

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

SPECIAL MEETING OF THE BOARD OF DIRECTORS

Monday, January 26, 2009 - 2:00 p.m.

AGENDA

The Coastside County Water District (CCWD) does not discriminate against persons with disabilities. Upon request, the agenda and agenda packet materials 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.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the CCWD District Office, located at 766 Main Street, Half Moon Bay, CA at the same time that the public records are distributed or made available to the legislative body.

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) 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 (3) minutes and complete and submit a Speaker Slip.

- 3) DISTRICT INFRASTRUCTURE STRATEGIC PLANNING WORKSHOP
([attachment](#))
- 4) ADJOURNMENT

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: January 26, 2009

Report

Date: January 22, 2009

Subject: District Infrastructure Strategic Planning Workshop

Workshop Objective: To provide an opportunity for the Board to discuss District infrastructure strategic planning issues.

Key Questions

- Does the District have in place the infrastructure we need to serve our current customers?
- Is the District's infrastructure capacity sufficient to meet the demands of projected growth in our service area over the term of the current Capital Improvement Program?
- Are our maintenance and replacement programs adequate to ensure long-term reliability at a reasonable cost?
- Does our infrastructure plan address anticipated regulatory requirements?
- Have we evaluated and addressed infrastructure vulnerabilities?
- What should be the key infrastructure priorities in the District's 10-year Capital Improvement Program?

Background

At its January 2008 meeting, the Board discussed holding a planning retreat, followed by a series of strategic planning workshops covering the following areas:

- Water Supply
- District Infrastructure
- Funding the District
- District Organization

On March 4, 2008, the Board held a strategic planning retreat facilitated by Jan Perkins of Management Partners, Inc.. Attachment A presents an excerpt from Management Partners' report summarizing infrastructure issues raised by the Board. This workshop will allow the Board and staff to discuss these questions further.

Infrastructure Goal/Policy Statement

For discussion:

The District's policy is to develop and maintain the water source, storage, treatment and transmission infrastructure needed to provide a safe, adequate, reliable water supply to the District's customers, in compliance with all legal and regulatory requirements.

Key Infrastructure Issues - Summary

During the workshop discussion, staff will elaborate on the following topics and answer any questions the Board may have.

1. Does the District have in place the infrastructure we need to serve our current customers?

Yes. With completion of the El Granada Pipeline Replacement- the final element of the Crystal Springs Project - all of the planned main components of the District's infrastructure are in place.

2. Is the District's infrastructure capacity sufficient to meet the demands of projected growth in our service area over the term of the current Capital Improvement Program?

Yes, provided that projected growth is defined as the number of connections allowed under the Crystal Springs Project Coastal Development Permits. At the current growth rate of 1 to 1.5%, it will take at least ten years for the approximately 1,500 remaining sold but unconnected CSP services to be connected. The District's principal infrastructure components have been planned to accommodate this level of buildout. Staff believes they can be expanded to serve growth somewhat beyond this level without major replacements or modifications. This issue should be re-evaluated as we approach the halfway point in connecting the remaining Crystal Springs services.

3. Are our maintenance and replacement programs adequate to ensure long-term reliability at a reasonable cost?

Staff believes that the current and planned level of investment in maintenance and replacement should be sufficient to ensure that the District's infrastructure meets reasonable service life expectations. Attachment B presents the currently approved 10-year CIP budget. The 10-year total budgeted CIP expenditure is about \$19 million, or an average of about \$1.9 million per year. Given a District asset base (at cost) of about \$50 million, the budgeted rate of expenditure appears

adequate to maintain existing infrastructure and to provide for improvements to meet regulatory requirements, improve efficiency, and increase reliability.

