

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA, 94019

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

November 16, 2004

- 1) **ROLL CALL:** President Muller called the meeting to order at 7:32 p.m. Present at roll call were Directors Jim Larimer, Everett Ascher, Ken Coverdell and Chris Mickelsen.

Also present were Ed Schmidt, General Manager; Anthony Condotti, Legal Counsel; Jim Teter, District Engineer; Judy Nosecci, Superintendent of Operations; Amanda Cox, Water Conservation Coordinator, JoAnne Whelen, Administrative Assistant/Recording Secretary; Gina Brazil, Office Manager and Bridget Burns, Office Specialist.

- 2) **PLEDGE OF ALLEGIANCE:** Everyone stood for the Pledge of Allegiance.
- 3) **PUBLIC ANNOUNCEMENTS:** There were no announcements made by the public at this time.
- 4) **CONSENT CALENDAR**

- A. **Requesting the Board to review disbursements for the month ending October 31, 2004 – Claims: \$467,445.19; Payroll: \$55,884.30 for a total of \$523,329.49**
- B. **Acceptance of Financial Reports**
- C. **Minutes of the September 21, 2004 Meeting of the Board of Directors**
- D. **Minutes of the October 12, 2004 Meeting of the Board of Directors**
- E. **Notice of Completion – Acceptance of Roosevelt / Alameda Pipeline Project**
- F. **Monthly Water Transfer Report**

ON MOTION by Director Coverdell and seconded by Director Ascher, the Board voted unanimously to accept the Consent Calendar in it's entirety:

Director Larimer	Aye
Director Ascher	Aye
Director Coverdell	Aye
Director Mickelsen	Aye
President Muller	Aye

5) **WATER CONSERVATION COORDINATOR'S REPORT**

Amanda Cox, Coastside County Water District's Water Conservation Coordinator presented her oral progress report on the recent water conservation projects and events. She provided a power-point slide show of photographs from the Pumpkin Festival events and reported that approximately 350 to 400 visitors had stopped by the district's booth and participated in the games and obtained conservation literature. Ms. Cox advised the Board that she has been in contact with the Half Moon Bay Beautification Committee and informed them that Coastside County Water District will require a larger area, within the district parking lot, for the Pumpkin Festival next year.

Ms. Cox reported on the other ongoing district programs, including the distribution of free low-flow showerheads and kitchen and bathroom aerators and passed out a shower head to each of the directors. At this point in the meeting, Ms. Cox also distributed a hand-out featuring the current conservation programs being implemented by all districts belonging to the Bay Area Water Supply & Conservation District (BAWSCA), which indicated that CCWD is participating in 13 Best Management Practices (BMP's). It was also reported that BAWSCA is researching the possibility of participating in a few other programs, including rebates for laundry mats and multifamily complexes, commercial washer rebates, awards programs for businesses, commercial audits for hotels, regional public outreach workshops for the public providing information and training regarding irrigation systems and gardening tips and that information about those programs should be available in February 2005. Her report also contained information about the recent completion of the district's bi-annual program totals and costs as reported to the California Urban Water Conservation Council, which is completed every two years. Ms. Cox concluded her presentation by reporting that she had participated in two irrigation audits this past week with a contractor in Santa Clara County in order to obtain some hands-on experience in performing the audits and advised the Board that she anticipated marketing the program in February/March 2005.

On behalf of the Board, President Muller expressed his appreciation for the work being accomplished in the water conservation area. He expressed his desire to continue with water conservation in the same momentum and requested that staff pursue any water conservation measure award applications that may be available from ACWA and other agencies, and recommended that at some point CCWD may want to share some of our water conservation expertise with the Montara Water & Sanitary District, on a fee basis.

Director Ascher stated that the results of the BAWSCA Conservation Programs indicate that Coastside County Water District is number three out of the twenty-nine participating agencies as far as total BMP's in effect, which was quite an accomplishment. Director Coverdell recommended that general education regarding water conservation be continually communicated via the district's website and

newsletter and possibly workshops to show conservation preparedness and President Muller requested that results of conservation measures be tracked and reported to the Board.

6) REPORT OF THE GENERAL MANAGER

A. Discussion and possible approval of a request from the Sewer Authority Mid-Coastside (SAM) to use the CCWD Board meeting room

The General Manager explained that he had received a telephone call from Mr. Jack Foley, General Manager of the Sewer Authority Mid-Coastside (SAM) earlier in the day, with a request to remove this item from the agenda, as SAM no longer has a need for the use of CCWD's board meeting room, due to the fact that they had made a decision to continue utilizing SAM's facilities.

