	Acre-Feet	Millions of Gallons	Acre-Feet	Millions of Gallons	
Tuolumne System							
Hetch Hetchy ^{1/}	224,180		340,830		116,650		65.8%
Cherry ^{2/}	244,197		268,810		24,613		90.8%
Lake Eleanor ^{3/}	6,782		23,541		16,759		28.8%
Water Bank	342,074		570,000		227,926		60.0%
Tuolumne Storage	817,233		1,203,181		385,948		67.9%
Local Bay Area Storage							
Calaveras ^{4/}	30,804	10,038	96,824	31,550	66,020	21,512	31.8%
San Antonio	43,760	14,259	50,496	16,454	6,736	2,195	86.7%
Crystal Springs	51,508	16,784	58,377	19,022	6,869	2,238	88.2%
San Andreas	17,517	5,708	18,996	6,190	1,479	482	92.2%
Pilarcitos	2,041	665	3,100	1,010	1,059	345	65.8%
Total Local Storage	145,630	47,454	227,793	74,226	82,163	26,772	63.9%
Total System	962,863		1,430,974		468,111		67.3%

^{1/} Maximum Hetch Hetchy Reservoir storage with drum gates deactivated.

^{2/} Maximum Cherry Reservoir storage with flash-boards out.

^{3/} Maximum Lake Eleanor storage with all stop-logs out.

^{4/} Available capacity does not take into account current DSOD storage restrictions.

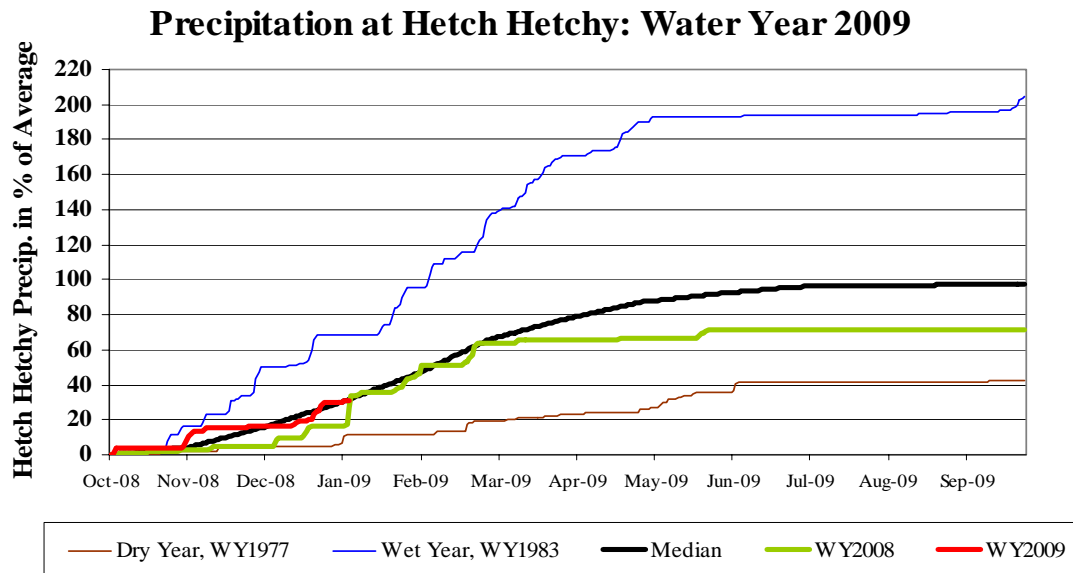
Hetch Hetchy System Precipitation Index ^{5/}

Current Month: The December precipitation index is 5.37 inches, or 93.9% of the average index for the month. 4.76 inches of precipitation (as rain and snow) accumulated at O'Shaughnessy Dam during just two events. The first event occurred mid-month and resulted in 25% of the monthly accumulation. A major event during December 21-26 produced the majority of the monthly precipitation.

Cumulative Precipitation to Date: The accumulated precipitation index for water year 2009 is 10.62 inches, which is 29.8% of the average annual water year total, or 90.7% of the season-to-date precipitation index. The cumulative precipitation for the Hetch Hetchy gauge is shown in Figure 1 in red, indicating that accumulated precipitation at Hetch Hetchy is about average.

^{5/}The precipitation index is computed using six Sierra precipitation stations and is an indicator of the wetness of the basin for the water year to date. The index is computed as the average of the six stations and is expressed in inches and in percent.

Figure 1: Water year 2009 cumulative precipitation received at Hetch Hetchy Reservoir through the end-of-month December. Precipitation curves for wet, dry, median, and WY 2008 years for the station at Hetch Hetchy are included for comparison purposes.



Tuolumne Basin Unimpaired Inflow

Unimpaired inflow to SFPUC reservoirs and Tuolumne River at La Grange as of December 31st is summarized below in Table 2. The total December inflow was 8,755 acre-feet to Hetch Hetchy Reservoir, or 42.0% of the long-term average. Natural flow at LaGrange for December was 30.4% of average. The December inflow volumes were below average due to dry conditions early in the month and because most of the precipitation during December fell as snow in the Up-country watersheds. No new water became available to the City in December, and the overall available water is below average at 17.7%.

	December 2008				October 1, 2008 through December 31, 2008			
	Observed Flow	Median ⁶	Average ⁶	Percent of Average	Observed Flow	Median ⁶	Average ⁶	Percent of Average
Inflow to Hetch Hetchy Reservoir	8,755	12,298	20,845	42.0%	33,019	28,667	41,034	80.5%
Inflow to Cherry Reservoir and Lake Eleanor	8,914	13,911	22,838	39.0%	38,434	31,366	44,067	87.2%
Tuolumne River at La Grange	26,406	48,302	86,977	30.4%	90,913	96,030	150,812	60.3%
Water Available to the City	0	1,449	36,468	0.0%	9,275	5,366	52,385	17.7%

⁶ Hydrologic Record: 1919 – 2005.

Hetch Hetchy System Operations

Draft from Hetch Hetchy Reservoir in December was made only to meet SJPL delivery and the fishery release, which totaled 24,843 acre-feet. The minimum streamflow release from October 1 through December 31 followed the Type B schedule, but due to near-average precipitation at Hetch Hetchy in December, the criterion for a Type A schedule for minimum streamflow releases was met. This resulted in a rise in the streamflow release below Hetch Hetchy from 40 cfs to 50 cfs for the month of January.

During December about 12,855 acre-feet of powerdraft was made from Cherry Reservoir to support the City's Municipal load and District Class 1. All water released to the stream channels from Cherry and Hetch Hetchy was transferred to the City's Water Bank account in Don Pedro Reservoir. 14,235 acre-feet of water was pumped from Lake Eleanor to Cherry Reservoir in December to facilitate capture of future storm runoff.

A system shutdown is scheduled for January 5th thru 18th for repairs and maintenance. During this period, delivery of water to the local system will be suspended and demand will be met from local reservoirs.

Local System Operations

The average rate at the Sunol Valley Water Treatment Plant for December was 42 MGD. The Harry Tracy Water Treatment Plant rate for December averaged 25 MGD.

Local System Water Demand

December water demand averaged 168 MGD, a 6% decrease over the November average of 178 MGD.

Local Precipitation

Precipitation totals across the local watersheds were 79% of normal for the month of December and 64% of normal for year to date. Precipitation totals are presented in Table 3.

Table 3 - Precipitation Totals for December at Three Local Reservoirs

Reservoir	Month Total (inches)	Percentage of Normal for the Month	Year To Date ⁷ (inches)	Percentage of Normal for the Year to Date ⁷
Pilarcitos	4.44	62 %	8.58	57 %
Lower Crystal Springs	3.07	66 %	5.64	56 %
Calaveras	3.94	109 %	6.23	80 %

⁷ Since 7-1-2008

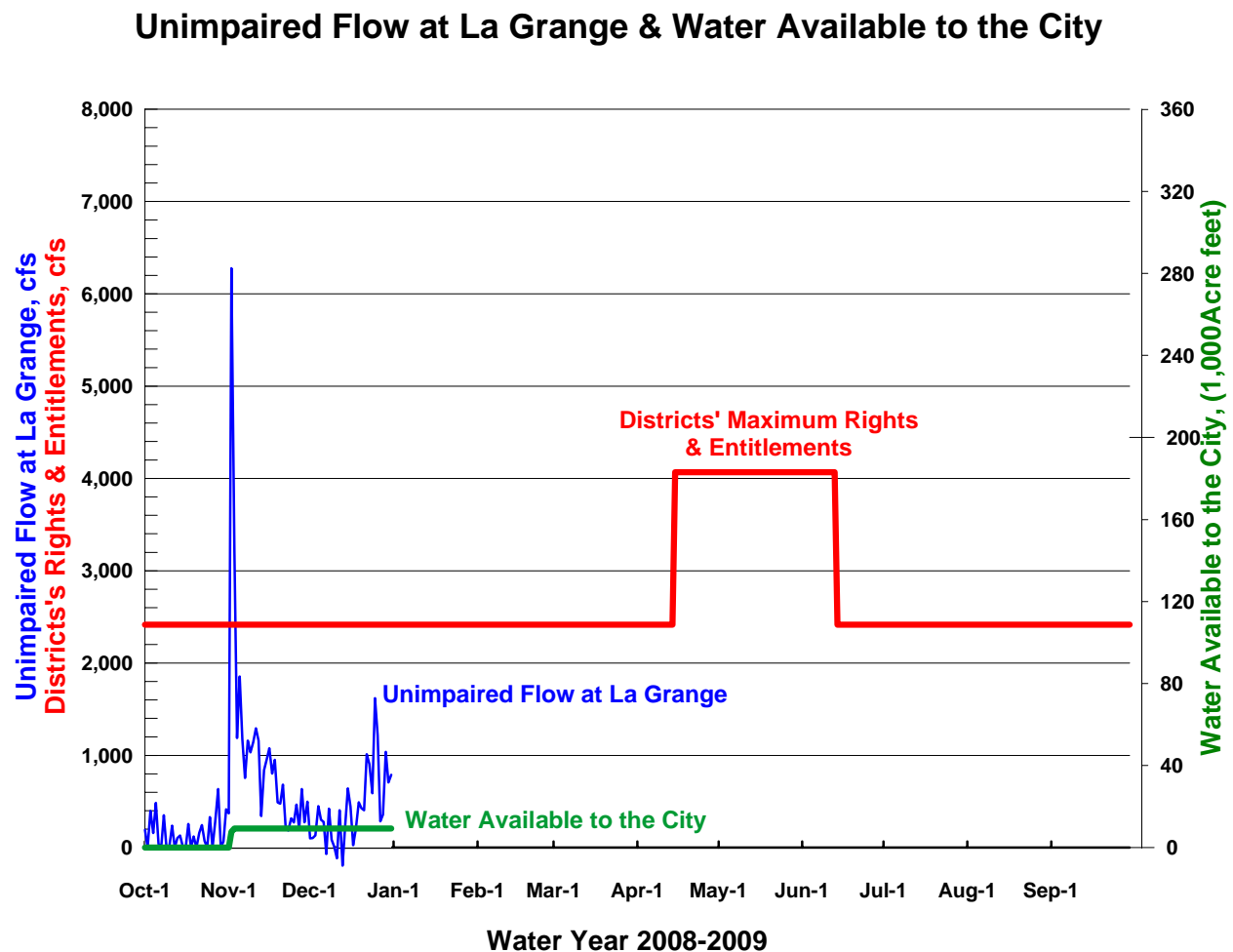
Snowmelt and Water Supply

Inflows into the Up-country reservoirs were low due to the cold temperatures and the seasonal pattern of snow accumulation in the mountains. Manual snow survey measurements for the Tuolumne Basin are scheduled for February 1st. This will provide vital snowpack and water supply information. Automated snow measuring stations indicate that the Tuolumne Basin snowpack is 74% of average as of January 1st. The City did not receive water entitlements in December, so the seasonal total from November remains at 9,275 acre-feet.

Currently, a large system is passing to the north and delivered minor precipitation to the Regional system yesterday, and minor precipitation is expected on Thursday, January 8. Following this small event, a large offshore high-pressure system will dominate the West Coast into the middle of January. This will result in clear skies and prevent storm systems from moving into our region. The three-month climate outlook indicates an equal chance of being above or below average precipitation and normal temperatures.

The NWS Climate Prediction Center has reported that La Niña conditions now exist, but the conditions are weak and a La Nina episode has not yet been declared. In general, La Nina conditions produce drier conditions in California and wet conditions in the Pacific Northwest. Water year 2008 was a La Nina episode and had a record-setting dry spring. However, analysis of data from Tuolumne Basin in relation to the *El Niño-Southern Oscillation* (ENSO) signal proves inconclusive. The most notable dry periods of 1976-1977 and 1987-1993 have no distinct relation to the ENSO signal and both periods contain years described as El Niño and La Niña.

Figure 2: Calculated unimpaired flow at La Grange and the allocation of flows between the Districts and the City. Water available to the City for the period from October 1st, 2008 through December 31st, 2008 was 9,275 acre-feet.



cc	HHWP Records	Dufour, Alexis	Mazurkiewicz, Adam	Sandkulla, Nicole
	Briggs, David	Gibson, Bill	McGurk, Bruce	Sanguinetti, Dave
	Cameron, David	Hale, Barbara	Meier, Steve	Tsang, Michael
	Carlin, Michael	Hannaford, Margaret	Ramirez, Tim	Winnicker, Tony
	Chester, John	Jensen, Art	Rickson, Norman	
	DeGraca, Andrew	Kehoe, Paula	Riffel, Dave	
	Dhokal, Amod	Levin, Ellen	Samii, Camron	

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: January 13, 2009

Report

Date: January 9, 2009

Subject: Ailanto Properties Pacific Ridge Preliminary Submittal

Recommendation:

Information item. No Board action required.

Background:

Due to interest expressed by Board members and the public in the Pacific Ridge project, this staff report provides an update on the status of the project.

On December 2, 2008, the District received an initial submittal for the proposed Ailanto Properties Pacific Ridge development (see Attachment A). The submittal documents propose two pipeline connections to the existing CCWD water distribution system to supply water to the development : an 8 inch connection to the end of the existing 8 inch pipeline on Terrace Ave., and an 8 inch connection to the end of the existing 8 inch pipeline on Silver Ave. The documents also show a mostly looped in-tract pipeline system consisting of primarily 8 inch diameter pipelines (with one 6 inch diameter pipeline as part of a loop). The applicant also included a hydraulic model analysis documenting the sufficiency of flows and pressures within the system.

District Engineer James Teter reviewed the submittal and prepared preliminary comments for staff review (Attachment B). He found the proposed plan to be in conformance with District requirements and confirmed that the hydraulic model results were reasonable. He also noted that the plan does not include the pipeline connection from Pacific Ridge to the Carter Hill pipeline which had been part of the initial project concept. He confirmed that hydraulic model results show this connection is not required to meet the water requirements of the proposed development.

Joe Guistino and I met with Jim Teter to discuss his review and to address the question of whether the District should require that Pacific Ridge provide a pipeline connection to Carter Hill or easements to facilitate connections to the north and south of the development at a future date. We concluded that there are

no compelling engineering or operational reasons to impose such requirements, based on the following considerations:

- The connection to Carter Hill is not necessary to meet water requirements of the 63-home development. This was not true at the time of an earlier initial submittal, when neither the new Carter Hill West pipeline nor the 16-inch El Granada pipeline were in place and the proposed development comprised 223 homes.
- The looped in-tract system, combined with connections to existing pipelines on Terrace and Silver Avenues, provides adequate circulation for water quality purposes and will impose no maintenance obligations on the District beyond those normally associated with existing residential areas.
- The District currently has no plan to install a pipeline from Carter Hill north, parallel to the El Granada pipeline, for the purpose of redundancy or enhanced circulation.
- Current pipeline infrastructure has the capacity to serve any foreseeable development to the east of Highway 1 between the Highland Terrace and Frenchman's Creek neighborhoods.
- Water circulation is adequate in existing areas from Highland Terrace through Frenchman's Creek without the addition of a parallel pipeline.

