

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

Tuesday, May 11, 2010 - 6:00 p.m.

1) CLOSED SESSION

A. Conference with Legal Counsel

Pursuant to California Government Code Section §54956.9(b)

Anticipated Litigation - Significant Exposure to Litigation: One Case

The Closed Session convened at approximately 6:00 p.m., with Directors Coverdell, Larimer, Donovan, Vice-President Feldman, President Mickelsen, General Manager Dickson and Patrick Miyaki, Legal Counsel in attendance.

- 2) RECONVENE TO OPEN SESSION** - The Closed Session concluded at approximately 7:05 p.m., immediately prior to commencement of the special meeting, at which time President Mickelsen announced that no action had been taken during the closed session.

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MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

Tuesday, May 11, 2010

- 1) **ROLL CALL:** President Mickelsen called the special meeting to order at 7:13 p.m. Present at roll call: Vice President Bob Feldman, and Directors Ken Coverdell, Jim Larimer and Jerry Donovan.

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) **PUBLIC COMMENT:** There were no public comments.

- 3) **SCHEDULE A PUBLIC HEARING ON PROPOSED RATE INCREASE AND AUTHORIZE ISSUANCE OF A NOTICE OF PUBLIC HEARING AND PROPOSED RATE INCREASE**

President Mickelsen announced that this agenda item would be addressed under agenda item 7A during the regular meeting of the Board of Directors.

- 4) **ADJOURN:** The special meeting was adjourned at 7:14 p.m., at which time the regular May 11, 2010 Board of Directors meeting commenced.

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MINUTES OF THIS REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, May 11, 2010

- 1) **ROLL CALL:** President Mickelsen called the meeting to order at 7:15 p.m. Present at roll call: Vice-President Feldman, and Directors Ken Coverdell, Jim Larimer and Jerry Donovan.

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 comments from members of the public.

President Mickelsen announced, on behalf of Erin Tormey, with the Coastside Farmer's Market, that there will be a pharmaceutical disposal site available on Saturday, May 22, 2010 at the Farmer's Market event, located at Shoreline Station in Half Moon Bay and encouraged coastside residents to take advantage of this opportunity to properly dispose of their expired and unnecessary prescription and over-the-counter medications.

- 4) **CONSENT CALENDAR**

- A. Requesting the Board to review disbursements for the month Ending April 30, 2010 - Claims: \$491,352.73; Payroll: \$106,016.56 for a total of \$597,369.29
- B. Acceptance of Financial Reports
- C. Minutes of the April 13, 2010 Board of Directors Meeting
- D. Minutes of April 29, 2010 Special Board Budget Workshop

- E. Installed Water Connection Capacity and Water Meters Report
- F. Total CCWD Production Report
- G. CCWD Monthly Sales by Category Report
- H. April 2010 Leak Report
- I. Rainfall Reports
- J. San Francisco Public Utilities Commission Hydrological Conditions Report for April 2010
- K. Notice of Completion - Acceptance of Nunes Filter # 3 and #4 Media Replacement Project
- L. Notice of Completion - Acceptance of Denniston Filter Failure Project

President Mickelsen reported that he had reviewed the monthly financial claims, and found all to be in order.

Mr. Dickson informed the Board that an error had been made on the District's Monthly Sales by Category Report. Mr. Guistino advised that it had been related to a transcription error; corrected copies of the report were distributed to the Board.

ON MOTION BY Vice-President Feldman and seconded by President Mickelsen, the Board voted as follows, by roll call vote, to accept the Consent Calendar in its entirety:

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

5) PUBLIC HEARING - Coastside County Water District Ordinance 2010-01 - Indoor Water Use Efficiency Ordinance

President Mickelsen opened the Public Hearing at 7:17 p.m. Noting that there were no members of the public in attendance, he directed the Board's attention to the presentation by Cathleen Brennan, District Water Resource Analyst, on the proposed Ordinance. Ms. Brennan reminded the Board that she had provided a power point presentation at the April 13, 2010 Board meeting, and would take this opportunity to review highlights of the Ordinance, which included the background, description, enforcement, effective date, economic impact, and fiscal impact. She informed the Board that the District had not received any comments on the Ordinance from members of the public. Ms. Brennan also addressed a

few questions from the Board. Upon completion of Ms. Brennan's presentation, President Mickelsen closed the Public Hearing at 7:28 p.m.

