

*COASTSIDE COUNTY WATER DISTRICT*

*766 MAIN STREET*

*HALF MOON BAY, CA 94019*

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS**

**February 10, 2004 – 7:30 p.m.**

- 1) **ROLL CALL:** President Muller called the meeting to order at 7:34p.m. Present at roll call were Directors James Larimer, Everett Ascher, Ken Coverdell and Chris Mickelsen.

Also present were Ed Schmidt, General Manager; Anthony Condotti, Legal Counsel; Jim Teter, District Engineer; John Davis, Field Supervisor; and JoAnne Whelen, Administrative Assistant.

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

- A. Requesting the Board to review disbursements for the month ending January 31, 2004 Claims: \$229,494.89 Payroll: \$86,301.06 for a total of \$315,795.95
- B. Acceptance of Financial Reports
- C. Minutes of the Meeting of January 13, 2004 of the Board of Directors
- D. Monthly Water Transfer Approval Report

Director Ascher stated that he had reviewed the various reports for the Month of January, 2004, and had no questions or comments.

**ON MOTION by Director Coverdell and seconded by Director Mickelsen, the Board voted unanimously to accept the Consent Calendar in its' entirety.**

5) **REPORT OF THE GENERAL MANAGER**

A. **Request for Relief of Water Bill from O'Connor Properties for service located at 12346 San Mateo Road, Half Moon Bay**

The General Manager briefly reviewed a request from O'Connor Properties for relief from a large water bill for a property located on San Mateo Road in Half Moon Bay, stating that it is District practice to charge water customers for all water that is supplied to their property.

President Muller asked about the District's procedure for shutting off a delinquent customer's water service. Mr. Condotti explained that the District policy of shutting off water service when a bill has not been paid after a lengthy period of time, is consistent with state policy. President Muller expressed his appreciation to the General Manager for his attempts to assist Ms. O'Connor with a workable solution to the situation by setting up an amortization plan for paying the bill.

**ON MOTION by Director Ascher, and seconded by Director Mickelsen, to accept the recommendation of the General Manager to deny the request for relief of a water bill from O'Connor Properties and continue to attempt to collect payment on the remaining balance of \$1,942.37, the Board voted unanimously by roll call vote as follows:**

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

B. **Discussion and Report by John Whitcomb, PhD regarding Landscape Water Use Reports with Water Budgets for Irrigation Customers**

Following his introduction to the Board by the General Manager, Dr. John Whitcomb addressed the Board and gave a brief background report on his credentials and the consulting work he has been performing for several large water agencies, including the Bay Area Water Supply and Conservation Agency (BAWSCA). He is helping them meet the full requirements of Best Management Practices (BMP's) for water conservation. He contracted with CCWD in

August, 2003, to provide technical services by producing water budgets for irrigation customers. These audits will assist large landscape customers in lowering their water consumption through improved irrigation system performance and management.

Director Larimer asked Dr. Whitcomb about the potential for the Board to receive a tracking report for the District's irrigation customers to see what the impact of the program has been. Dr. Whitcomb explained that water use tracking will be in place throughout the entire irrigation season and the evaluation reports will be produced at the end of the project time period. President Muller asked if the major agricultural nurseries are included in the proposed customer base. Glenna Lombardi answered that they are not, as they were not included in the customer base for large irrigation customers. They are not necessarily appropriate candidates since they do not have large lawns that are watered frequently. President Muller asked that they be contacted and given the opportunity to participate in this program.

Director Coverdell asked if residential customers might be able to benefit from a similar program and Dr. Whitcomb explained that residential usage would require a different model due to indoor as well as outdoor use. President Muller asked Dr. Whitcomb to return to the Board in a few months and provide an update on the program.

At this point in the meeting, the Board took a few minutes to re-visit Item 5a on the Agenda, as the owner of the property with the large outstanding water bill, Fiona O'Connor, arrived to address the Board. She explained to the Board that the reason for the extremely high water bill was due to a leak on the property and excessive water use by an irresponsible tenant. President Muller expressed his empathy to Ms. O'Connor, saying that he and the entire Board understood that this to be a very difficult situation for her, but that it was necessary for her to make arrangements to pay the bill in full.