Following this review and in accordance with the District's established policies and procedures, District Engineer Teter sent a letter approving the initial submittal and outlining final submittal requirements (Attachment C).

Fiscal Impact:

Approval of the initial submittal has no fiscal impact.

November 26, 2008
Job # 08-1003-20

Mr. David Dickson
General Manager
Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019

Re: Pacific Ridge - Half Moon Bay
Initial Submittal Request for Water Service Extension

Dear Mr. Dickson:

On behalf of our client, Ailanto Properties, we are pleased to submit to you this initial request for a water service extension for the Pacific Ridge subdivision off of Terrace Avenue in Half Moon Bay. Per the District's guidelines, I have provided you with three copies of the proposed site plan showing the location and elevation of all the proposed 63 single family homes, as well as the filing fee of \$315 (\$5 x 63 lots).

We are also enclosing a letter prepared by Ailanto's attorney summarizing the historical aspects of the water design for this project and three copies of our preliminary water distribution calculations prepared by our consultant DB Flett Civil Engineering. These calculations are offered to assist you with your review of our initial submittal.

The following is a brief discussion as relayed to us by our Client as to the events that preceded this submittal. In the early 2000s, Ailanto optimistically began to make early preparations for the development of Pacific Ridge. At the time, it was well known that the then existing unlined El Granada Pipeline in Highway 1 was greatly undersized and in very poor condition due to its age. It was very apparent that this obsolete pipeline was incapable of adequately supplying water to Pacific Ridge. However, the CCWD's attempt to replace it with a new pipeline was mired in a long struggle with the California Coastal Commission over the Coastal Development Permit required to build the new pipe. It was uncertain as to when the CCWD's CDP would be approved by the Coastal Commission.

In that context, Ailanto discussed with CCWD a direct connection with the Carter Hill tank, via the back route east of the Half Moon Bay High School. The CCWD was very helpful in the discussions over a number of years.

It turned out that Ailanto's development attempt encountered more delays than anticipated. Obtaining approval for a modified coastal development for the Pacific Ridge project took much longer than anticipated. It was not until October 15, 2008, that Ailanto obtained approval for the issuance of a modified coastal development permit.

Fortunately by the early part of 2008, the El Granada Pipeline replacement project was completed by CCWD. A re-examination of the current conditions led us to believe that with the new and vastly improved pipelines, the connection with the Carter Hill tank was not necessary. Connecting to the existing dead end at Terrace Ave. and completing a loop to the pipes on Silver Ave. will provide ample water supply to Pacific Ridge without adversely affecting the existing services in the Terrace/Silver/Highland neighborhood.

What is presented in our analysis represents this supply route. The calculations detail our understanding of the proposed water system design for the project, including connections at Terrace Avenue and Silver Avenue. The calculations also show the proposed crossing under the biologically sensitive creek. This proposed crossing was designed in order to provide an internal loop for the water system. The calculations were prepared utilizing the District's design criteria, as well as a recent fire hydrant flow test on a hydrant at the end of Terrace Avenue. The modeling by our water system consultant demonstrates that Pacific Ridge will have more than sufficient pressure and volume to meet the current standards.

After your initial review of these plans and calculations, we'd like to meet with you and staff to discuss our submittal and any initial thoughts you may have. After this meeting, we would welcome your written comments, and begin the final construction plans in accordance with the District's guidelines. Please feel free to contact Albert Fong at Ailanto Properties or me to set a convenient time and date to meet and discuss our submittal. Please call me if you have any questions or need additional information.

Sincerely,
dk Consulting



David Francke, P.E.
Senior Engineer
RCE 49068

Encl.

Cc: Albert Fong – Ailanto Properties w/ encl.
Ken Ma – Broadmore Builders w/encl.
Richard Jacobs – Hornblower Cruises w/ encl.
Richard Mao – City of Half Moon Bay w/ encl.
Steve Flint – City of Half Moon Bay w/ encl.
Jim Teter – Coastside Water District
Joe Guistino – Coastside Water District

RICHARD C. JACOBS
A PROFESSIONAL CORPORATION
PIER 3, THE EMBARCADERO
HORNBLLOWER LANDING
SAN FRANCISCO, CALIFORNIA 94111

November 25, 2008

David Dickson
General Manager
Coastside County Water District
766 Main Street
Half Moon Bay, CA 94109

Re: Pacific Ridge-Half Moon Bay
Submittal for Water Service Extension

Dear Mr. Dickson:

As introduction, I have served as counsel to Ailanto Properties, Inc., since 2001. I have represented Ailanto in litigation and in all aspects of its efforts to obtain Coastal Commission approval for its proposed Pacific Ridge residential subdivision in Half Moon Bay. It was successful in receiving approval for that subdivision and 63 homes in a modified coastal development permit from the Commission in October of this year.

I write to provide additional information with regard to Ailanto's submittal for a water service extension and water service for the subdivision.

Albert Fong, Ailanto's President, purchased the property that would be developed in 1985 when the City of Half Moon Bay's Local Coastal Plan envisioned up to 226 residential units on it. He was prevented from developing it during the late 1980's and the 1990's by a series of seventeen successive sewer and water moratoria.

As you know, Ailanto assisted your agency with regard to its water issues by purchasing 223 water connections for approximately \$1,550,000; that money was then used to fund the Crystal Springs Pipeline Project. The total amount of interest and principal paid over time for these connections was approximately \$2,760,000. Ailanto also paid \$955,014.31 in assessments to the Terrace Avenue Assessment District, and those funds were used by the City and District to build Terrace Avenue and its associated infrastructure.

Once the moratoria were ended, the Pacific Ridge project was approved in 1999 by the City of Half Moon Bay with 197 homes. On appeal to the Coastal Commission,

the latter approved a subdivision in 2001 with 126 homes, with numerous conditions. Those conditions were infeasible, and Ailanto filed litigation against both the Commission and the City.

The parties to that litigation then entered into mediation and spent a full year negotiating a settlement agreement. Through that agreement 63 homes were approved for the Pacific Ridge project, with numerous additional conditions and benefits to which the parties agreed. A significant part of that settlement agreement was fulfilled by the Commission's recent approval of the 63 homes.

I mention this lengthy history, because it parallels somewhat the District's long efforts to build its El Granada Pipeline in Highway 1. During that time, Ailanto discussed with the District a possible direct connection from the Carter Hill tank, over property east of the Half Moon Bay High School. Those discussions were undertaken not because Ailanto believed that was the most appropriate route, but because the future of the proposed El Granada Pipeline replacement was unknown and in doubt. Now that the new El Granada Pipeline is in place and the capacity of the entire water system is much improved, it is clear to us that the most appropriate connection for the Pacific Ridge subdivision is from that pipeline rather than over Carter Hill.

The enclosed technical report from DBF Civil Engineering proposes service by an extension of the existing 8" distribution main from the northeasterly end of the existing main in Terrace Avenue, which would loop through the subdivision and connect to the northeasterly end of the existing 8" main in Silver Avenue. The report documents that this connection "will eliminate the dead end main in Terrace Ave. and provide increased reliability and better flow conditions to the existing customers on the easterly, dead end portion of Terrace Ave. without degrading the service to the remaining customers." This proposed system meets all requirements of the Coastside Fire Protection District.

As noted above, Ailanto actually helped build Terrace Avenue and its associated infrastructure, through the assessments it paid to the Terrace Avenue Assessment District. The residents in the Highland Park area, as well as the District, have therefore had the benefit of Ailanto's payments to build the infrastructure during the past 23 years, along with the benefit of using the improvements. At the same time, Ailanto has received no corresponding benefit in any way whatsoever, notwithstanding its continued payments.

Ailanto therefore has significant rights in that existing infrastructure, which it has never been able to use. Your approval of the enclosed proposal would allow it to exercise those rights.

There has been some recent discussion, I'm told, about requiring Ailanto to bear the costs of constructing a new water line from the Carter Hill tank directly to its property. That line is infeasible, for several reasons.

First, Ailanto does not own the property over which the line would have to pass, and has no rights it can exercise to obtain that access. Second, any proposal for a

pipeline through that area raises significant wetlands and resource issues under the Coastal Act and the City's Local Coastal Program. The Coastal Commission rejected the idea of a Foothill Boulevard bypass in this area as an alternative to using Terrace Avenue for physical access to Pacific Ridge because of these issues, and the same issue would be likewise involved in any effort to obtain approval for such a pipeline.

Third, such a route would raise significant growth-inducing impact issues under the Coastal Act and the City's LCP. One of the conditions of the Commission's approval requires that the extension to serve Pacific Ridge be "the minimum size necessary to serve the Pacific Ridge development only." (Special Condition No. 16 of the Commission's Decision.) It is highly unlikely that the City would or could legally approve a permit for a Carter Hill route because of these issues, and the Commission itself would likely be involved by virtue of its appeal powers in any such permit action. Indeed, we raised the question of this route with the Commission's staff, and I have attached an email from Dr. Charles Lester, the Commission's District Director, who commented that such a permit would "trigger a full review of the potential growth-inducing impacts of such a new pipeline."

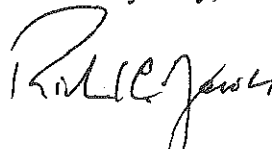
Fourth, Coastal Commission guidelines and regulations permit water connections to existing infrastructure, and Ailanto thus will not be required to obtain a new local coastal development permit to construct the system proposed in our submission. By contrast, a new Carter Hill water line could not be built without obtaining such a permit.

Finally, such a route would impose extremely significant costs and time delays on Ailanto, because of the additional permit requirement. Ailanto is prepared to move ahead to construct its project now, and the District's approval is one of the very few approvals remaining.

I believe that the enclosed submission meets all of the District's requirements for service. Under all of the circumstances, I also believe that requiring Ailanto to construct a Carter Hill pipeline would be a clear abuse of the agency's discretion. Indeed, from what we have learned over the last few years, a number of people would like to see Carter Hill and inland areas opened to further development, and some may view a Carter Hill pipeline as part of that effort. Using the current submission as an effort to do so would be inconsistent with the District's charter and outside the District's authority, a conclusion with which I'm sure you and your Board would agree.

I therefore urge you to approve the enclosed submission, so that Ailanto is not forced to bear additional unnecessary and inappropriate costs and delay.

Yours very truly,



RICHARD C. JACOBS

Richard Jacobs

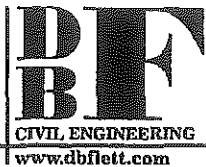
From: Charles Lester [clester@coastal.ca.gov]
Sent: Saturday, November 08, 2008 6:03 PM
To: Richard Jacobs
Cc: Madeline Cavalieri
Subject: RE: Ailanto: Possible Carter Hill Pipeline

Hi Richard,

Regarding water service to the Ailanto site, in our view it would be best if the project could stay with the proposal to use the existing infrastructure or proposed line in Terrace Avenue. We have not evaluated the Carter Hill pipeline. In addition to requiring new permit approvals including, in the first instance, local review, such permits would trigger a full review of the potential growth-inducing impacts of such a new pipeline. Let me know if you have additional questions.

Charles Lester
Senior Deputy Director

11/25/2008



Douglas B. Flett

PROPOSED WATER DISTRIBUTION SYSTEM TO SERVE
PACIFIC RIDGE
Half Moon Bay, California

3623 Mt. Diablo Blvd
PO Box 143
Lafayette, CA 94549

tel 925.324.9362
fax 925.284.1336
doug@dbflett.com



Douglas B. Flett

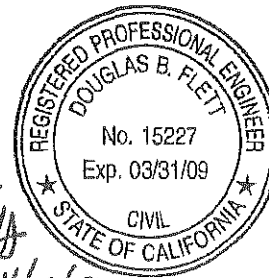
Memorandum

Date: Nov 20, 2008

To: David Francke

From: Doug Flett

Subject: Proposed Water Distribution System to serve Pacific Ridge Subdivision

**Introduction:**

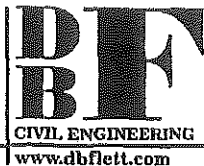
Water service will be provided to the Pacific Ridge Subdivision by the Coastside County Water District (CCWD). The District currently has water mains serving lands adjacent to the proposed subdivision and it is proposed that connections to the existing system be made at the northeasterly ends of Terrace Ave. and Silver Ave.

This memorandum summarizes the proposed distribution system within the subdivision and presents the results of system hydraulic calculations estimating the service characteristics provided when the proposed system is integrated with the District's existing system.

Proposed System:

The Carter Hill tanks are the primary source of water for the Pacific Ridge project and the adjacent neighborhood. The District recently installed a 20" transmission main from the tanks to the intersection of Main St. and Highway 1 and a 16" transmission main in Highway 1. A system of distribution mains is installed in Terrace Ave., Silver Ave. Golden Gate Ave. and Highland Ave. which are connected to the new 16" main. A schematic diagram of the existing system is attached showing the interconnections, pipeline sizes, lengths and assumed roughness characteristics.

It is proposed that the Pacific Ridge project be served by an extension of an 8" distribution main from the northeasterly end of the existing main in Terrace Ave. which would loop through the subdivision and connect to the northeasterly end of the existing 8" main in Silver Ave. A schematic diagram of the proposed system showing the water main sizes, length, elevations and assumed roughness characteristics is attached.



Douglas B. Flett

Conclusions:

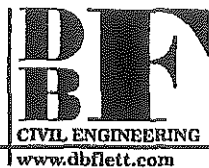
The system as proposed is capable of providing a level of water service equal to that provided to the existing customers on the adjacent property without degrading the service provided to the current customers. Connecting the proposed system to the existing system at the end of Terrace Ave. and at the northeasterly end of Silver Ave. will eliminate the dead end main in Terrace Ave. and provide increased reliability and better flow conditions to the existing customers on the easterly, dead end portion of Terrace Ave. without degrading the service to the remaining customers.

System Modeling:

The existing and proposed systems were modeled using the computer program "EPANET2" developed by the US Environmental Protection Agency and published in Sept. 2000. Basic system data was obtained from record system maps provided by CCWD. Base flows and customer data were obtained from the CCWD 2005 Urban Water Management Plan and the Water Supply Evaluation Report for the calendar year 2006.

The following flow conditions were analyzed and the results are summarized in the table attached. The impact of the addition of the Pacific Ridge development on the existing system can be determined by comparing the residual pressures shown on the table at specific nodes in column 1 to those in column 3 and the pressures in column 2 to those in column 4.

1. Existing System:
 - a. Model calibration with Fire flow of 1216 gpm taken at the highest point in the system at the northeasterly end of Terrace Ave. (junction 13) with no domestic flow.
 - b. Average flow on the peak day plus 1000 gallons per minute (gpm) fire flow taken at the northeasterly end of Terrace Ave. (junction 13).
 - c. Peak hour flow assumed to be 2.5 times the average flow on the peak day.
2. Proposed System:
 - a. Average flow on the peak day plus 1000 gallons per minute (gpm) fire flow taken at the highest point in the system (junction 18).
 - b. Peak hour flow assumed to be 2.5 times the average flow on the peak day.