ON MOTION BY Director Larimer and seconded by Vice-President Feldman, the Board voted as follows, by roll call vote, to adopt Ordinance 2010-01 An Ordinance of Coastside County Water District Establishing Water Conservation Regulations:

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

6) MEETINGS ATTENDED / DIRECTOR COMMENTS

Vice-President Feldman informed the Board that he had attended the April 26, 2010 Sewer Authority Mid-Coastside (SAM) Board of Director's meeting, and that upon presentation of a Resolution commending Jack Foley, SAM's Manager, he spoke on behalf of the Coastside County Water District, acknowledging Mr. Foley for his many accomplishments as the SAM Manager for the past seven years.

Vice-President Feldman also reported on his attendance at the recent Association of California Water Agencies (ACWA) Spring Conference in Monterey. He provided some of the history and background of the agency and reported on several of the sessions that he attended, including the proposed water bond issue, desalination, retirement plan options, regional opportunities for collaboration, and Delta governance. He also shared a copy of the April issue of National Geographic magazine, entitled "*Water, Our Thirsty World*".

7) GENERAL BUSINESS

A. Draft Fiscal Year 2010-2011 Revenue and Expense Budget and Capital Improvement Program

Mr. Dickson presented the draft fiscal year 2010-2011 Revenue and Expense Budget and Capital Improvement Program once again, noting that the Board and members of the Finance and Facilities Committees have had opportunities to thoroughly review these documents on several

occasions, including the public budget work session conducted on April 29, 2010. He highlighted the few key aspects of the budget which had been previously examined at the budget workshop. He recommended that the Board schedule a public hearing on the proposed rate increase for June 29, 2010 and authorize issuance of a notice of public hearing and proposed rate increase.

Vice-President Feldman requested that the amount of the proposed fourteen percent (14%) be specifically stated on the notice of the proposed rate increase and brief discussion among the Board members ensued.

ON MOTION BY Director Donovan and seconded by Director Coverdell, the Board voted as follows, by roll call vote, to schedule a public hearing on the proposed rate increase for June 29, 2010 and to authorize the issuance of a notice of public hearing and proposed rate increase, to specify an increase of up to a 14% in the District's water rates:

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

8) GENERAL MANAGER'S REPORT INCLUDING MONTHLY INFORMATIONAL REPORTS

Mr. Dickson provided an update on the progress of the San Mateo County Board of Supervisor's May 11, 2010 public hearing on the Local Coastal Program.

Mr. Dickson stated that there was no progress to report with regard to developing a recycled water agreement between the District and the Sewer Authority Mid-Coastside (SAM), and that the District is still waiting for SAM to respond to the principles of the agreement that the CCWD Board approved on February 9, 2010.

A. Water Shortage and Drought Contingency Plan Update

Ms. Brennan reviewed precipitation records and referenced the San Francisco Public Utilities Commission Hydrological Conditions Report for April 2010.

B. Operations Report

Mr. Guistino reviewed the monthly highlights of his report, including an update on the cleaning and maintenance of the Crystal Springs Tunnel. He also informed the Board that the Denniston Water Treatment Plant was back in service and running very well and briefly discussed plans and potential options for the design of the proposed Bridgepoint Pipeline Project. He also provided updates on the Miramar Tank recoating project and the newly installed meter and fire valve located at the Canada Cove community.

9) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

10) ADJOURNMENT

The meeting was adjourned at 8:11 p.m. The next regular meeting of the Coastside County Water District's Board of Directors is scheduled for Tuesday, June 8, 2010.

Respectfully submitted

David R. Dickson, General Manager
Secretary of the Board

Chris R. Mickelsen, President
Board of Directors