**C. Update on recent activities and subsequent Notices of Intent to Issue Permit regarding the El Granada Pipeline Replacement Project**

The General Manager offered an update on the status of the project permits, stating that he has hired a local company, Augeas Corporation, to prepare the erosion control and archaeology monitoring plans that are required for the District to obtain a permit

to move forward with the construction of the pipeline project. He explained that if these two plans are promptly approved, the District would be able to stay on track for the summer construction schedule.

**D. Consideration of Resolution approving a draft Mitigated Negative Declaration and establishing a date and time for a public hearing pursuant to a Notice of Intent to Adopt Mitigated Negative Declaration for the Carter Hill West Pipeline Replacement Project - Presentation by George Burwasser, Project Manager, EIP Associates**

The General Manager reviewed this agenda item, which was continued from the previous month's Board meeting, remarking on several changes and additions to the original document. He also updated the Board members on the next steps to be taken if the Board approves the draft Mitigated Negative Declaration.

Mr. George Burwasser, of EIP Associates, briefly reviewed several updates, corrections and revisions to the original report that he prepared for the CCWD. His recommendation to the Board is that the District hold a public hearing at a regularly scheduled Board meeting.

*Ric Lohmann, Miramar*, addressed the Board and suggested that they take a pro-active approach with the permitting agency instead of waiting for public meetings to take place. He expressed his belief that this would help to avoid potential delays if the permitting agency has any objections or issues to resolve.

At President Muller's request, Mr. Burwasser addressed Mr. Lohmann's remarks by stating that he has already consulted with the permitting agency and, after briefly explaining to the Board the process that he and the permitting agency are required to follow, stated that he has been assured that the current document has appropriately addressed any pertinent issues.

Director Larimer expressed his belief that the Board has not "done all of their homework" that needs to be done before moving forward with this project. He stated that the District now has the opportunity to install a pipeline that could last between 70 and 100 years, comparing it to the current pipeline which was originally built to last 30 years, but has been in place for nearly 60 years. He encouraged the Board to consider paying a small fee for an additional pipeline model that could yield information about the projected 70 year

lifetime of the proposed replacement pipe, stating that this could potentially save Coastsiders ratepayers a great deal of money. Director Mickelsen stated that he believes that an additional delay to perform another model run for a pipeline larger than the approved 20" pipe would create the potential for an appeal to delay the project. Mr. Condotti stated that the California Coastal Commission's (CCC) concern about the growth-inducing aspect of the project could be addressed by submitting a document explaining limiting conditions.

Director Coverdell agreed with Director Larimer's proposal to have another model done to explore the potential of installing a larger diameter pipeline, citing the importance of looking at all possible data and the potential for significant cost savings in the future. Director Mickelsen stated that he agrees philosophically with Director Larimer but is very concerned about further delays and potential problems with the CCC. Director Ascher stated that he disagrees with Directors Larimer and Coverdell on this issue. He expressed his concern that the CCWD Board will be viewed as antagonistic to the CCC and would like to avoid taking any action that could create the potential for possible future appeals.

President Muller stated that, although he agrees that Director Larimer may be correct in his assessment of the need for the Board to explore the issue of requesting a larger pipeline for the Carter Hill project, he would like for the Board to move forward with the project as it has been approved.

**ON MOTION by Director Larimer to table the approval of the Resolution approving a draft Mitigated Negative Declaration until the Board of Director's planned off-site meeting on February 27, 2004, at which time the results of another model run could be presented and discussed by the Board. Director Coverdell offered a second to the Motion and the Board voted by roll call vote as follows:**

Director Larimer	Aye
Director Ascher	No
Director Coverdell	Aye
Director Mickelsen	No
President Muller	No

President Muller stated that the Motion by Director Larimer failed.

**ON MOTION** by Director Coverdell to accept the Resolution approving a draft Mitigated Negative Declaration and establishing a date and time for a public hearing pursuant to a Notice of Intent to Adopt Mitigated Negative Declaration for the Carter Hill West Pipeline Replacement Project, Director Mickelsen offered a second to the Motion and Director Larimer asked to amend the Motion to include having a new model prepared by Rudi Metzner. Director Coverdell refused Director Larimer's amendment, and the Board voted by roll call vote as follows:

Director Larimer	No
Director Ascher	Aye
Director Coverdell	Aye
Director Mickelsen	Aye
President Muller	Aye

**E. Approval of Plans and Specifications for the El Granada Pump Station No. 3 Pump, Hydropneumatic Tank and Piping Modifications Project and Finding Project Categorically Exempt from the California Environmental Quality Act**

The General Manager reviewed the Resolution for approval of plans and specifications for the El Granada Pump Station project. He stated that he would like to have the Board's approval to have the project go out to bid. He explained that the project has already been included in the budget and is exempt from CEQA requirements.