Douglas B. Flett

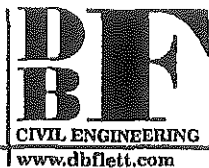
The calculations incorporate the following basic assumptions:

1. Demand and services:
 - a. Peak system daily demand during 2006 was 2713 gpm (see table showing Peak Daily Demand Periods taken from the CCWD 2006 Water Supply Evaluation Report attached). This demand was increased by 15% to approximate a peak system daily demand of 3120 gpm in the year 2030.
 - b. Residential services account for 51.7% of the average daily demand. Applying this factor to the average of the peak day yields a peak system daily residential service demand of 1613 gpm in the year 2030.
 - c. The estimated number of single family residential services in the year 2030 is 6271. Neglecting the multiple residential services and assuming the single family residential services account for the entire residential service demand yields an average demand per service on the peak day of 0.26 gpm.
 - d. It is assumed that the peak hourly demand is 2.5 times the average demand on the peak day.
2. Water Source:
 - a. The District has several water sources, but for purposes of the model, it is assumed that at times the Carter Hill Tanks could be the sole source for the District's entire service area. Under these conditions it is assumed that 67% of the demand is south of the intersection of the Highway 1 and Terrace Ave. and 33% is north of this intersection.
3. Fire Service conditions are as required by the Coastside Fire District per the District Fire Marshall, Chief Clayton Jolley are as follows:
 - a. Fire hydrant spacing is 500 ft. with closer spacing required in courts, depending upon final layout.
 - b. Fire hydrants in courts to be no more than 250 ft. from the furthest point of the structure.
 - c. All residences shall be sprinklered.
 - d. Fire flow is 1000 gpm with a 20 psi residual pressure.

Model Calibration:

The Coastside Fire District conducted a flow test on Hydrant 669 at the northeast end of Terrace Ave. on Oct. 31, 2008 with the following results:

Static Pressure	120 psi
Residual Pressure	115 psi
Flow	1216 gpm

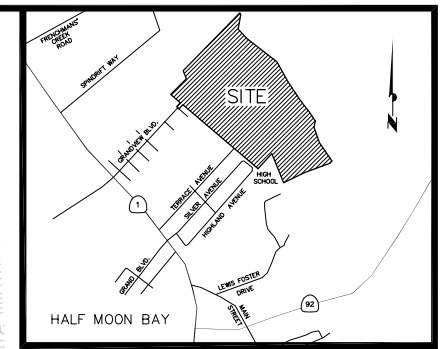


Douglas B. Flett

It is probable that overall system demand on Oct. 31, 2008 while the fire flow test was being conducted was very low. Therefore the model was run assuming no domestic flow with the following results:

Static Pressure	104 psi (Calculated from Water Surface Elevation at Carter Hill Tank less ground elevation at junction 13)
Residual Pressure	80 psi (Calculated by the model)
Flow	1216 gpm (Input to the model)

Two discrepancies are noted between the observed results from the field flow test and the results calculated by the model. First, the static pressure observed is 16 psi higher than that calculated. The observed pressure would indicate that the water surface at the tanks was at elevation 372 ft. which is 23 ft. higher than the top of the tanks. The model was based on the assumption that the Carter Hill tanks had 10 feet of water at the time of the test. Secondly, the pressure drop resulting from testing the fire hydrant was observed to be 5 psi as opposed to the drop calculated by the model of 24 psi. The Fire District test results did not specify exactly where the static and residual pressure tests were taken which may explain some of the differences in results. However the flow and residual pressures obtained from the test indicate that there is adequate pressure and flow to provide fire flow under current conditions and after incorporating the Pacific Ridge development into the system. In addition, the model tends to yield residual pressures which are lower than the pressures indicated by the tests, but still adequate to provide fire protection to both the existing and new customers.

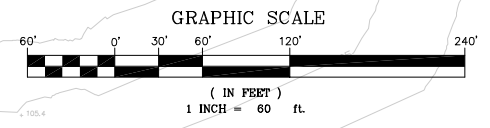


VICINITY MAP
NOT TO SCALE

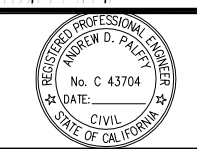


LEGEND

EXISTING	PROPOSED	
---	---	SUBDIVISION BOUNDARY
---	---	RIGHT OF WAY
---	---	EASEMENT
---	---	ESHA BUFFER (ENVIRONMENTALLY SENSITIVE HABITAT AREA)
---	---	FACE OF CURB
---	---	WATER MAIN
---	---	FIRE HYDRANT



DATE NOV. 17, 2008	NO.	BY	DATE	REVISION	dk APPROV.	AGENCY APPROV.
SCALE: HORIZ. 1"=60'						
VERT. NONE						
DESIGNED LG						
DRAWN LG						
PROJ. ENGR. ADP						



dk CONSULTING
PLANNING • ENGINEERING • CONSTRUCTION

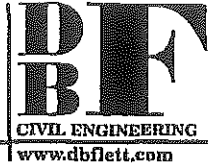
1440 Marla Lane, Suite 200, Walnut Creek, California 94596 (925) 932-6868 Tel. (925) 932-0910 Fax

AILANTO PROPERTIES
PACIFIC RIDGE

HALF MOON BAY CALIFORNIA

PROPOSED WATER SERVICE EXHIBIT

SHEET **1**
OF 1
DK JOB NO. 08-1003-10



Douglas B. Flett

APPENDIX A
EPANET CALCULATION RESULTS

(pages not included here)

JAMES S. TETER

CONSULTING ENGINEER
15 BAYVIEW DRIVE, SAN RAFAEL, CAL 94901
TEL (415)453-0754 FAX (415)453-0882
E-mail: jasteter@aol.com

MEMORANDUM

TO: David Dickson, Joe Guistino
FROM: Jim Teter
DATE: December 29, 2008
SUBJECT: Ailanto Properties Pacific Ridge Initial Submittal

As requested, I have reviewed the Initial Submittal documents for the proposed Ailanto Properties Pacific Ridge development. My preliminary review comments are as follow:

Submittal Documents

The submittal documents consist of the following:

1. Transmittal letter dated November 26, 2008 from David Francke, engineer for dk Consulting, the project consulting engineers.
2. Letter dated November 25, 2008 from Richard C. Jacobs, counsel for Ailanto Properties, Inc.
3. Drawing titled "Proposed Water Service Exhibit" dated November 17, 2008, prepared by dk Consulting.
4. Memorandum dated Nov. 20, 2008 titled "Proposed Water Distribution System to serve Pacific Ridge Subdivision, prepared by Douglas Flett, civil engineer, consultant to dk Consulting. This memorandum includes a computer hydraulic network analysis (hydraulic model) of the proposed water system for Pacific Ridge.

The submittal documents are in conformance with CCWD requirements as described in Resolution No. 2003-11, paragraph A,2.1.

Description of Proposed Pacific Ridge Water Facilities

1. Out-of-Tract Facilities (Water Supply Pipelines to Pacific Ridge). The submittal documents propose 2 pipeline connections to the existing CCWD water distribution system to supply water to the development (1) an 8 inch connection to the end of the existing 8 inch pipeline on Terrace Ave., and (2) an 8 inch connection to the end of the existing 8 inch pipeline on Silver Ave. The submittal documents do not propose a pipeline connection to the Carter Hill West pipeline.
2. In-Tract Facilities (Water Pipelines Within Pacific Ridge). The submittal documents propose a mostly looped in-tract pipeline system consisting of primarily 8 inch diameter pipelines (with one 6 inch diameter pipeline as part of a loop). However, there is one

dead-end pipeline with a fire hydrant at the end of it which provides water service to 10 parcels on a street cul-de-sac.

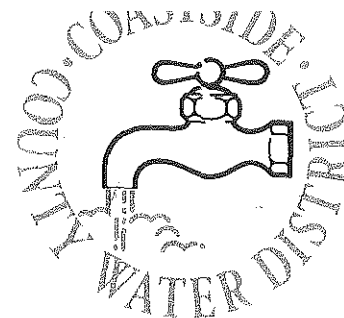
3. Fire Hydrants. The submittal documents propose fire hydrants to be located in conformance with the requirements of the Coastside Fire Protection District.

District Engineer's Analysis of Proposed Water System Facilities

1. Hydraulic Model. The submittal documents include a computer hydraulic model network analysis which incorporates all CCWD facilities required to provide water service to Pacific Ridge (Carter Hill tanks, Carter Hill West pipeline, Phase 3 El Granada pipeline, Terrace Avenue pipeline, and Silver Avenue pipeline). A flow test was performed by the Coastside Fire Protection District at the existing fire hydrant at the end of Terrace Ave. to obtain pressure and flow data for calibration of the model (static pressure = 120 psi, residual pressure = 115 psi, flow = 1,216 gpm). Water system usage data was obtained from the CCWD Water Supply Evaluation Report. Flow requirement for fire hydrants was obtained from the Coastside Fire Protection District (1,000 gpm at 20 psi residual pressure). The hydraulic model results indicate that the Pacific Ridge fire hydrants will easily meet the required flow under peak demand system operating conditions.
2. Manual Analysis. My very rough manual calculations indicate the static pressure at the highest service connection in Pacific Ridge will be approximately 70 psi, and that the flow from the fire hydrants will meet the requirements of 1,000 gpm at 20 psi residual. These manual calculations found no reasons to doubt the results contained in the hydraulic model analysis.
3. Fire Hydrants. Fire hydrant spacing is adequate and conforms to the known requirements of the Coastside Fire Protection District.
4. Compliance with Requirements of Engineering and Construction Standards as Contained in CCWD Resolution No. 2003-11. The proposed water system facilities shown on the submittal documents are in conformance with the engineering standards contained in Paragraph C (page 10) of CCWD Resolution No. 2003-11. It should be noted that Paragraph C,1.1 states that these standards are applicable to design of in-tract facilities. Paragraph A,2 of Resolution No. 2003-11 (pages 1 and 2) contains regulations regarding out-of-tract facilities and concludes in Paragraph A2.3 (page 2) that the as part of the Initial Submittal process the District will provide the developer with a description of any out-of-tract facilities that may have to be constructed.
5. Pipeline Connection to Carter Hill West Pipeline. As noted above, the submittal documents do not include a pipeline connection from Pacific Ridge to the Carter Hill West pipeline, and the submittal documents do include a hydraulic pipeline network analysis indicating that this pipeline is not required to meet the water requirements of the proposed development. However, if the District believed that a pipeline connection to the Carter Hill West pipeline is required for water quality considerations or other reasons, it would appear that Resolution No. 2003-11 contains provisions which could be utilized for that purpose. Another alternative is to require the developer to provide easements on the north and south side of the development to facilitate connection of pipelines at a future date.

RECEIVED

JAN 09 2009

COASTSIDE COUNTY
WATER DISTRICT

January 8, 2009

Mr. David Francke, P.E.
 dk Consulting
 1440 Maria Lane, Suite 200
 Walnut Creek, CA 94596

Re: Pacific Ridge Development, Initial Submittal

Dear Mr. Francke:

The District staff has completed their review of the Initial Submittal documents for Pacific Ridge which were transmitted by your letter dated November 26, 2008. The technical documents submitted consist of (1) a drawing titled "Proposed Water Service Exhibit" dated November 17, 2008, prepared by dk Consulting, and (2) a memorandum dated November 20, 2008 titled "Proposed Water Distribution System to service Pacific Ridge Subdivision", prepared by Douglas Flett, civil engineer. Our review finds these documents to be satisfactory and in conformance with the requirements of CCWD Resolution No. 2003-11. The Initial Submittal review process is now complete.

The next step in the District's review process is the Final Submittal documents. The required submittal documents include construction plans and other documents as described in CCWD Resolution No. 2003-11. To assist you in compliance with the District's submittal requirements, I have prepared the following comments:

1. Out-of-Tract Pipeline Connections. The in-tract pipeline distribution system will be connected to the existing CCWD water distribution system at 2 locations (1) an existing gate valve at the end of Terrace Ave. and (2) an existing gate valve at the end of Silver Ave. Prior to connecting to these existing gate valves, it will be necessary to complete the leakage testing and disinfection of the in-tract pipelines. To facilitate leakage testing and disinfection, include on your plans a "temporary end cap for leakage testing and disinfection" located approximately 4 feet from the existing gate valves. Following satisfactory completing of leakage testing and disinfection, the contractor will remove the temporary end cap and install new pipe to complete the connection to the existing gate valves.
2. In-Tract Pipeline Distribution System:
 - A. Pipe. Pipe shall be ductile iron. Pipeline diameters shall be those shown in the Memorandum prepared by Douglas Flett which was contained in the Initial Submittal documents.
 - B. Gate Valve Locations. Enclosed is a copy of the drawing titled "Proposed Water Service Exhibit" on which I have marked the locations of where in my opinion gate valves should be installed. These locations include a gate valve at each end of pipeline being installed within an easement which is not under street pavement. The reason for these valves is that leaks in these easement areas are often difficult to access for repair, and the gate valves at each end allow the section of pipeline where the leak is located to be isolated and the repair work deferred. The gate valves to

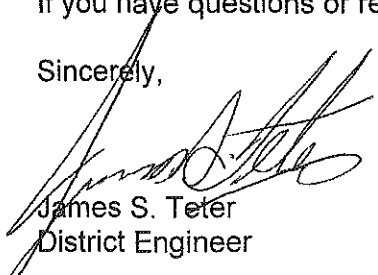
Page 2
Mr. David Francke, P.E.
January 8, 2009

isolate water pipelines should be located within street pavement and downstream from all customer water service connections. Please regard these gate valve locations as preliminary; the District field staff may require modifications during the Final Submittal process.

- C. District Standard Installation Details. Enclosed is a copy of the following District Standard Installation Details which are known to be required for the project work (1) Gate Valve, (2) Valve Location and Marking, (3) Fire Hydrant, (4) Horizontal Thrust Blocks, (5) Vertical Thrust Blocks, (6) $\frac{3}{4}$ " Domestic Service Connection with 1" fire Service Connection, (7) $\frac{3}{4}$ " – 2" Size Fire Service Connection. If other installation details are required, they will be provided to you by the District.
- D. Clearance Distances Between Underground Utilities. The required clearance distances between underground utilities are as follow:
 - 1. Sanitary Sewers Including House Laterals. Minimum horizontal clearance shall be 10 feet; minimum vertical clearance shall be one foot. Water pipelines shall pass over sanitary sewers.
 - 2. Electrical Wires or Conduits, Storm Drains, Telephone Conduits, Cable TV Wires or Conduits, Gas Pipelines and Other Utilities. Minimum horizontal clearance shall be 4 feet, minimum vertical clearance shall be one foot. In addition to water mains, these distances are applicable to water service connection pipelines, meter boxes and fire hydrants; it is important to the CCWD that there is sufficient clearance distance for safe access for repair of these facilities.
- E. Typical Trench Section. Provide 4 inches of sand bedding under water pipelines, sand bedding around the pipelines and 12 inches of sand bedding above the pipelines.
- F. Specifications. A document titled "Water System Specifications for Pacific Ridge" will be prepared by the District and provided to you. I am enclosing a copy of a sample specification document which was recently prepared for the Carnoustie subdivision.

If you have questions or require additional information, please contact me.

Sincerely,



James S. Teter
District Engineer

Enclosures

cc: David Dickson
Joe Guistino w/enc.
Albert Fong, Ailanto Properties

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: January 13, 2009

Report

Date : January 9, 2009

Subject: 475 Avenue Alhambra – Water Service Agreement

Recommendation:

Consider approval of Water Service Agreement between Coastside County Water District and Robert Kulda for construction of a pipeline extension to serve real property at 475 Avenue Alhambra.

Discussion:

The attached Water Service Agreement provides for construction of the water utility system that will serve the property at 475 Avenue Alhambra, El Granada. The project that will be served by the pipeline extension is a single-family residence. The project consists of approximately 150 linear feet of 6" diameter pipeline beginning at the existing tee at the intersection of Avenue Alhambra and The Alameda.