As the table and chart in Attachment C show, the current CIP contemplates infrastructure spending substantially higher than historical CIP expenditure rates, which averaged about \$400,000 per year in Fiscal Years 1992-2003 and about \$1.2 million per year in Fiscal Years 2004-2008. The chart in Attachment C raises additional issues with respect to our infrastructure spending plan:

- Actual CIP expenditures have been significantly lower than the budgeted amounts, due to the limited District management resources which can be dedicated to planning and managing the projects and to the challenging permitting requirements which have become the norm. It will be challenging for the District to achieve the level of expenditures incorporated into the early years of the current CIP.
- While planned expenditures in the near-term are unrealistically high, those in Fiscal Years 2013 to 2018 are unrealistically low.

The CIP should be re-evaluated in light of these issues during the FY2010 budget cycle.

4. Does our infrastructure plan address anticipated regulatory requirements?

Yes. The most significant regulatory requirements affect the Nunes and Denniston treatment plants. The comprehensive study completed by CDM in February 2006 recommended short-term and long-term improvements needed at Denniston and Nunes. These improvements have been incorporated into the CIP, with construction of the short-term improvements included in the current year's budget.

5. Have we evaluated and addressed infrastructure vulnerabilities?

The District completed a Seismic Vulnerability Assessment in December 2002. The report recommended implementing improvements costing an estimated \$1.65 million. Some of the recommendations have been addressed.

Staff believes there is a need to update our overall infrastructure vulnerability assessment and bring recommendations to the Board. This will be incorporated into the CIP for FY2010-2019.

6. What should be the key infrastructure priorities in the District's 10-year Capital Improvement Program?

In addition to the elements discussed above, staff suggests that the District's CIP priorities should be (from highest to lowest):

1. Denniston Improvements/Supply Restoration
 - a. Treatment plant upgrades, including short-term improvements, pretreatment, sludge ponds, intake/pump station
 - b. Reservoir restoration
 - c. Potential watershed property acquisition
2. Water reclamation and improvements in supply reserves
3. System improvements for productivity and operational reliability
 - a. SCADA and controls projects
 - b. Automatic meter reading
 - c. District GIS/digital mapping

Category: Infrastructure and Asset Management**Possible Goal Statement: Ensure the District has the infrastructure and asset management system needed to provide an uninterrupted water supply to its customers.**

1. What should be in the District's multi-year capital improvement plan for infrastructure (water treatment plants, other)?
 - What standards should we have for level of service (issues to consider include liability, flow, storage, health standards, regulations, risk assessment and others)?
 - Should our current long-term capital improvement plan be re-evaluated?
2. Should we plan for additional water storage? If so, how much?
 - How much flow can we provide?
 - What are our standards?
 - What could disasters do to the supply? How should we plan storage to address supply disruptions?
3. What additional infrastructure is needed in the future?
 - What "build-out" number should be assumed for our planning purposes?
 - Should we assume we are now in a maintenance and replacement mode?