B. Update on status of San Mateo County investigation of nitrate levels in drinking water wells in the Miramar area

The General Manager reported that he and President Muller had met on November 15th with San Mateo County Supervisor Rich Gordon, Dean Peterson with the San Mateo County Department of Environmental Health, and City of Half Moon Bay representatives, Mayor Mike Ferreira, Councilman Jim Grady, and City Manager Debra Ryan. At the meeting, Mr. Peterson advised the group that he anticipates approximately a total of ten wells will eventually be declared failed wells, in the area where the four wells have recently been discovered in the Miramar area. The General Manager then referenced his staff report and the two maps that followed the report, and explained that Attachment A shows the location of the wells recently sampled for nitrates and the milligrams per liter level of nitrates found in those sampled sites and that Attachment B is a nitrate concentration contour map. He further reported that Supervisor Rich Gordon and representatives from the City of Half Moon Bay would be working on a plan to attain water connections for the four failed wells. Discussion also took place in trying to determine a process for handling any potential failed wells that may eventually be discovered within the San Mateo County portion of the district.

President Muller recapped the meeting with Supervisor Rich Gordon as well and emphasized that Supervisor Gordon expressed an interest in resolving this matter as quickly as possible and also reported that as part of the "larger picture", the group has plans to meet again sometime in the Spring to discuss the 432 priority connections and if a process could be determined to possibly re-organize the status of those particular connections. President Muller concluded his report by stating that the group had briefly discussed the connections available on the "open-market" and reported that the group

expressed an opinion that these connections should be considered under a different category.

Director Coverdell stated that he felt that the City of Half Moon Bay and the County of San Mateo should be the lead-agencies on the failed well issue and that CCWD should wait until the two agencies work together to resolve the matter. He suggested that CCWD could take action, once direction was received from the City and County regarding locating and establishing the necessary connections. President Muller agreed with this and indicated that CCWD would be happy to install the subject connections after receiving direction from the two agencies.

C. Discussion and possible direction to staff regarding potential reduction in property tax revenues to Coastside County Water District

The General Manager summarized his staff report and confirmed that the estimate provided earlier of between approximately \$420,000. in the shift of property tax revenue was accurate. At this point in the meeting the General Manager distributed and reviewed with the Board, a copy of the letter that CCWD had received from the San Mateo County Controller's office dated October 18, 2004, which also contained some of the General Manager's calculations regarding the property tax shift, which he also reviewed with the Board. The General Manager then reported a number of options currently being analyzed that he had learned through his benchmarking with other agencies.

Director Ascher provided further detailed information on the subject and discussion ensued including the importance of involving the rate-payers in the evaluation of options, especially if any rate increases were needed. The General Manager advised the Board that the Finance Committee would be discussing this issue at their meeting scheduled for December 1, 2004, and that a special meeting could be scheduled sometime thereafter. President Muller indicated that he would be gathering information on this subject during his attendance at the Association of California Water Agencies conference in early December, and concluded the discussion by directing staff to schedule a special meeting on this subject, once more solid evidence and information is available.

D. Status Report on Major Capital Improvement Projects

The General Manager briefly reviewed the staff report with the Board in regards to the district's completed and current status of projects in progress. He provided further information on the status of the Carter Hill West Pipeline Replacement Project, and advised that the district had not yet heard from the City of Half Moon Bay in regards to when the item would be placed on their agenda.

President Muller stated that the district would be planning a ceremony, perhaps towards the end of the year, to celebrate the construction of the El Granada Pipeline Replacement Project. Director Coverdell recommended that the previous General Manager, Robert Rathborne, be invited and recognized for his contributions, and dedication to the project.

Director Ascher suggested that staff order and display signage identifying the construction of the El Granada Pipeline Replacement Project.

The Board then briefly discussed the favorable survey results received from the residents affected by the Roosevelt Boulevard and Alameda Avenue pipeline replacement project. This led to a discussion of the importance of receiving approvals from the City of Half Moon Bay for the Carter Hill West pipeline replacement project. Work on the project, including the repaving of Lewis Foster Drive, can occur during the summer months only. Director Larimer noted that CCWD needs to continue to push forward on this project, due to the fact that the longer it is delayed, the longer Lewis Foster Drive will be in disrepair.