Fiscal Impact:

The applicant has already paid filing and plan check fees to the District. The cost of construction will be paid entirely by the applicant.

WATER SERVICE AGREEMENT

THIS AGREEMENT is made as of this ___ day of January, 2009, between COASTSIDE COUNTY WATER DISTRICT (“District”) and Robert Kulda (collectively the “Applicant”).

1. **Recitals.** This Agreement is entered into with regard to the following facts and circumstances.
 - 1.1. District is a public corporation organized and existing under the provisions of the California Water Code and is engaged in the storage, transmission and sale of water for domestic purposes within the County of San Mateo.
 - 1.2. Applicant is engaged in the development of real property within the geographical limits of the District. Applicant is the owner of certain real property known as 475 Avenue Alhambra, El Granada, California and designated in the records of the San Mateo County Assessor as APN #047-124-190 (the “Property”).
 - 1.3. Applicant represents it has obtained a Coastal Development Permit from the County of San Mateo for, and proposes to construct on the Property, a development consisting of a single family residence.
 - 1.4. Applicant proposes to install a Non-Complex Pipeline Extension (the “Project”) to provide a water and fire protection service connection to the proposed residence.
2. **Components Of Agreement.** This Agreement shall consist of the following documents each of which are referred to and by this reference made a part hereof as fully and completely as if they were fully set forth herein:
 - 2.1. This Agreement.
 - 2.2. Plans for the project prepared by James S. Teter, Consulting Engineer. The Plans, consisting of 11 sheets, are attached hereto as Exhibit A.
 - 2.3. Water System Specifications for Pipeline Extension to 475 Avenue Alhambra, Exhibit B, attached hereto.
 - 2.4. Coastal Development Permit authorizing construction of the Project Utility System (as defined below), to be furnished to the District and reviewed and approved prior to the commencement of construction.
 - 2.5. Encroachment Permit from the County of San Mateo, if applicable, to be furnished to the District and reviewed and approved prior to the commencement of the Project.

3. **Approval Of Project Utility System**

3.1. The Project Utility System, as defined below, shown on and described on the plans prepared by James S. Teter, Consulting Engineer, is approved. The Plans are attached hereto as Exhibit A.

3.2. "Project Utility System" means the water mains, fittings, valves and housing thereof, fire hydrants, manholes and all appurtenances thereto, except water meters, as depicted and described in the reviewed submittal document.

4. **Submittal of Proposal for Review and Approval by District.** Applicant is responsible for obtaining a Proposal for construction of the Project from a licensed, qualified contractor to construct the Project. The Contractor shall possess a valid California Contractor's License. The Contractor shall have satisfactorily completed construction of a minimum of 5 similar pipeline projects, and shall if requested submit a list of these projects together with the telephone number of the owner's representative who can be contacted regarding the work. Prior to commencement of construction, Applicant shall furnish a copy of the Proposal, along with evidence satisfactory to the District that the contractor possesses the necessary licenses and experience to construct the project utility system as detailed in this paragraph.

5. **Installation.** Applicant shall commence installation of the Project Utility System no later than 90 days, subject to extension for force majeure events not the fault of the applicant, after the date of this Agreement and shall complete its installation within twelve months after the date of this Agreement. If installation is not commenced and/or completed by such dates, the District may terminate this Agreement, unless the delay is solely attributable to events, such as fire, flood or earthquake, which are beyond the control of, and not the fault of, Applicant. Applicant shall install the Project Utility System in accordance with the location and sizes shown on the reviewed submittal document, and the further reasonable directions of the District Engineer.

6. **Inspection: Construction.**

6.1. Applicant shall notify District in writing at least ten (10) days in advance of the proposed starting date for construction, and shall not commence construction unless the District Engineer or other authorized District inspector is at the site of the work when construction begins. District agrees to make the District Engineer or other authorized District inspector available to be on site, provided the 10 days notice is given by Applicant. If construction is not continuous, District shall be notified at least forty-eight (48) hours in advance of the resumption of construction. Any work performed without notice to District may be rejected on that ground alone. The District Engineer will observe and inspect facilities solely to protect the interests of the District and to determine whether the completed work is acceptable to District and can be incorporated into the District system. The District does not assume thereby any

responsibility for the operations or safety practices of Applicant. Applicant is responsible for correct location of all facilities it installs. The District Engineer will not inspect facilities installed “downstream” of the individual meter boxes.

6.2. Applicant shall permit District’s employees and authorized representatives to inspect the Project Utility System, and the plans and materials therefore, at any reasonable time before, during, or after installation.

6.3. Applicant shall repair at its expense (or, at the option of District, shall reimburse District for the actual cost of repairs affected by it) any damage to District property caused by Applicant, its agents, employees, or contractors in construction the Project Utility System.

7. **Payment of Fees and Charges.** The Applicant will pay applicable fees and charges as follows:

7.1. **Transmission and Storage Fees.** None due. Any water connections shall be purchased by separate agreement. This Agreement only provides for construction of a Non-Complex Pipeline Extension, and not for purchase of water system capacity.

7.2. **Initial Filing Fee.** The District acknowledges receipt of a non-refundable initial filing fee in the amount of \$150.

7.3. **Plan Check and Construction Inspection Fees.** None due. District acknowledges receipt of Plan Check and Construction Inspection Fees in the amount of five thousand dollars (\$5,000.00), which is the amount due for the District staff and Engineer’s costs in reviewing final plans, inspecting the construction for the Project Utility System, modification of water system maps, administrative, legal and auditing costs.

7.4. **Total Payment Due With Agreement.** None due.

8. **Bonds.**

8.1. Prior to commencement of construction, Applicant shall furnish to District adequate and acceptable improvement security which shall consist of:

8.1.1. A payment bond in the amount of 100% of the Proposal amount, to guarantee payment of the obligations referred to in Section 3248 of the Civil Code;

8.1.2. A performance bond in the amount of 100% of the Proposal amount, to guarantee faithful performance of the terms of this Agreement; and

8.1.3. A maintenance bond in the sum of 10% of the Proposal amount, to guarantee against defective materials and faulty workmanship for a period two (2) years from

and after acceptance of the System by District.

8.2. The bonds shall be in form and substance satisfactory to District's legal counsel and shall be issued by a surety company qualified to and doing business in California and otherwise acceptable to District.

9. **Indemnity.** District shall not be responsible or held liable in any manner whatsoever for any injury or damage which may be done to any person or property (or other loss or liability) as a result of the matters set forth in this Agreement and the installation of the Project Utility System by or on behalf of Applicant. Applicant, on its behalf and on behalf of its successors in interest, hereby agrees to waive any claims against District arising from or related to the events and activities described in Section 1, above, and to indemnify and defend the District and hold it free, safe and harmless of, from and against any and all liability for the death of or injury to any person and for the loss of, or damage to, any property (including the loss of its use) which may arise from such events and activities. The agreements contained in this paragraph shall survive the performance of the remainder of this Agreement and shall remain in full force and effect notwithstanding such performance.

10. **Insurance.**

10.1. Applicant or its construction contractor shall, at its cost, maintain in full force and effect during the period beginning with the commencement of construction of the Project Utility System and terminating no earlier than thirty (30) days after completion thereof and approval by District for its connection with the District's distribution system, a policy or policies of liability insurance, as follows:

10.1.1. Bodily and personal injury liability in an amount not less than One Million Dollars (\$1,000,000.00) per person and Two Million Dollars (\$2,000,000.00) per occurrence; and

10.1.2. Property damage insurance in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence.

10.2. Such policies shall insure District as an additional insured against any and all liability for the death of or injury to any person and for the loss of or damage to any property which may arise by reason of acts done or omitted to be done as a result of the installation of the Project Utility System by or on behalf of Applicant, and shall further insure District against any and all costs and expenses, including attorneys fees, which District may incur in resisting any claim which may be made against District for any such injury or damage.

10.3. Each policy shall:

10.3.1. Be issued by an insurance company or companies qualified to do business in California and approved in writing by District;

10.3.2. Name District, its Directors, officers, agents and employees, as additional insureds;

10.3.3. Specify that it acts as Primary Insurance; the insurer being liable thereunder for the full amount of any loss up to and including the total limits of liability without right of contribution from any insurance effected by District;

10.3.4. Provide that the policy shall not be cancelled or altered without thirty (30) days prior written notice to District; and

10.3.5. Otherwise be in form reasonably satisfactory to District.

10.4. Applicant or its contractor shall provide, and maintain at all times during the course of installation of the Project Utility System, Workers' Compensation Insurance in conformance with the laws of the State of California. Such policy shall provide that the underwriter thereof waives all right of subrogation against District by reason of any claim arising out of or connected with installation of the Project Utility System and that such policy shall not be cancelled or altered without thirty (30) days prior written notice to District.

10.5. Copies of all policies required above (or Certificates of Insurance satisfactory to District) shall be delivered to District at least ten (10) days prior to commencement of construction of the Project Utility System.

11. **Conveyance Of Title To Project Utility System.** Full right, title and interest in and to all elements of the Project Utility System installed pursuant hereto will be granted to District upon written notice of acceptance thereof by District and without the necessity for any further action by Applicant. There shall be no obligation upon District to pay or reimburse to Applicant any part of the cost of the Project Utility System. Applicant warrants that upon such passage of title to District, the title shall be free and clear from any and all mechanics and materialmen liens that could arise from construction of the Project Utility System, charges and encumbrances whatsoever.

12. **Acceptance By District.** District shall accept the Project Utility System when all of the following conditions have been met: (1) completion of the Project Utility System; (2) certification by District Engineer upon completion that the Project Utility System has been constructed in accordance with this Agreement; (3) furnishing by Applicant of evidence that it has paid all costs incurred in construction the Project Utility System; (4) performance by Applicant of all of its obligations under this Agreement which are to be completed prior to acceptance of the Project Utility System, including conveyance of easements and payment of all sums due the District; and (5) furnishing by Applicant of "as-

built” drawings. Upon acceptance, Applicant shall be relieved of all future obligations to maintain the Project Utility System components that are located within the street right of way, subject to its obligation to repair defects, which obligation is secured by the maintenance bond provided above, for the duration of the term of such bond (i.e., two years after acceptance). Project facilities which are located on the Applicant’s property, including the backflow prevention device, shall be owned and maintained by applicant.

13. **Execution And Performance Of Agreement.** Execution of this Agreement is a condition precedent to issuance by District of any letters, approvals, consents, or communications to any state, municipal, local or other public bodies regarding the availability of water service to the area to be developed. Full performance of and compliance with each and every term of this Agreement by Applicant is a condition precedent to water service by District.
14. **District Regulations.** Applicant shall at all times abide by and faithfully observe any and all District ordinances, resolutions, rules and regulations presently in effect, including current fee schedules, or which may hereafter be enacted or amended from time to time, including but not limited to “Regulations Regarding Water Service Extensions and Water System Improvements” a copy of which has previously been furnished to Applicant.
15. **Assignment.** Applicant’s rights under this Agreement may not be assigned in connection with a sale or conveyance of the Property without the express written consent of District, which shall not be unreasonably withheld. No such assignment shall be valid or binding on the district unless the assignee executes a written instrument, in form and substance satisfactory to District assuming all of Applicant’s obligations under this Agreement, which have not been fully performed as of the date of assignment. Such assignment shall not release Applicant from any of its obligations to District under this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the parties and their successors and permitted assigns. If the Applicant or a permitted successor or assign shall dis-incorporate, forfeit its articles or right of incorporation, or otherwise fully terminate without a successor or assign, District shall as of the date of dis-incorporation, forfeiture or termination own the Project Utility System free and clear of any obligation to any party.

16. **Notice.** Any notice required by this Agreement shall be satisfied by a notice in writing either delivered personally or sent by regular or certified mail, postage prepaid, and addressed as follows:

District: Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019
Attention: General Manager

Applicant: Robert Kulda
625 Miramontes Street, Suite 100
Half Moon Bay, CA 94019

Each party shall notify the other in writing of any change in the address provided above for providing notice hereunder.

17. **Construction Of Agreement.** Both parties have participated in preparing this Agreement. This Agreement shall be construed reasonably and not in favor of or against either party hereto on the grounds that one party prepared the Agreement.

18. **Entire Agreement.** This Agreement, including all of its components, contains the entire agreement between the parties hereto. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist.

19. **Applicable Law.** This Agreement shall be governed by and construed and enforced in accordance with and subject to the laws of the State of California. Except as expressly provided for herein, this Agreement is not intended to, and does not, modify the District's rights to exercise the legislative discretion accorded to it by the laws of California. Any lawsuit related to this Agreement shall be commenced, and prosecuted in the courts of the State of California.

20. **Amendment.** Any amendment hereof, including any oral modification allegedly supported by new consideration, shall not be effective unless reduced to a writing signed by both parties.

21. **Authorized Signatures.** The individuals whose names are subscribed to this Agreement represent that they are authorized to act on behalf of the party for whom they sign.

22. **Time.** Time is of the essence of the Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

Coastside County Water District

Applicant

By: _____
President, Board of Directors

Robert Kulda

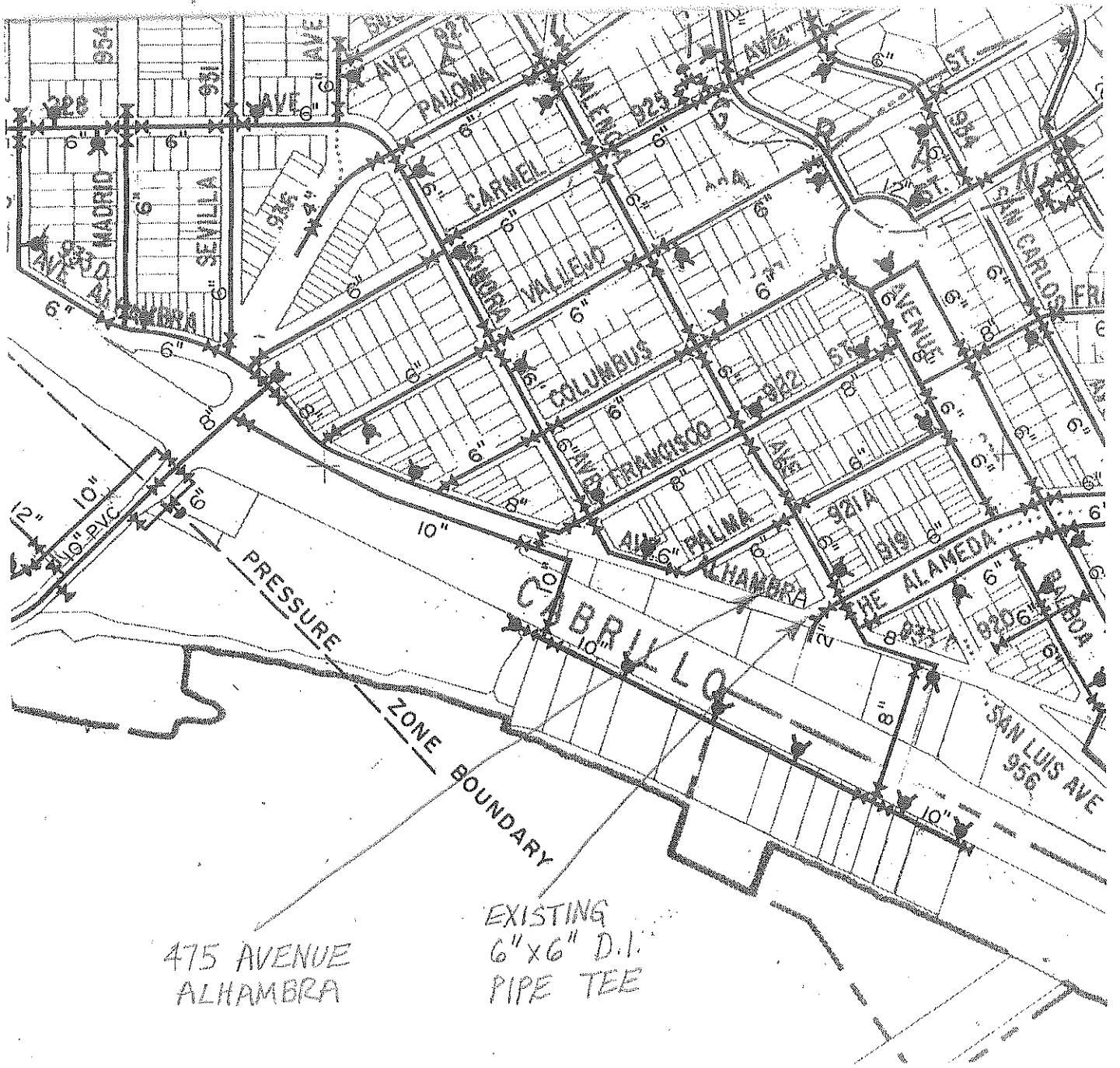
Attest:

By: _____
Secretary

DRAWINGS FOR PIPELINE EXTENSION TO 475 AVE. ALHAMBRA

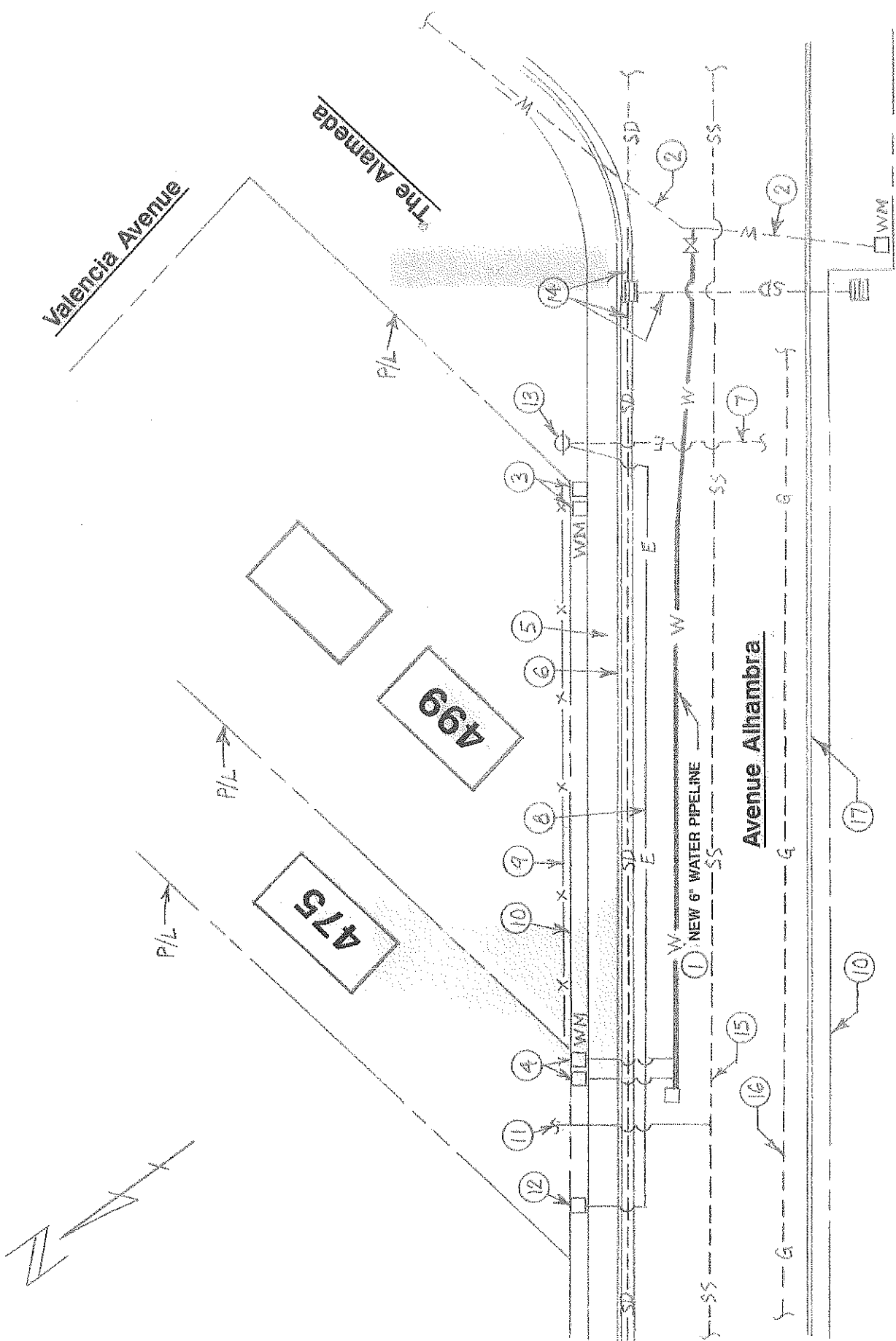
LIST OF DRAWINGS

PROJECT VICINITY MAP.
PROJECT PLAN: PLAN OF AVENUE ALHAMBRA.
WATER FACILITIES SCHEMATIC DIAGRAM.
LEGEND FOR PROJECT DRAWINGS.
GENERAL NOTES.
TYPICAL TRENCH SECTION.
DISTRICT STD. INSTALLATION DETAIL: GATE
VALVE.
DISTRICT STD. INSTALLATION DETAIL: BLOW-OFF
VALVE.
DISTRICT STD. INSTALLATION DETAIL:
3/4" INCH DOMESTIC SERVICE CONNECTION
WITH 1" FIRE SERVICE CONNECTION.
DISTRICT STD. INSTALLATION DETAIL:
HORIZONTAL THRUST BLOCKS.



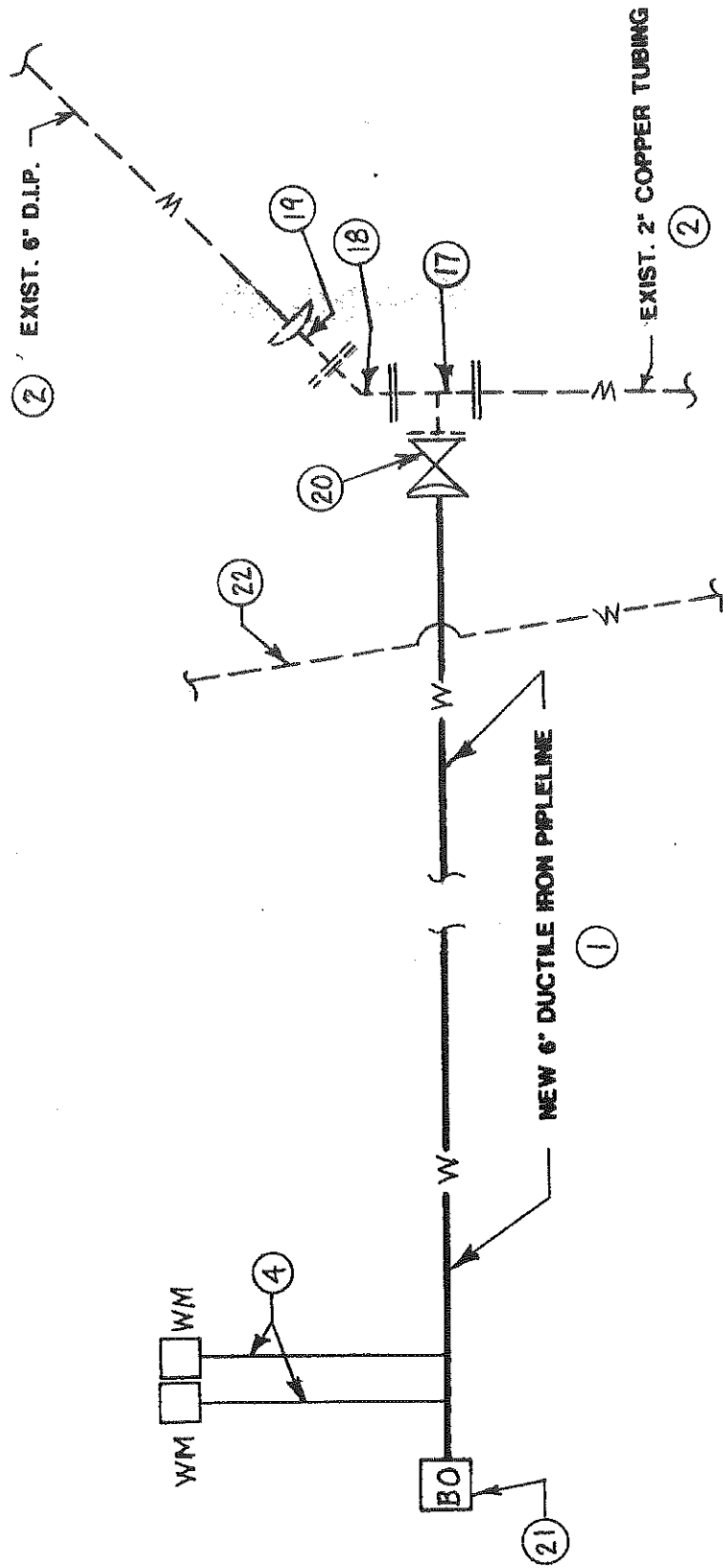
PROJECT VICINITY MAP

SCALE: 1" = 400'



PROJECT SITE PLAN: PLAN OF AVENUE ALHAMBRA

SCALE: 1" = 20'



WATER FACILITIES SCHEMATIC DIAGRAM

NO SCALE

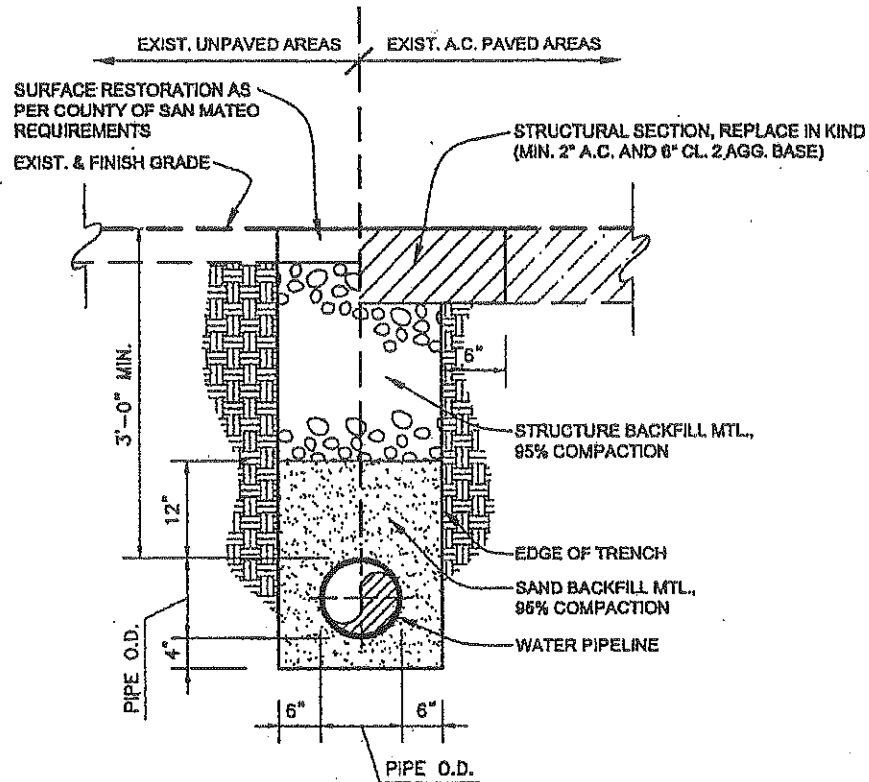
LEGEND FOR PROJECT DRAWINGS

<u>CIRCLED NUMBER</u>	<u>DESCRIPTION</u>
1	NEW 6" DUCTILE IRON WATER PIPELINE. LOCATE 7' FROM FACE OF CURB.
2	EXISTING WATER PIPELINE. SEE WATER PIPING SCHEMATIC DIAGRAM FOR SIZE AND MATERIAL.
3	EXISTING WATER METER. LOCATION OF SERVICE COPPER SERVICE TUBING FROM EXISTING 6" D.I.P. TO WATER METER UNKNOWN.
4	NEW 3/4" DOMESTIC WATER SERVICE CONNECTION, AND NEW FIRE SERVICE CONNECTION SIZED AS REQUIRED FOR SPRINKLER SYSTEM. LOCATE WATER METER BOXES AT BACK EDGE OF EXISTING CONCRETE SIDEWALK. SEE CCWD STANDARD INSTALLATION DETAIL ENTITLED "3/4" DOMESTIC SERVICE CONNECTION WITH 1" FIRE SERVICE CONNECTION".
5	EXISTING CONCRETE SIDEWALK.
6	EXISTING CONCRETE CURB AND GUTTER.
7	EXISTING UNDERGROUND ELECTRICAL CONDUIT.
8	PROPOSED UNDERGROUND ELECTRICAL CONDUIT TO BE LOCATED 2' FROM FACE OF CURB.
9	EXISTING FENCE.
10	EDGE OF STREET RIGHT OF WAY.
11	PROPOSED SANITARY SEWER LATERAL LOCATION.
12	PROPOSED ELECTRICAL SERVICE BOX LOCATION.
13	EXISTING UTILITY POLE.
14	EXISTING STORM DRAIN.
15	EXISTING SANITARY SEWER.
16	EXISTING GAS PIPELINE.
17	EXISTING 6" X 6" FLANGED TEE WITH BLIND FLANGE.
18	EXISTING FLANGED 45 DEGREE ELL.
19	EXISTING FLANGE BY PUSH-ON ADAPTER.
20	NEW 6" FLANGE BY PUSH-ON GATE VALVE. SEE CCWD STANDARD INSTALLATION DETAIL.
21	NEW BLOW-OFF VALVE. SEE CCWD STANDARD INSTALLATION DETAIL.
22	EXISTING ABANDONED 2" GALV. STEEL PIPELINE.
23	EXISTING CONCRETE CURB

Rev. 11/26/08

GENERAL NOTES

1. EXISTING UNDERGROUND UTILITIES. LOCATION OF EXISTING UTILITIES AND OTHER UNDERGROUND FACILITIES SHOWN ON THE DRAWINGS IS BASED ON AVAILABLE INFORMATION AND IS NOT GUARANTEED TO BE EITHER ACCURATE OR COMPLETE. ONLY MAIN LINE UTILITY FACILITIES ARE SHOWN: SERVICE FACILITIES FROM THE MAIN LINE TO STRUCTURES ARE NOT SHOWN FOR GAS, ELECTRIC, CABLE TV, TELEPHONE AND SANITARY SEWER. THE CONTRACTOR SHALL CONTACT UNDERGROUND SERVICE ALERT AT LEAST 48 HOURS BEFORE BEGINNING WORK TO HAVE THE LOCATION OF ALL UNDERGROUND FACILITIES MARKED IN THE FIELD BY THEIR OWNERS. THE CONTRACTOR SHALL ALSO CONTACT THE OWNERS OF OTHER KNOWN UNDERGROUND FACILITIES NOT INCLUDED IN THE U.S.A. SYSTEM SUCH AS SANITARY SEWERS, STORM DRAINS, AND CABLE TV TO HAVE THE LOCATION OF THOSE FACILITIES MARKED IN THE FIELD. PRIOR TO BEGINNING MACHINE EXCAVATION WORK THE CONTRACTOR SHALL VERIFY THE EXACT LOCATION OF EACH UNDERGROUND UTILITY BY HAND EXCAVATION (POTHOLING).
2. ENCROACHMENT PERMIT FROM COUNTY OF SAN MATEO. THE CONTRACTOR SHALL OBTAIN AN ENCROACHMENT PERMIT FROM THE COUNTY OF SAN MATEO, AND ALL WORK WITHIN STREET RIGHT OF WAY AREA SHALL BE PERFORMED IN CONFORMANCE WITH THE CONDITIONS OF THE ENCROACHMENT PERMIT.
3. SEQUENCE OF CONSTRUCTION. THE WORK SHALL BE PERFORMED IN CONFORMANCE WITH THE SEQUENCE OF CONSTRUCTION CONTAINED IN THE PROJECT SPECIFICATIONS DOCUMENT.