COASTSIDE COUNTY WATER DISTRICT
 PLANNED CAPITAL PROJECTS
 FISCAL YEARS 07/08 THRU 17/18

Origin FY	Number	Priority	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	08/09-17/18 Totals	
PIPELINE PROJECTS - * Pending Further Pressure Testing														
06	01	Avenue Cabrillo Phase I (Permitting/Design)	2		52,000	100,000							\$152,000	
06	01	Avenue Cabrillo Phase II (Construction)	2				1,048,000						\$1,048,000	
06	02	Highway #1 South Phase I / II	1	100,000	100,000	713,000							\$913,000	
07	03	Pilarcitos Canyon Pipeline Replacement	2				100,000	1,000,000					\$1,100,000	
07	04	Bell-Moon Pipeline Replacement Project	2			60,000	178,000						\$238,000	
09	01	Highway 92 - Main Line Replacement (Spanishtown)	1	100,000	250,000								\$350,000	
		Main Street/Hwy 92 Widening Project	1	50,000									\$50,000	
WATER TREATMENT PLANTS														
99	05	Denniston Intake Maintenance	2	27,000	28,000	29,000	30,000	31,000	32,000	33,000	34,000	35,000	36,000	\$315,000
09	02	Denniston Sludge Ponds	1	100,000										\$100,000
08	01	Denniston WTP- Filter Flow Meters	1	6,000										\$6,000
08	02	Nunes WTP- Replace Cl2/pH Analyzer	1	15,000										\$15,000
09	03	Nunes - Backwash Pump VFDs	2			25,000								\$25,000
09	04	Nunes Backwash and WWR Tank Lights	2		10,000									\$10,000
07	01	Nunes Filter Media Replacement	2	50,000										\$50,000
09	05	Nunes Office Heater	2		10,000									\$10,000
08	03	Nunes UST removal and replaced with AGST	1	15,000										\$15,000
08	04	Nunes WTP - Head Loss System Replacement	1	15,000										\$15,000
08	05	Nunes WTP - Plant Painting	2		12,500	12,500	12,500	12,500						\$50,000
08	06	Nunes WTP- Filter to Waste System	3		5,000	75,000								\$80,000
08	07	Nunes WTP -Filter Valve Replacement	2			300,000	30,000	30,000	30,000					\$390,000
FACILITIES & MAINTENANCE														
09	06	District Space Planning	1		25,000									\$25,000
09	07	AMR Program	2	50,000	500,000	500,000	500,000							\$1,550,000
08	08	PRV Valves Replacement Project**	3	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	\$200,000
99	01	Meter Change Program**	2	17,000	18,000	19,000	20,000	21,000	22,000	23,000	24,000	25,000	26,000	\$215,000
09	08	Main Office - Replace Skylights (repair leaks)	1	25,000										\$25,000
09	09	Fire Hydrant Replacement**	2	40,000	40,000	40,000								\$120,000
09	10	Standardize Chlorine Analyzers at 6 facilities	2		15,000	15,000								\$30,000
09	11	Pilarcitos Culvert Repair	1	100,000	150,000									\$250,000
09	23	District Digital Mapping	3	75,000										\$75,000
EQUIPMENT PURCHASE & REPLACEMENT														
99	02	Vehicle Replacement	1	27,000	28,000	29,000	30,000	31,000	32,000	33,000	34,000	35,000	35,000	\$314,000
99	03	Computer System	1	25,000	5,000	5,000	5,000	6,000	5,000	5,000	5,000	5,000	5,000	\$71,000
99	04	Office Equipment/Furniture	1	20,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	\$47,000
06	03	SCADA/Telemetry	1	500,000	100,000	100,000								\$700,000
08	09	Dump Truck	1			80,000								\$80,000
08	10	Backhoe	1				80,000							\$80,000
08	11	Work Truck	1						80,000					\$80,000
08	12	Service Truck	3			130,000								\$130,000