E. General Manager Activities

There were no questions or comments on this agenda item.

7) ENGINEER'S REPORT

A. Engineering Projects Received in October 2004

Mr. Teter reported that there had been no new projects received during the month of October, 2004.

B. District Engineer Work Status Report

Mr. Teter reported continued progress on the on-going projects and advised the Board that two projects are ready to go to bid in January 2005, for construction to begin in May.

C. Denniston Water Treatment Filter Rehabilitation Project

Mr. Teter reported that this project is ready to go to bid and that Resolution number 2004-22 needed to be adopted by the Board to start the bid process.

ON MOTION by Director Coverdell and seconded by Director Mickelsen, the Board voted to adopt Resolution 2004-22 approving plans and specifications and calling for bids for the Denniston Water Treatment Plant Filter Rehabilitation Project by roll call vote as follows:

Director Larimer	Aye
Director Ascher	Aye
Director Coverdell	Aye
Director Mickelsen	Aye
President Muller	Aye

D. Carter Hill West Pipeline Replacement Project – U.S. Corps of Engineers Permit Application Form 4345

Mr. Teter referenced the memo in the board packet concerning this item, and explained that a set of drawings needed to be presented to the U.S. Corps of Engineers, along with the completed application.

At this point, Mr. Teter also provided a brief update on the Carter Hill East Pipeline Replacement project, reporting that the specifications, drawings and contract documents were now complete and that bids could now be obtained for this emergency repair project. He also advised that exemptions had been located in the files from both the City of Half Moon Bay and the County of San Mateo for this project, meaning that he can proceed with the project design this Spring and get this project to the bid stage as well.

8) OPERATIONS REPORT

- A. Superintendent of Operations Monthly Report**
- B. Water Service Connections Installed, Priority and Non-Priority**
- C. Capital Improvement Program Progress**
- D. Total CCWD Production, Sales by Category, Monthly Leak Report, Rainfall Reports**
- E. San Francisco Public Utilities Commission Hydrological Conditions Report for September 2004**

On behalf of the Board, President Muller expressed his appreciation to the Superintendent of Operations, Judy Nosecchi, for her well-written operational report contained in the Board packet. Ms. Nosecchi explained that a lot of the projects that she and staff have been involved in have consisted of preventative maintenance. She also reported that all of the water sampling stations have now been installed and were on-line. She discussed the preventative maintenance that had recently been performed at the pump stations and informed the Board about the various training programs that staff has been participating in, including backhoe operation, traffic delineation, and safety training.

9) MEETINGS ATTENDED/SCHEDULED – BOARD OF DIRECTORS

President Muller reported that he has been invited to attend a U.S. Environmental Protection Agency (EPA) function at the Alameda County

Water District on Monday, November 22, 2004. They will be hosting a visit from the EPA Secretary from Taiwan. He also reported that he would be leaving to attend the Association of California Water Agencies conference in Palm Springs on December 1, 2004.

Director Ascher reported on his attendance, along with the General Manager, at the Special District Institute conference last month in Tahoe. The conference focused on financial budgeting and planning for special districts, which he found very informative and beneficial.

At that point, the General Manager acknowledged and congratulated Director Ascher's in his accomplishment in attaining a management certificate for his recent completion of the Special District Institute training program.

Director Larimer then reported on the results of the recent meeting of the Mutual Interest Committee with the Montara Water & Sanitary District, which focused on mutual goals and cooperation between the districts. He advised that the representatives from Montara Water & Sanitary District has promised to forward a list of their goals and expressed a benefit and interest in having the entire CCWD Board establish a list as well, and requested that this be a future agenda item. At this point in the meeting, Director Larimer distributed a list of goals that he had prepared for the Board to review in the future.

10) AGENDA ITEMS AND DIRECTOR COMMENTS

No discussion was undertaken on this item.

11) ADJOURN

ON MOTION by Director Coverdell and seconded by Director Larimer, the Board voted unanimously to adjourn the meeting at 9:07 p.m.

The next scheduled meeting of the Coastside County Water District Board of Directors will be held on Tuesday, December 14, 2004 at 7:30 p.m.

Respectfully submitted,

Ed Schmidt, General Manager

Accepted and Approved:

John Muller, President