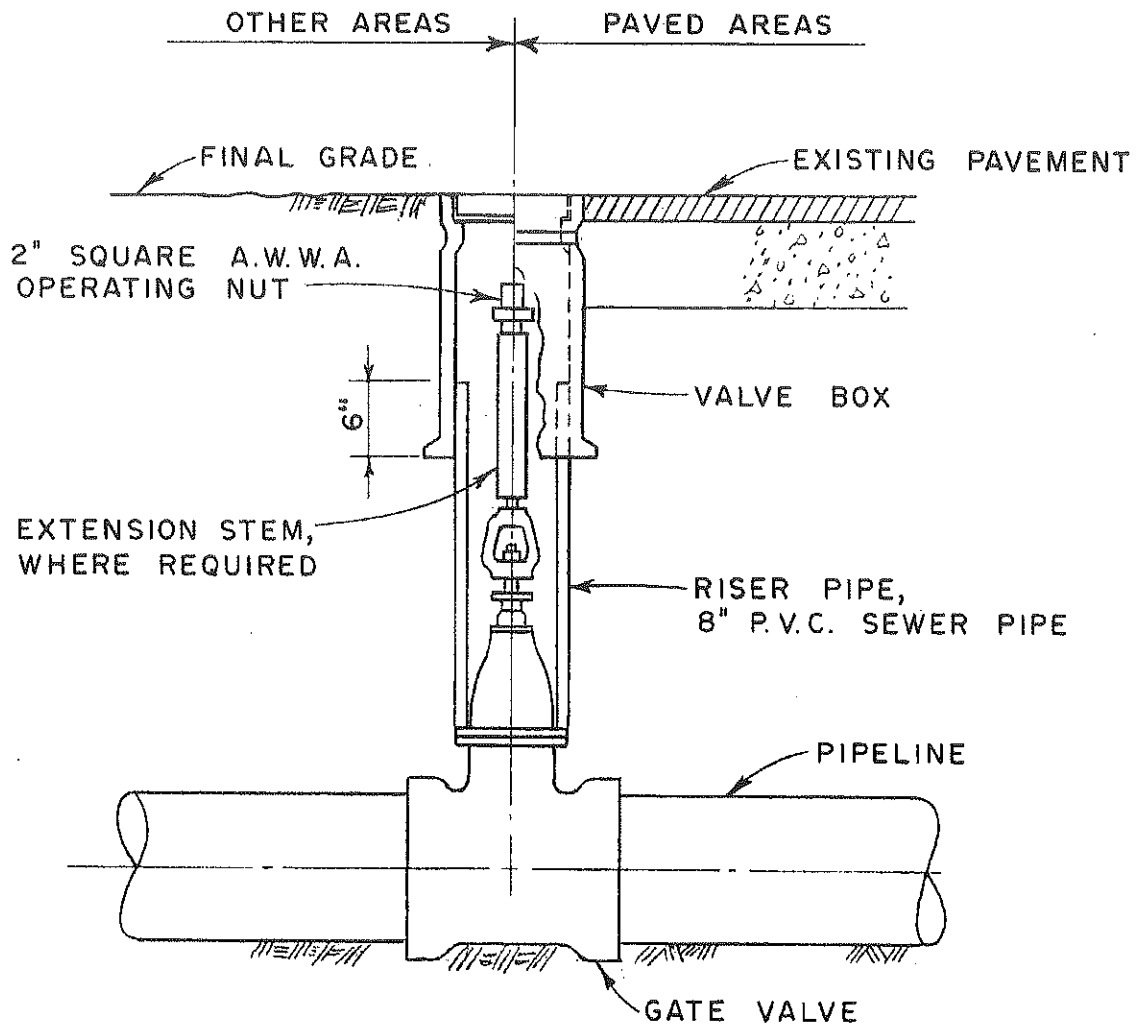


NOTE:

IN SOME LOCATIONS ON AVENUE ALHAMBRA THERE IS EXISTING CONCRETE PAVEMENT UNDER THE ASPHALT CONCRETE PAVEMENT. IT IS NOT KNOWN WHETHER THIS CONCRETE PAVEMENT OCCURS ALONG THE WATER PIPELINE ROUTE, AND THEREFORE IT IS NOT SHOWN ON THIS TYPICAL TRENCH DETAIL. IF THERE IS EXISTING CONCRETE PAVEMENT, IT SHALL BE REPLACED IN CONFORMANCE WITH COUNTY OF SAN MATEO REQUIREMENTS.

TYPICAL TRENCH SECTION

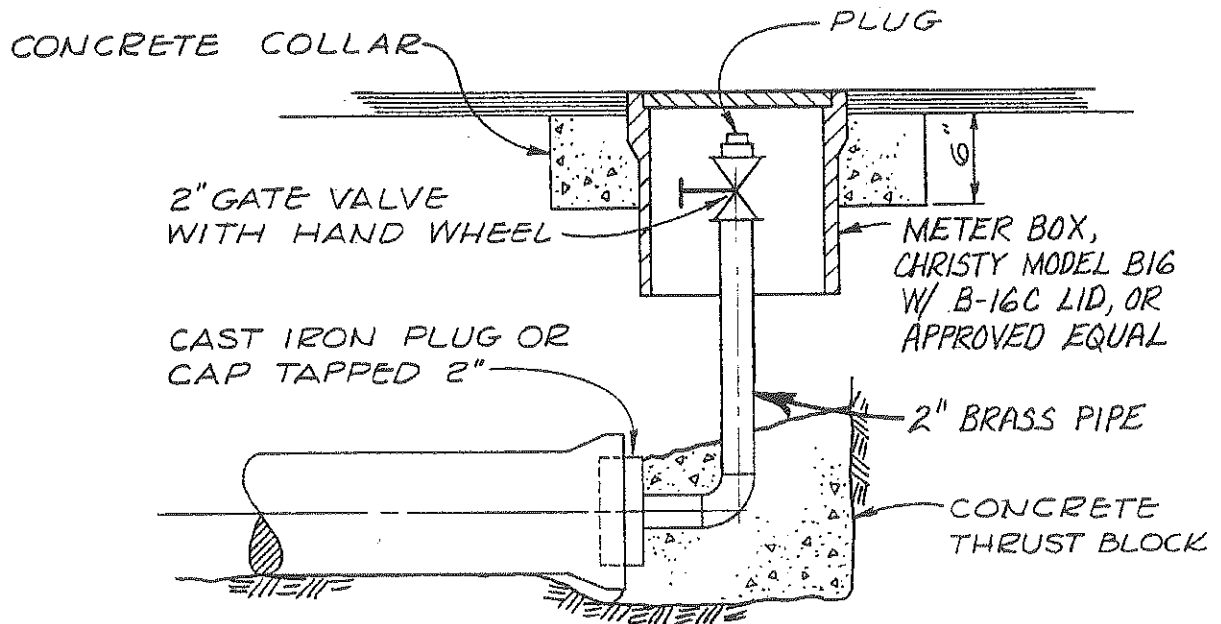
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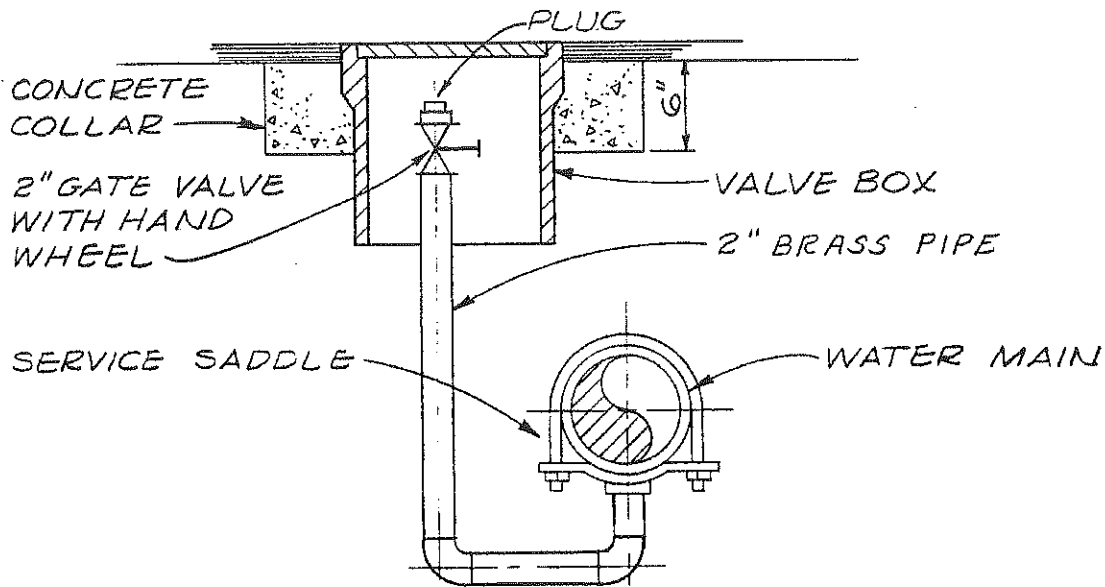
NOTES:

1. SEE SPECIFICATIONS FOR MATERIAL AND ADDITIONAL INSTALLATION REQUIREMENTS.

<p>GATE VALVE (ALL VALVES 10" AND SMALLER)</p>	DATE SEPT. 69	<p>DISTRICT STANDARDS COASTSIDE COUNTY WATER DISTRICT SAN MATEO COUNTY, CALIFORNIA</p>
	REV.	
	JULY 1974	
	NOV. 1981	



BLOW-OFF AT END OF MAIN



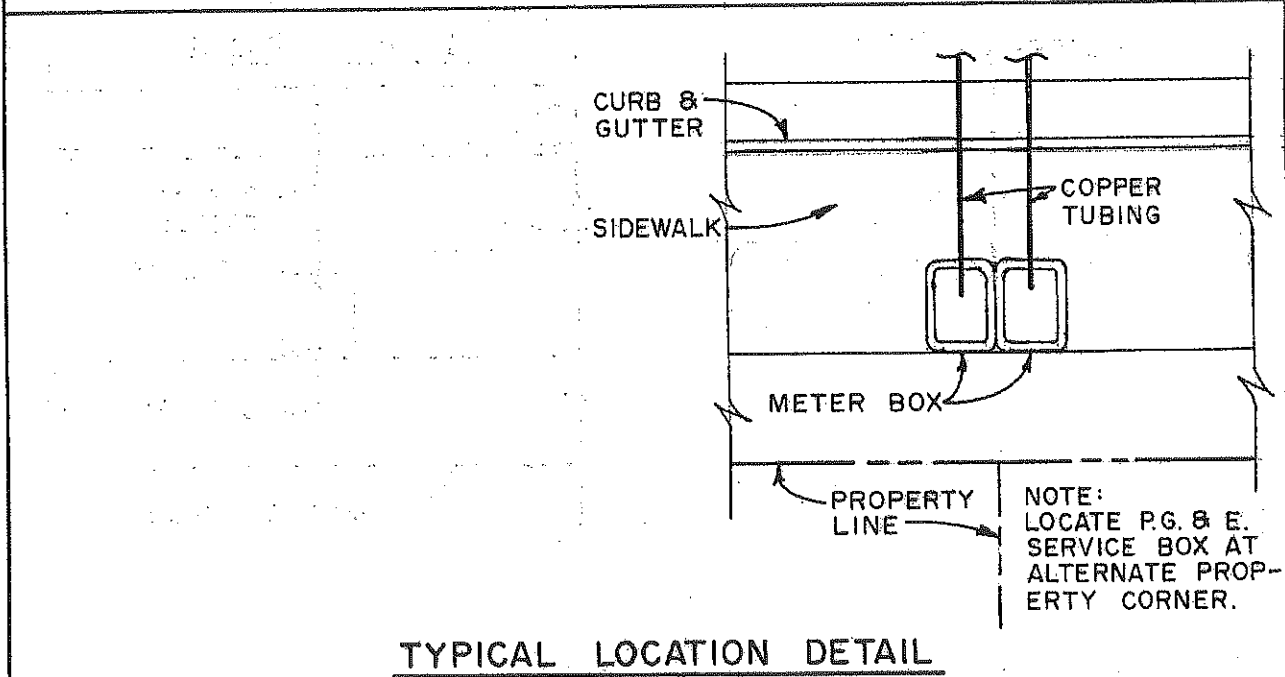
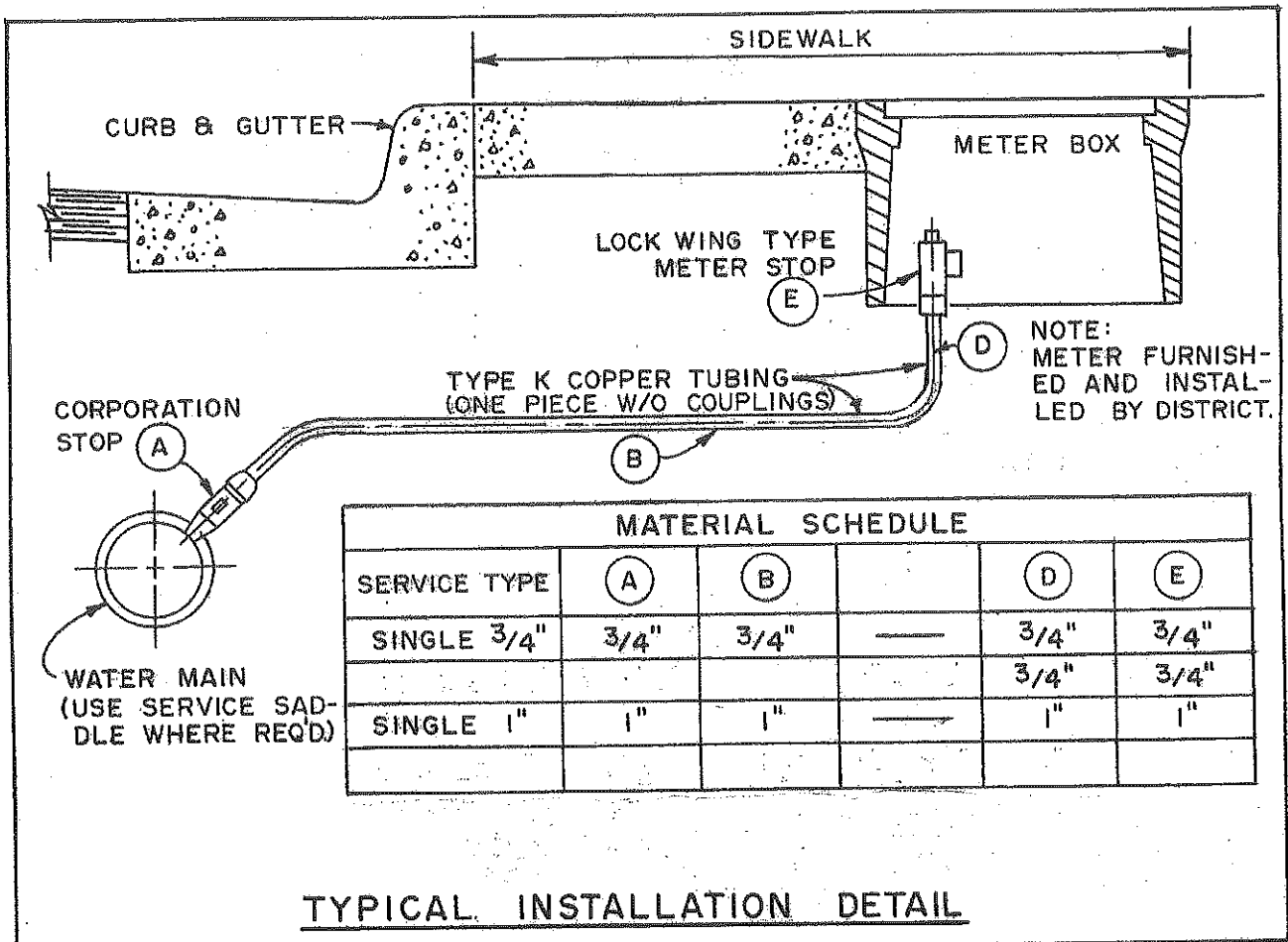
NOTE: BLOW-OFF AT INTERMEDIATE LOCATION

IF THE VALVE BOX IS IN THE TRAVELLED ROADWAY OR DRIVEWAY, THE TOP OF THE BOX SHALL BE FLUSH WITH THE TRAVELLED SURFACE, THE COVER SHALL BE CAST IRON, AND A 6" THICK CONCRETE SUPPORT SHALL BE POURED AROUND THE TOP OF THE VALVE BOX. BOXES LOCATED OUTSIDE ROADWAYS SHALL BE INSTALLED 2" ABOVE FINISHED GRADE.

