

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

Tuesday, August 9, 2011

- 1) **ROLL CALL** - President Bob Feldman called the meeting to order at 7:00 p.m. Present at roll call: Director Ken Coverdell, Vice-President Jerry Donovan, and Director Jim Larimer. Director Chris Mickelsen arrived at 7:03 p.m.

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

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC COMMENTS** - There were no public comments.

- 4) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending July 31, 2011:
Claims: \$521,573.37; Payroll: \$ 70,475.42; for a total of \$592,048.79
- B. Acceptance of Financial Reports
- C. Approval of Minutes of July 12, 2011 Board of Directors Meeting
- D. Installed Water Connection Capacity and Water Meters Report and Non-Priority Lottery Recipients Status Update Report
- E. Total CCWD Production Report
- F. CCWD Monthly Sales by Category Report
- G. July 2011 Leak Report
- H. Rainfall Reports
- I. Request for Board to Provide Authorization to Write Off Bad Debts for Fiscal Year 2010-2011

Director Larimer reported that he had reviewed the monthly financial claims and found all to be in order.

ON MOTION BY Director Coverdell and seconded by Director Mickelsen, the Board voted as follows, by roll call vote, to accept and approve the Consent Calendar in its entirety:

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

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

Director Coverdell reported on the July 21, 2011 Bay Area Water Supply and Conservation Agency (BAWSCA) Board of Directors meeting he had attended, which included an update on the analysis of the current contracts associated with San Francisco Public Utilities Commission's projects.

6) GENERAL BUSINESS

A. Nunes Water Treatment Plant Flocculator Drive Purchase

Mr. Guistino provided the background of this project, and explained that this is the third and final phase of a three year replacement project initially approved by the Board in November of 2009. Mr. Guistino and Mr. Dickson answered several questions from the Board about the purchase.

ON MOTION BY Vice-President Donovan and seconded by Director Mickelsen, the Board voted as follows, by roll call vote, to authorize the purchase and installation of three new flocculator drives for the Nunes Water Treatment Plant at a total project cost of approximately \$50,000.00, with a waiver of the District's procurement policy for this particular purchase:

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

B. Association of California Water Agencies (ACWA) Region 5 Election for 2012-2013 Term

Mr. Dickson introduced this item and suggested that President Feldman may have some comments about the individual candidates, as well as ACWA's submission of the recommended slate.

President Feldman suggested that the Board vote for ACWA's Region 5 Nominating Committee's Recommended Slate.

ON MOTION BY President Feldman and seconded by Vice-President Donovan, the Board voted as follows, by roll call vote, to direct staff to complete and submit the ACWA Region 5 Board Ballot for the 2012-2013, term, voting to concur with the Region 5 Nominating Committee's recommended slate:

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

7) GENERAL MANAGER'S REPORT INCLUDING MONTHLY INFORMATIONAL REPORTS

- 1. Nurserymen's Exchange Bankruptcy** – Mr. Dickson provided an update to the Board on the bankruptcy process and reported that the bankruptcy court has acknowledged the District's unsecured creditor claim for \$50,243.65 in pre-petition water service charges. He also advised that escrow closed on August 5, 2011 on the sale of Nurserymen Exchange's assets to Floramoda, a subsidiary of Monterey Peninsula Horticulture, and that the new company will continue Nurserymen's operations and be responsible for water service accounts as of that date.
- 2. I-Bank Loan Approval** – Mr. Dickson stated that he had attended the I-Bank Board of Directors meeting on July 26, 2011 and that the loan for the District's Denniston Creek Water Treatment Plant Improvements Project had been approved in the amount of \$6,756,500. He advised that the loan has a 30 year term at an interest rate of 2.79% (plus a 0.3% annual fee), and that he anticipated bringing the final

agreement to the Board for approval at the September CCWD Board of Directors meeting.

3. **Customer Survey** – Mr. Dickson explained that as part of an effort to develop a communications plan for the District, staff has worked with a consultant to conduct a survey of the District’s customers. He reviewed the results of the approximately 550 responses received to date and indicated that the final survey results and a communications plan would be presented in more detail to the Board at the September Board of Directors meeting.
4. **Denniston Project Construction** - Mr. Dickson reported that the initial pre-construction meeting had been conducted with Anderson Pacific, EKI, and Kennedy/Jenks and that work is expected to begin on the site, starting with the shoring, on September 5, 2011.

A. Operations Report

Mr. Guistino reviewed the highlights of his report, including the recent inspection of the tunnel located at the Crystal Springs Pump Station, which identified some necessary repairs to the water intake valves. He also reported on the status of the digitized system maps and development of Global Positioning System (GPS) mapping of all District field assets and the current lead and copper testing program.

B. Water Resources Report

Ms. Brennan reported that the District had received a certificate of appreciation for partnering and contributing to the Environmental Protection Agency WaterSense program and reviewed the regional Water Use Efficiency Rebate Programs currently instituted through BAWSCA.

9) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

There were no comments or requests from the Board members.

10) ADJOURNMENT

ON MOTION BY Director Mickelsen and seconded by Director Larimer, the Board voted as follows, to adjourn the August 9, 2011 meeting of the Coastside County Water District’s Board of Directors:

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

The meeting was adjourned at 7:37 p.m. The next Special Board of Directors meeting is scheduled for Tuesday, September 13, 2011.

Respectfully submitted,

David R. Dickson, General Manager
Secretary of the Board

Robert C. Feldman, President
Board of Directors