**ON MOTION** from Director Ascher, and seconded by Director Mickelsen, to accept the Resolution to Approve Plans and Specifications for the El Granada Pump Station No. 3 Pump, Hydropneumatic Tank and Piping Modifications Project, the Board voted unanimously by roll call vote as follows:

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

**F. Status Report of current permitting activities for critical Non-Crystal Springs Capital Improvement Projects**

The General Manager offered a brief follow up from last month's Board

meeting on the current status of Coastal Development Permits for the following projects:

- Avenue Balboa Pipeline Replacement Project
- Filbert/Metzgar Pipeline Replacement Project
- Roosevelt / Alameda Pipeline Replacement Project
- Water sampling stations, a model of which the General Manager presented to the Board for demonstration
- El Granada Hydro-Pneumatic Tank and Pump Replacement Project

Director Coverdell inquired about adding security and safety check valves on the water sampling stations. District Engineer Jim Teter explained that they generally have a shut-off valve and the General Manager suggested that the installation of a check valve will be investigated.

**G. Discussion and direction to staff regarding Wholesale Customer Water Demand Projections for Planning Purposes requested by the Bay Area Water Supply and Conservation Agency (BAWSCA) and the San Francisco Public Utilities Commission (SFPUC)**

The General Manager reviewed charts for population and water use projections for the CCWD through the year 2030. BAWSCA has asked that the CCWD review the packet of information and, if the Board agrees with the information provided, submit a concurrence form back to them by the end of February.

Director Mickelsen stated that he would like to rely on the Association of Bay Area Government's (ABAG) figures as the most realistic. Director Larimer expressed his view of the ABAG's figures. Director Coverdell cautioned about the need not to guess too low and asked for clarification of the number of house-holds used in the projection.

Discussion ensued among the Board members about which agency's projection numbers should be used and how those numbers are determined. President Muller suggested that a letter could be sent to BAWSCA stating that the CCWD Board of Directors does not agree with BAWSCA's numbers. Mr. Condotti discussed his understanding of how ABAG determines the numbers that they use in their reports.

The General Manager suggested, and President Muller agreed, that this would be a good item for the Board's off-site retreat meeting, as this topic could be part of long term planning for the District

At this point in time, the Board took a brief break before continuing with Agenda Item 5 H.

**H. Discussion of the Association of California Water Agencies Guidelines for Conduct – A Primer for Public Water Agencies**

The General Manager recommended that the Board adopt the "Guidelines for Conduct" approved by the Association of California Water Agencies. President Muller remarked that it is his belief that the CCWD has always adhered to these same general polices as a rule. Director Coverdell remarked on the similarity of the wording between the CCWD Mission Statement and the wording in the Preamble of the ACWA Guidelines for Conduct document. Mr. Condotti suggested that an appropriate resolution be prepared, in order to adopt the ACWA Primer for the District policy manuals, which would be presented to the Board at their next regular meeting,

**I. Discussion of a revised agenda (draft) for the Board Retreat scheduled for Friday, February 27, 2004**

The Board members reviewed the planned agenda for the off-site retreat to be facilitated by Kayla Kirsch of Leapfrog Consulting. President Muller told the Board that Ms. Kirsch's way of working is unique but he believes it is very worthwhile to utilize her services as a facilitator at the Board's off-site retreat meeting.

Director Coverdell expressed his disappointment in her proposal and explained that it has been his hope that the retreat would be an opportunity for the Board members to get together and review the member's working styles, perceived hurdles in the community, future planning, and Board of Director priorities - essentially, the "nuts and bolts of working together". President Muller spoke to the Board members about the meeting that he and the General Manager had participated in with Ms. Kirsch. He explained that he sees the retreat as a way to challenge each Board member. Director Ascher said that he had attended a meeting in the past that had been facilitated by Ms. Kirsch and he spoke very highly of her skills.