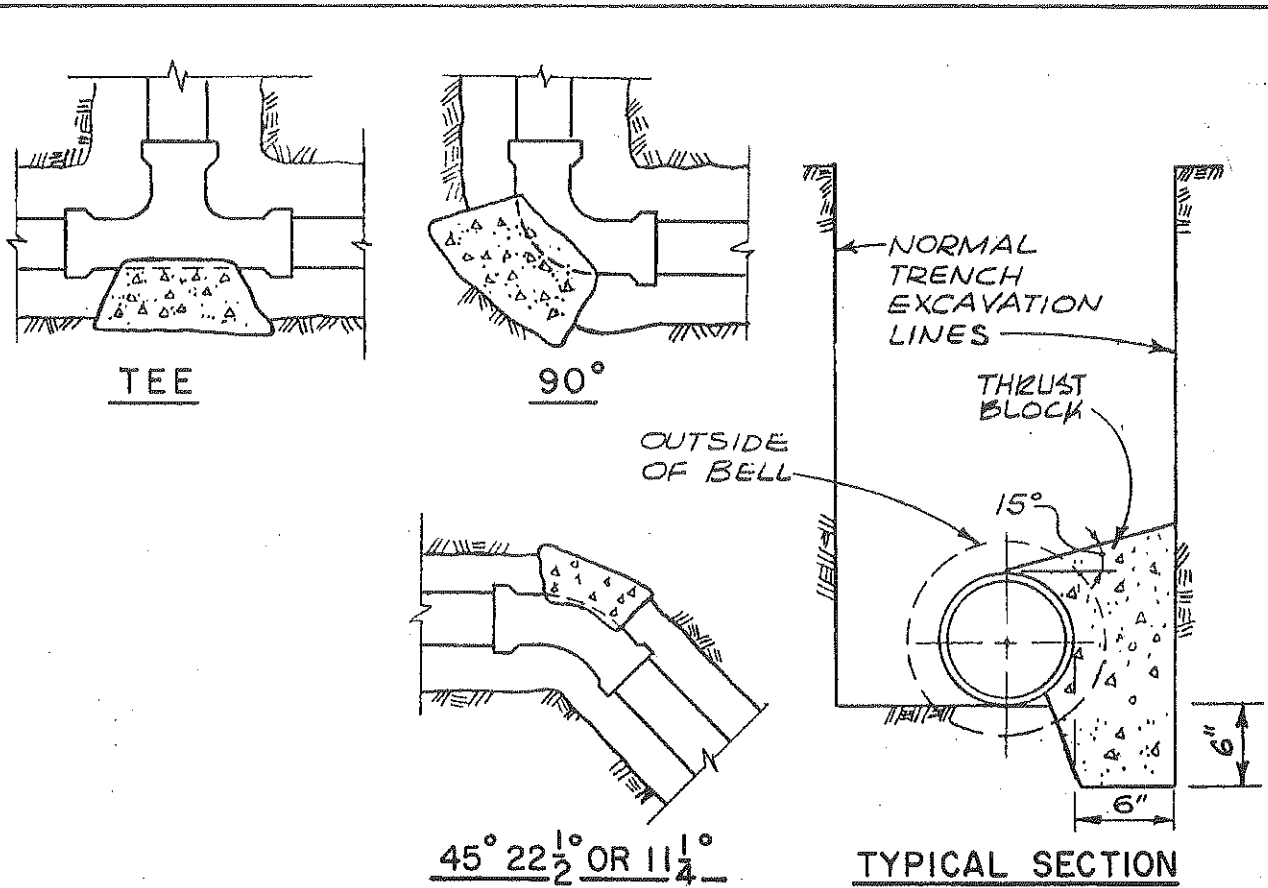
BLOW-OFF VALVE

DATE DEC '69
REV. APR. '76
MAR. '88

DISTRICT STANDARDS
COASTSIDE COUNTY
WATER DISTRICT
SAN MATEO COUNTY, CALIFORNIA



3/4" DOMESTIC SERVICE CONNECTION WITH 1" FIRE SERVICE CONNECTION	DATE: DEC. '75	DISTRICT STANDARDS COASTSIDE COUNTY WATER DISTRICT SAN MATEO COUNTY, CALIFORNIA
	REV: MAR. '83	
	MAR. '08	



MINIMUM REQUIRED BEARING AREA AGAINST UNDISTURBED EARTH WALL

PIPE SIZE	AREA IN SQUARE FEET AT FITTINGS				
	TEE & CROSS	90°	45°	22 1/2°	11 1/4°
6	3	5	3	2	2
8	6	8	4	2	2
10	8	11	6	3	2
12	11	15	8	4	2
16	18	25	14	7	4

NOTES:

1. THRUST BLOCKS SHALL BE PLAIN CONCRETE POURED AGAINST UNDISTURBED EARTH.
2. CAPS AND PLUGS SHALL HAVE THRUST BLOCKS WITH AREAS AS SPECIFIED FOR TEES. CAPS, PLUGS, FLANGES, AND MECHANICAL JOINTS SHALL BE COVERED WITH 8 MILS OF POLY-ETHYLENE BEFORE THRUST BLOCKS ARE POURED.
3. AREA IS IN A PLANE AT RIGHT ANGLES TO THE LINE OF RESULTANT THRUST.
4. THRUST BLOCKS ARE DESIGNED FOR AN ALLOWABLE SOIL BEARING VALUE OF 3000 LB/S.F. AND 200 P.S.I.G. TEST PRESSURE. AREAS SHALL BE INCREASED FOR SOILS WITH LOWER BEARING VALUES OR FOR HIGHER TEST PRESSURE.

HORIZONTAL THRUST BLOCKS

DATE SEPT. 69
REV. APR. 72

DISTRICT STANDARDS
COASTSIDE COUNTY
WATER DISTRICT
SAN MATEO COUNTY, CALIFORNIA

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: January 13, 2009

Report

Date: January 8, 2009

Subject: Mid-Year Financial Review

Recommendation:

None. Information only.

Background:

The attached table presents a Fiscal Year 2008-2009 year-to-date budget analysis. Overall, the District's operations are on budget, with a shortfall in budgeted revenue offset by lower expenses. Significant variances include:

- YTD water revenue is \$351,000 (11%) below budget and total revenue is \$295,000 (8%) below budget. Substantial reductions in floriculture and irrigation water use versus the same period in 2007 account for much of this shortfall.
- YTD expenses are \$244,000 below budget. Notable expense variances include:
 - SFPUC water purchases are \$120,000 lower, as reduced water consumption has more than offset the effect of the Denniston shutdown.
 - Crystal Springs pumping expenses are \$42,000 over budget due to delayed transition to the Pilarcitos Lake source.
 - Denniston operating expense are \$47,000 under budget due to the shutdown.
 - Field personnel salaries and wages are \$19,000 over budget due to higher-than-budgeted CPI increase effective July 1.

COASTSIDE COUNTY WATER DISTRICT - PERIOD BUDGET ANALYSIS
PERIOD ENDING DECEMBER 31, 2008

ACCOUNT	DESCRIPTION	YTD ACTUAL	YTD BUDGET	B/(W) VARIANCE	B/(W) % VAR
REVENUE					
1-0-4120-00	Water Revenue -All Areas	2,975,599	3,326,890	(351,291)	(10.6%)
1-0-4170-00	Water Taken From Hydrants	25,261	12,500	12,761	102.1%
1-0-4180-00	Late Notice -10% Penalty	27,724	25,000	2,724	10.9%
1-0-4230-00	Service Connections	4,400	4,000	400	10.0%
1-0-4235-00	CSP Connection T & S Fees	13,940	0	13,940	0.0%
1-0-4920-00	Interest Earned	54,393	50,062	4,331	8.7%
1-0-4925-00	Interest Revenue T&S Fees	0	0	0	0.0%
1-0-4927-00	Interest Revenue Bond Funds	0	0	0	0.0%
1-0-4930-00	Tax Apportionments/Cnty Checks	360,477	350,000	10,477	3.0%
1-0-4950-00	Miscellaneous Income	49,729	38,000	11,729	30.9%
1-0-4960-00	CSP Assm. Dist. Processing Fee	0	0	0	0.0%
1-0-4965-00	ERAF REFUND -County Taxes	0	0	0	0.0%
1-0-4970-00	Wavecrest Reserve Conn. Fees	0	0	0	0.0%
REVENUE TOTALS		3,511,523	3,806,452	(294,929)	(7.7%)
EXPENSES					
1-1-5130-00	Water Purchased	708,121	828,586	120,465	14.5%
1-1-5230-00	Pump Exp, Nunes T P	8,563	10,000	1,437	14.4%
1-1-5231-00	Pump Exp, CSP Pump Station	221,331	179,470	(41,861)	(23.3%)
1-1-5232-00	Pump Exp, Trans. & Dist.	13,655	14,469	814	5.6%
1-1-5233-00	Pump Exp, Pilarcitos Can.	1,342	300	(1,042)	(347.2%)
1-1-5234-00	Pump Exp. Denniston Proj.	11,437	37,248	25,811	69.3%
1-1-5235-00	Denniston T.P. Operations	26,398	44,778	18,380	41.0%
1-1-5236-00	Denniston T.P. Maintenance	15,119	18,000	2,881	16.0%
1-1-5240-00	Nunes T P Operations	60,238	73,731	13,493	18.3%
1-1-5241-00	Nunes T P Maintenance	19,280	25,848	6,568	25.4%
1-1-5242-00	CSP Pump Station Operations	3,812	4,248	436	10.3%
1-1-5243-00	CSP Pump Station Maintenance	11,816	20,000	8,184	40.9%
1-1-5318-00	Studies/Surveys/Consulting	18,663	25,002	6,339	25.4%
1-1-5321-00	Water Conservation	16,755	19,998	3,243	16.2%
1-1-5322-00	Community Outreach	7,464	15,846	8,382	52.9%
1-1-5411-00	Salaries & Wages -Field	430,982	411,699	(19,284)	(4.7%)
1-1-5412-00	Maintenance -General	100,367	90,396	(9,971)	(11.0%)
1-1-5414-00	Motor Vehicle Expense	19,797	28,998	9,201	31.7%
1-1-5415-00	Maintenance -Well Fields	5,738	12,702	6,964	54.8%
1-1-5610-00	Salaries/Wages-Administration	295,044	308,860	13,815	4.5%
1-1-5620-00	Office Supplies & Expense	43,958	69,675	25,717	36.9%
1-1-5621-00	Computer Services	24,402	26,950	2,548	9.5%
1-1-5625-00	Meetings / Training / Seminars	8,930	16,250	7,320	45.0%
1-1-5630-00	Insurance	251,013	246,675	(4,338)	(1.8%)
1-1-5640-00	Employees Retirement Plan	200,891	197,640	(3,251)	(1.6%)
1-1-5681-00	Legal	11,850	28,500	16,650	58.4%
1-1-5682-00	Engineering	3,445	12,500	9,055	72.4%
1-1-5683-00	Financial Services	18,356	23,688	5,332	22.5%
1-1-5684-00	Payroll Tax Expense	48,932	52,771	3,838	7.3%
1-1-5687-00	Membership, Dues, Subscript.	27,489	25,983	(1,506)	(5.8%)
1-1-5688-00	Election Expenses	0	0	0	0.0%
1-1-5689-00	Labor Relations	0	7,500	7,500	100.0%
1-1-5700-00	San Mateo County Fees	8,798	9,200	402	4.4%
1-1-5705-00	State Fees	9,156	23,000	13,844	60.2%
1-1-5710-00	Deprec, Trucks, Tools, Equipt.	0	0	0	0.0%
1-1-5711-00	Debt Svc/Existing Bonds 1998A	235,578	235,610	32	0.0%
1-1-5712-00	Debt Svc/Existing Bonds 2006B	324,492	325,174	682	0.2%
1-1-5713-00	Contribution to CIP & Reserves	217,000	217,000	(0)	(0.0%)
1-1-5745-00	CSP Connect. Reserve Contribu.	13,940	0	(13,940)	0.0%
1-1-5746-00	Wavecrest CSP Connt. Reserve	0	0	0	0.0%
EXPENSE TOTALS		3,444,153	3,688,292	244,139	6.6%
NET INCOME		67,370	118,160	-50,790	

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: January 13, 2009

Report

Date: January 8, 2009

Subject: Revisions to District Purchasing and Check Signing Policy

Recommendation:

Approve proposed revisions to the District's Purchasing and Check Approval Policy as shown in the attached.

Background:

At the November 2008 Board meeting, the Board directed staff to review the District's purchasing/purchase order policies in light of comments received during the annual audit. We have done so and suggest changes as shown in the attached. The significant changes include:

- Purchase order requirements eliminated for purchases under \$500.
- Requirement to obtain quotes eliminated for purchases of \$500 to \$5,000.
- Two quotes required for purchases of \$5,000 to \$15,000 rather than three.

In response to Board direction at the same meeting, we have also added a suggested check signing policy that requires the signature of the Board President or Vice President for checks \$25,000 and over.

Fiscal Impact:

None.

Coastside County Water District

Purchasing Policy

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The following are general guidelines for purchasing items other than District Projects.

Petty Cash

Any purchases made for supplies or services with a value to \$100 or less that has been pre-expended by District employees and Directors may be reimbursed through petty cash. A "Reimbursement for Expenses" form shall be completed and approved before petty cash is rendered. Any non-routine purchase made with petty cash should be pre-approved by Superintendent of Operations or Office Manager.

Business Expenses and Employee Purchases over \$100

Any purchases made for supplies or services with a value over \$100 will be reimbursed by check during regular monthly accounts payables. Meeting and related travel expenses over \$100 will not be reimbursed through petty cash. A "Reimbursement for Expenses" form shall be completed and approved before payment. Approval is required by the Superintendent, Office Manager or General Manager prior to expenditures for business expenses.