COASTSIDE COUNTY WATER DISTRICT
 PLANNED CAPITAL PROJECTS
 FISCAL YEARS 07/08 THRU 17/18

Origin		Priority	08/09-17/18										Totals	
FY	Number		FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18		
PUMP STATIONS / TANKS / WELLS														
06	04	Hazen's Tank Replacement	2			280,000							\$280,000	
09	12	Crystal Springs Reroof and Paint	2			50,000							\$50,000	
08	13	Crystal Springs Spare 350HP Motor	2			50,000							\$50,000	
09	13	Crystal Springs VFD Project	2	68,000	68,000	68,000							\$204,000	
06	05	Well Rehabilitation	2	60,000									\$60,000	
08	14	Alves Tank Recoating, Interior+Exterior	1	150,000	55,000								\$205,000	
08	15	Miramar Tank Interior Recoat + Mixing	1	300,000									\$300,000	
08	16	Cahill Tank Exterior Recoat + Ladder	2	160,000									\$160,000	
08	17	El Granada Pump Station #2 Removal Project	2	50,000	459,000	2,156,000							\$2,665,000	
08	18	EG Tank #3 Recoating Interior + Exterior	2	260,000									\$260,000	
09	14	CSP Pump #2 Rehabilitation	2	75,000									\$75,000	
09	15	Tank Staff Gauge Repair	2	15,000									\$15,000	
09	16	Intrusion Alarms at all Tanks	2	50,000									\$50,000	
09	17	Crystal Springs Emergency Generator	2		300,000								\$300,000	
09	18	New Pilarcitos Well	3	10,000	150,000								\$160,000	
09	19	Pilarcitos Canyon Blending Station	2	50,000									\$50,000	
09	20	Tank Ladder Project	2	50,000	50,000								\$100,000	
DENNISTON WTP PRIORITY (SHORT-TERM) IMPROVEMENTS														
08	19	Denniston Short Term WTP Modifications	1	842,000									\$842,000	
08	20	Denniston Storage Tank Modification Project	1	686,000									\$686,000	
DENNISTON WTP (LONG-TERM) IMPROVEMENTS (MEMBRANE FILTRATION)														
08	21	Denniston Electrical System Upgrade/Expansion	1	30,000	350,000								\$380,000	
08	22	Denniston Pre/Post Treatment Study	1	200,000									\$200,000	
08	23	Denniston Pre/Post Treatment Construction	1		1,510,000								\$1,510,000	
NUNES WTP PRIORITY (SHORT-TERM) IMPROVEMENTS														
08	24	Nunes WTP Short Term Modifications	1	809,000									\$809,000	
IMPROVEMENTS (UV DISINFECTION)														
08	25	Nunes Electrical System Upgrade/Expansion	1										\$0	
08	26	Install Air Scour for Filters	2			100,000							\$100,000	
08	27	Modify Filters for Rate of Flow Control	1	10,000	260,000								\$270,000	
WATER SUPPLY DEVELOPMENT														
09	21	Reclamation Project Planning	1	100,000									\$100,000	
09	22	Water Supply Alternatives Evaluation	1	50,000									\$50,000	
													\$0	
FY 2008-2009 Totals				\$5,402,000	\$4,573,500	\$4,679,500	\$2,236,500	\$254,500	\$1,224,000	\$117,000	\$120,000	\$123,000	\$125,000	\$18,855,000
FY 2007-2008 Totals				\$1,876,000	\$1,951,000	\$6,085,000	\$1,879,000	\$960,000	\$1,151,000	\$155,000	\$159,000	\$163,000		\$14,379,000

COASTSIDE COUNTY WATER DISTRICT**CAPITAL IMPROVEMENT PROJECTS****BUDGET VS. ACTUAL EXPENSES FOR FISCAL YEARS**
(EXCLUDING CRYSTAL SPRINGS PROJECT & EL GRANADA PIPELINE)

FISCAL YEAR	BUDGETED	ACTUAL	%
1992	\$424,500	\$142,054	33%
1993	\$736,000	\$272,319	37%
1994	\$382,600	\$329,516	86%
1995	\$506,500	\$97,357	19%
1996	\$463,000	\$221,169	48%
1997	\$679,002	\$659,653	97%
1998	\$757,877	\$409,718	54%
1999	\$1,943,500	\$948,550	49%
2000	\$1,013,000	\$477,894	47%
2001	\$1,741,500	\$283,981	16%
2002	\$1,785,000	\$346,898	19%
2003	\$2,374,000	\$754,378	32%
2004	\$1,779,600	\$292,833	16%
2005	\$3,059,000	\$1,200,304	39%
2006	\$1,761,500	\$1,346,464	76%
2007	\$2,366,500	\$1,346,189	57%
2008	\$4,227,000	\$1,421,602	34%
2009	\$5,402,000	\$1,500,000*	28%
2010	\$4,573,500		
2011	\$4,679,500		
2012	\$2,236,500		
2013	\$254,500		
2014	\$1,224,000		
2015	\$117,000		
2016	\$120,000		
2017	\$123,000		
2018	\$125,000		

* FY2009 estimated

1992-2004 Average
2004-2008 Average\$411,957
\$1,184,565

CIP Budget and Expenditures