The Board then discussed proposed agenda topics and priorities for the meeting. Mr. Condotti remarked that the Brown Act requires that all agenda items be briefly discussed and he suggested the adoption of a schedule.

Director Larimer stated that he agrees with Director Coverdell and expressed his desire to have a more concrete and focused list of items to accomplish. President Muller said that is done at every regular Board meeting and Director Larimer disagreed, saying that the Board never has a full day, as they will have at the off-site meeting, with the opportunity to discuss and review District goals, plans and projects. Further discussion ensued among the Board members about the priorities, focus, and specific agenda items for the off-site retreat, as well as how the meeting should be conducted, and Director Ascher expressed his preference to move forward with the off-site meeting agenda as presented.

President Muller asked the General Manager to talk with Ms. Kirsch and schedule time for them to re-work the agenda with her, and also to work with Mr. Condotti to address everyone's concerns.

President Muller expressed his desire to have Ms. Kirsch involved in the entire day of the retreat. Director Larimer disagreed, saying that he would like to have private personnel sessions incorporated into the retreat agenda, and the Board discussed what would need to be kept private versus what could be discussed in open session regarding District personnel.

Mr. Condotti interrupted the Board at this point in time in order to get a Motion from the members to continue the meeting past the 10:30 p.m. deadline for meeting completion.

**ON MOTION by Director Ascher and seconded by Director Coverdell, the Board voted unanimously to extend the meeting.**

**J. General Manager Activities**

The General Manager briefly reviewed his activities in the past month. He reviewed the request by BAWSCA that the CCWD select a representative to participate in their Technical Advisory Committee, which he would like to volunteer for. He stated that the District Engineer, Mr. Teter, could be an alternate attendee if he could not attend a meeting. He will report back to the Board

regarding the outcome of the meetings of the BAWSCA Technical Advisory Committee.

6) **ENGINEER'S REPORT**

A. **Lower Pilarcitos Groundwater Project Progress Update**

Following up on requests from the CCWD Board to provide additional information on the Lower Pilarcitos Groundwater Project, Field Supervisor John Davis performed field investigations of existing test well sites and took a number of photographs, which he presented to the Board members. It was determined from Mr. Davis' investigations that the test wells are undamaged and available for test prepping. To that end, letters have been sent out to the property owners where the test sites are located. There has been one response from one person who no longer occupies the property with the test location and so a letter will be re-sent to the new owner.

B. **Engineering Projects Received in January 2004**

All projects are currently in process.

C. **District Engineer Work Status Report**

All current projects are making progress and getting permits.

7) **OPERATIONS REPORT**

A. **Water Service Connections Installed, Priority and Non-Priority**

B. **Capital Improvement Program Progress**

C. **Water Sample Report, Local Production, Water Purchases, Leaks, etc.**

D. **San Francisco Public Utilities Commission Hydrological Conditions Report for December 2003**

Field Supervisor John Davis addressed the Board regarding the standard monthly operations reports. There were no comments or questions from the Board members.

8) **MEETINGS ATTENDED/SCHEDULED - BOARD OF DIRECTORS**

President Muller told the Board that he had attended the ACWA Regional 5 meeting on Tuesday, February 3<sup>rd</sup>, 2004. Numerous important topics

were discussed, including groundwater, water transfers, recycling, water rights and water quality.

He then told the Board that he had attended several meetings at the Capital in Sacramento. He visited with Senators Jackie Spier and Gene Mullins. His impression from his meetings is that the California Coastal Commission (CCC) is considered to be very solid.

9) **AGENDA ITEMS AND DIRECTOR COMMENTS**

There was no discussion or comment on this agenda item.

10) **CLOSED SESSION - PUBLIC EMPLOYEE APPOINTMENT/  
CONFERENCE WITH LABOR NEGOTIATOR**  
**District's Designated Negotiator: General Manager**  
**Position: Superintendent of Operations**

The Board moved into Closed Session at 10:45 p.m.

11) **ADJOURN**

The Recording Secretary was not present for formal adjournment of the meeting, which took place following the Closed Session. The next meeting of the Board of Directors will be a Special Meeting scheduled as a Board Retreat on Friday, February 27<sup>th</sup>, beginning at 8:00 a.m.

Respectfully submitted,



Ed Schmidt, General Manager

Accepted and Approved:



John Muller, President