Credit Cards

Credit Card holders are the General Manager, Superintendent and the Office Manager. A purchase order may need to be completed and approved prior to using the credit card. All credit card invoices are reviewed and approved on a monthly basis by the Office Manager and General Manager.

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Purchase Orders Requirements

Once a vendor has been selected to supply specific items or services, a Purchase Order must be completed for any purchase exceeding \$500. The Purchase Order must have a complete listing and description of the items/services and have the proper authorization.

1. Expenditures under \$500

- A Purchase Order is not required
- Needs verbal approval by Office Manager, Supervisor, Superintendent or General Manager

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2. Expenditures \$500 - \$5,000

- Requires a Purchase Order
- Needs written approval on Purchase Order by General Manager, Superintendent or Office Manager

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<#>Requires a Purchase Order¶
<#>Needs written approval on Purchase Order by Superintendent or Office Manager¶

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3. Expenditures \$5,000 - \$15,000

- Requires a Purchase Order

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- Needs written or verbal approval on Purchase Order by General Manager
- Requires two (2) informal quotes (in writing, by phone, fax or email)

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4. Expenditures Greater Than \$15,000

- (See Policies and Procedures for Award of Contracts)

Vendors Not Requiring Purchase Orders

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1. Agencies that bill on a monthly basis such as other utility companies (phone, water, electrical, gas, fuel, garbage, yard stock (rock, gravel), etc...)
2. Companies that have an open account with the District such as, Oceanshore Hardware (ACE) & rentals, Redwing Shoes and Radio Shack (Strawflower Electronics).

Blanket Purchase Orders

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A blanket purchase order may be used for frequently needed supplies or services from a same supplier. Blanket purchase orders are established per fiscal year, and allow the department to order directly from the supplier. The blanket purchase order contains ordering and billing instructions, a price agreement, and a description of the goods or services that can be ordered.

ACCOUNTING PROCEDURES

1. All purchases must be approved either verbally or in writing (see purchase order section)
2. If a purchase order is required:
 - a. Requestor completes PO, including project account number, signature and vendor information. The requestor forwards it (with quotes, if needed) to the Superintendent or Office Manager. Also, receives supervisor initial if appropriate.
 - b. Upon approval, Superintendent gives approval by initialing PO, then forwards to General Manager for approval if over \$5,000. Approved P.O. white and yellow copies go to Accounts Payable,
 - c. Upon receipt of the product or service, requestor notes PO is complete on pink copy and forwards to Accounts Payable with all invoices and packing slips.
 - d. Invoices are then matched up with PO or Packing slips and then coded by the AP department with the vendor number, account number(s) and amount(s).

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3. The invoices are then given to either the Office Manager and/or Superintendent for approval. After review by the OM and Superintendent, final approval is made by the General Manager.
 - e. Invoices are then entered into the AP by the Office Specialist. A final proof list is reviewed by the Office Manager before checks are printed and mailed/distributed.
4. All invoices that are received on or before the 25th of the month will be paid by the end of the same month.
5. All claims are placed on the monthly agenda for Board of Directors for approval.

Check Signing/Authorization:

The purpose of this policy is to establish check signing guidelines for the Coastside County Water District Operating and Payroll accounts.

1. The General Manager, Superintendent of Operations, Office Manager, President and Vice President of the Board of Directors may sign checks on behalf of the Coastside County Water District bank accounts.
2. All checks under \$25,000 will only require one signature and may be signed by the General Manager, Superintendent of Operations or Office Manager.
3. All checks \$25,000 and over shall bear two signatures, one of which will be the General Manager, Superintendent or Office Manager
4. The Second signature may be that of either the President or Vice President of the Board of Directors.

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Original Purchase Order Policy approved by the Finance Advisory Committee on April 30, 2007 and by Board Approval on May 8, 2007

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: January 13, 2009

Report

Date: January 9, 2009

Subject: Water Reclamation – Status and Next Steps

Recommendation:

None. Information only.

Background:

Status of Efforts Toward Partnership with SAM

The CCWD Board recognized at its August 12, 2008 meeting that the most logical next step in developing a water reclamation project would be to form a partnership with SAM as the recycled water producer. Starting with my letter to SAM Manager Jack Foley on August 18, CCWD has aggressively pursued the effort to bring about a joint meeting with SAM representatives to discuss reclamation. To date, SAM committee members have not been available for such a meeting.

My letter to Jack Foley expressing the District's continued interest in working with SAM toward a water recycling partnership and requesting that he give us meeting dates as soon as possible is attached.

Next Steps

The most important next step we need to take is to form a productive working relationship with SAM. I do not believe either SAM or CCWD has a realistic prospect of successfully implementing a water reclamation project without the consent, cooperation, and support of the other.

Acknowledging that developing a partnership with SAM will require some time, these are the next steps I feel the District should take in keeping with our role as the retail water supplier and recycled water distributor:

1. **Analyze CCWD's Water Supply Needs:** We will need a comprehensive, quantitative analysis of the District's water supply picture in order to

determine the benefits additional supply realized through reclamation will provide to existing water customers.

2. **Develop Preliminary Reclaimed Water Pricing and Terms Scenarios:** Financing recycling capital and operations costs will require that recycled water customers sign long-term agreements to buy recycled water at specified quantities and prices and that the District's other customers, through their water rates, provide a subsidy for recycled water and assume some degree of risk associated with securing the financing. Developing preliminary pricing and terms will give us a basis for opening commercial discussions with key reclaimed water users.
3. **Initiate Discussion with Key Reclaimed Water Users:** Four District customers (Ocean Colony Partners, Skylawn, Nurserymen's Exchange, and Bay City Flowers) are the primary customers for reclaimed water. The project's feasibility will depend on whether these users will commit to long-term agreements based on the reclaimed water pricing and terms we are able to offer.

Staff will bring specific proposals for accomplishing these next steps to the Board at the February meeting.

January 9, 2009

Mr. John F. Foley III
Manager
Sewer Authority Mid-Coastside
1000 N. Cabrillo Highway
Half Moon Bay, CA 94019

Re: CCWD-SAM Partnership for Water Reclamation – Joint Committee Meeting

Dear Jack:

With nearly five months having passed since Coastside County Water District first reached out to Sewer Authority Mid-Coastside with a request to work with us on water reclamation, we still have not been able to take the first step toward that objective. I am writing to express CCWD's continued interest in working with SAM on water recycling and to request that you provide us as soon as possible with dates on which SAM representatives could participate in a joint meeting.

As we have discussed, the CCWD Board of Directors feels that the best way to realize the benefits of water reclamation for the coastside is through a partnership between SAM as the recycled water producer and CCWD as the recycled water distributor. The District Board appointed a Water Reclamation Committee on August 12, 2008 for the purpose of meeting with a similar committee from SAM to work toward such a partnership. On August 18, I wrote to you requesting that the SAM Board consider doing the same.

We were pleased with the SAM Board's decision at its November 24 meeting to authorize the SAM Water Recycling Committee to participate in a joint session with CCWD's Water Reclamation Committee. On December 1, we gave you nine possible meeting dates in December. The SAM representatives were not available on any of those dates, and I understand from our phone conversation yesterday that you are still working to identify a date when the SAM Water Recycling Committee members might be available for a joint meeting.

We look forward to hearing from you in the near future.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Dickson". The signature is fluid and cursive, with a long horizontal stroke at the end.

David R. Dickson
General Manager

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: January 13, 2009

Report

Date: January 9, 2009

Subject: General Manager's Report

Recommendation:

None. Information only.

Background:

I'd like to highlight the following:

1. **District Infrastructure Strategic Planning Workshop:** This workshop is scheduled for January 26, 2009, at 2:00 pm at the District office.
2. **Financing the District Strategic Planning Workshop:** We are working to schedule this session toward the end of February.

Monthly Report

To: David Dickson, General Manager
From: Cathleen Brennan, Water Resources Analyst
Agenda: January 13, 2009
Subject: Water Resources Report

This report is provided as an update on water conservation, outreach, and water resources activities.

□ Landscape Audit



The District contracted with Environmental Water Management to perform a landscape irrigation audit at Oceano Hotel. The audit was performed on November 12, 2008 and the final report was forwarded to hotel management. This data will be used to calculate a water budget for the site's dedicated irrigation account.

□ Summary of Meetings

State Water Resources Control Board - Conference Call - 20X2020 12/8/2008
BAWSCA Water Conservation Implementation Plan 12/9/2008
Irvine Consulting - Dave Irvine - Utility Billing and Mandatory Rationing - 12/11/2008
Public Workshop - Pilarcitos IWMP 12/16/2008
BAWSCA TAC - 1/8/2009
BAWSCA Water Conservation Implementation Plan 1/12/2009

Monthly Report

To: David Dickson, General Manager
From: Cathleen Brennan, Water Resources Analyst
Agenda: January 13, 2009
Subject: Water Shortage and Drought Contingency Plan

This report is provided as an update on the implementation of the Water Shortage and Drought Contingency Plan – Stage 1 (Advisory Stage). The Advisory Stage was implemented in June of 2007. In June of 2008, Governor Schwarzenegger declared a state wide drought.

√ Local Precipitation

Water year 2007 was considered critically dry and was at 67% of historic average. Water year 2008 was slightly better at 72% of the historic average. October is the start of the new 2009 water year. Water year 2009 is below average to date for local precipitation.

Precipitation for Half Moon Bay													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Totals
Historic Average	1.3	3.4	3.7	5.5	4.8	3.9	1.6	0.6	0.2	0.0	0.1	0.3	25.4
	2008			2009									
Water Year 2009	0.48	2.39	2.63										5.50
	2007			2008									
Water Year 2008	1.83	0.93	3.16	8.75	2.73	.31	.16	.07	.04	0.1	.12	.05	18.25
	2006			2007									
Water Year 2007	.19	3.18	4.24	.72	5.31	0.81	1.62	.41	.07	.25	.03	.19	17.02

√ Mandatory Rationing

Staff is working on the following items:

- Drought Ordinance
- Springbrook Software Modifications for Billing
- Rates, Penalties, and Surcharges
- Reviewing multi-family sales class (06) to exclude accounts that serve one dwelling unit.

MONTHLY REPORT

To: David Dickson, General Manager
From: Joe Guistino, Superintendent of Operations
Agenda: January 13, 2009

Report
Date: January 7, 2009

Monthly Highlights

AMR Retrofit

The 10 largest users of water will have AMR devices on all of their meters by the end of January.

Yellow Water Event

Fire flow testing in Princeton Harbor while the El Granada Pipeline was shut down for tank maintenance resulted in a yellow water event in El Granada on Thursday, 11 December. We received 6 complaints that evening. The water had cleared itself by the next day.

Source of Supply

Crystal Springs Reservoir and Pilarcitos Wells 4A and 5 were the main source of supply in December. The two Pilarcitos wells were started on Tuesday, 16 December.

Systems Improvement:

Beautification Efforts

- Weed abatement around Pilarcitos Wells and Nunes WTP.
- Cleared pipes and fittings from around Half Moon Bay Tanks.
- Cleared brush around Denniston Dam spillways and outlets.
- Painted all new hydrants on El Granada Phase III pipeline.
- Uncovered all valving at the Denniston Pump Station Yard.
- Spread topsoil around Denniston Tanks.
- Cleaned up shop.
- Cleaning up Nunes WTP.

Guard Rail

Crews installed a guard rail on the road above the site of the above ground diesel storage tank.

Chlorine Analyzer

The crew has installed a chlorine analyzer at the Half Moon Bay Tanks. An analyzer in this location will now allow for more contact time credit for disinfection which in turn may allow us to cut back on our chlorine dosage to further reduce THM production.

Update on Other Activities:

Yellow Water Event

Fire flow testing in Princeton Harbor while the El Granada Pipeline was shut down for tank maintenance resulted in a yellow water event in El Granada on Thursday, 11 December. We received 6 complaints that evening. The water had cleared itself by the next day. Precautions are now taken to contact the Fire Department before shutting the El Granada Pipeline Supply to El Granada to prevent a reoccurrence. I will be developing a unidirectional flushing strategy to clean up the distribution network in El Granada.

New Temp Worker

The term for the present temp worker expired on Monday, 5 January. A replacement has been selected and will start this month.

Meter Change-Out Program

Crews replaced 24 meters in December. All but 3 of them were old Rockwell meters. There were 2 Trident meters and one was exchanged because the original meter was stuck. All new meters installed after 1 January will have an AMR device.

Canada Cove

Staff met on Friday, 12 December to workshop alternatives for the Canada Cove Trailer Park fire suppression system. The present system depends on the deteriorating tank which poses a water quality threat to the District since there is no approved backflow device between our systems. We have communicated to the owners that they must either erect a new tank or to remove it and install a fire service meter on their system. The fire service meter allows for normal consumption through a smaller meter while allowing full main flow when the demand is high.

Evergreen Nursery

Evergreen Nursery had purchased extra capacity to upgrade from their present 1" connection to a 2" connection. They are at the end of a 2" line which limits the amount of water they can draw. I have submitted to them a letter stating that they must apply for an increase in the size of the main or to relinquish their extra capacity.

Outreach

On Wednesday, 24 December, Treatment Supervisor Steve Twitchell and Treatment/Distribution Operator Jon Bruce extended the spirit of goodwill towards the field staff for Montara Water and Sanitary District by giving them a complete tour of the Nunes WTP. They were very grateful and appreciative of the opportunity.

El Granada Phase III Pipeline Residual Issues

A sinkhole developed at the site of the receiving pit for the Arroyo De En Medio jack and bore pit. JMB came down and filled it in on 5 January.

Corrollo Engineering resolved some possible drainage issues along Grand and Alto Avenues.

Safety/Training/Inspections/Meetings

Meetings Attended

- 1 Dec - Met with Jim Steele at Denniston reservoir to discuss dredging strategies and to show him the extent of the siltation since the reservoir was partially dewatered.
- 3 Dec - Telemeeting of Cal/Nev Section AWWA Governing Board
- 4 Dec - BAWSCA TAC meeting
- 9 Dec - Met with Andreini Bros. to discuss emergency options for Pilarcitos Culvert.
- 10 Dec - Webcast on Water Storage Tanks. Entire crew in attendance.
- 30 Dec - Met with Jim Teter and GM to discuss Pacific Ridge, STI, South of town pipeline and Canada Cove.
- 30 Dec - O&M Staff Meeting

Safety Committee and Training

The Safety Committee met on 10 December to discuss current needs for the next year. Safety Training this month was on Sexual Harassment.

Department of Public Health

We petitioned DPH to allow us to reduce our aluminum monitoring at Nunes WTP to once per month. We are presently awaiting their response.

Projects

Tank Recoating Projects

CSI Engineering has provided us with a draft of the RFPs to be used to solicit bids for the coating of Alves and Miramar Tanks. It is presently under review and revision.

Short Term Improvement Project

Jim Teter is presently generating the specifications and RFPs to go out to bid on this project.

Denniston Storage Tank Modification Project

Stoloski and Gonzales will finish up this project this month. They are re-staging on Monday, 19 January and expect to be complete within 3 weeks.

Nunes Filter Media Replacement

The contractor is meeting with staff on Monday, 12 January to kick off this project. We will be discussing schedules, staging and contact information.

Nunes UST Removal and AGST Installation Project

The retaining wall and pad are complete and the tank has been set in place. The contractor will be making all connections and a trial run in January.

Denniston Filter Valve Replacement Project

The project is complete and we will be testing the operation on the week of 12 January.

AMR Retrofit

National Meter and Instrumentation is almost complete with retrofitting our largest users with AMRs. They should be complete in January.

South of Town Pipeline

The District Engineer has completed the design to replace the 2" galvanized steel pipe that runs from Miramontes Point Road to Cowell Ranch Beach. He has also submitted project alternatives for our review this month.