

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

January 8, 2019

- 1) **ROLL CALL** - President Ken Coverdell called the meeting to order at 7:00 p.m. Present at roll call: Directors Glenn Reynolds, Arnie Glassberg, Bob Feldman, and Vice-President Mickelsen

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

- 2) **PLEDGE OF ALLEGIANCE**

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

- 4) **SPECIAL ORDER OF BUSINESS**

President Coverdell took this opportunity to present former President Bob Feldman with a gavel plaque recognizing his leadership and dedication to the goals and mission of the District during his term as President from December 2017 to December 2018.

- A. Certificates from San Mateo County Chief Elections Officer and Administration of Oath of Office to Newly Appointed Directors: Robert Feldman and Chris Mickelsen

Patrick Miyaki administered the Oath of Office to Directors Mickelsen and Feldman.

- 5) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending December 31, 2018:
Claims: \$969,028.73; Payroll: \$111,234.83 for a total of \$1,080,263.56
- B. Acceptance of Financial Reports
- C. Approval of Minutes of December 11, 2018 Regular Board of Directors Meeting
- D. Monthly Water Service Connection Transfer Report
- E. Installed Water Connection Capacity and Water Meters Report
- F. Total CCWD Production Report

- G. CCWD Monthly Sales by Category Report – December 2018
- H. Monthly Planned Plant or Tank Discharge and New Water Line Flushing Report
- I. Monthly Rainfall Reports
- J. S.F.P.U.C. Hydrological Report for the month of November 2018
- K. Notice of Completion – South Highway One Pipeline Replacement Project
- L. Request for Board to Provide Authorization to Write-Off Bad Debts for Fiscal Year Ending 2017-2018

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

Vice-President Mickelsen and Director Reynolds had a few questions regarding agenda item 5L, the authorization to write off bad debts for fiscal year 2017-2018, which were answered by Ms. Rogren.

ON MOTION BY Director Glassberg and seconded by Director Reynolds, the Board voted by roll call vote to approve the Consent Calendar in its entirety:

Director Reynolds	Aye
Vice-President Mickelsen	Aye
Director Feldman	Aye
Director Glassberg	Aye
President Coverdell	Aye

6) **MEETINGS ATTENDED / DIRECTOR COMMENTS**

7) **GENERAL BUSINESS**

A. Contract with EKI Environment and Water for Capital Project Management Support

Mr. Dickson summarized the District’s Capital Improvement Program (CIP) and explained that many of the projects require extensive preparation, including planning, design, environmental documentation, permitting, bidding, and contract management, and that all of the tasks require significant time to complete. He reported that in reviewing the District’s progress in implementing the fiscal year 2018/2019 CIP projects and looking ahead to future years, it became apparent that the District needs assistance in managing and implementing the Capital Improvement Projects in order to meet the objectives established by the District.

Mr. Dickson further explained that based on EKI’s responsiveness and excellent performance on past District projects, staff is interested in working with EKI further on the District’s CIP goals, priorities, and challenges. He reported that based on staff’s recent meetings with EKI, a proposal and schedule for a near-term CIP implementation plan for fiscal year 2018-2019 through fiscal year 2021-2022 is being presented for the Board’s consideration.

Following the introduction of his colleague, Ms. Taylor Allen, Mr. Stephen Tarantino, P.E./Vice President of EKI, addressed the Board and summarized some of the work performed by EKI, including managing projects from financial aspects, to permitting, to hiring engineers, overseeing projects within schedule and budget, and added that he felt that EKI can offer a lot of skills and expertise to District staff in these areas. Mr. Tarantino also answered several questions from the Board members.

ON MOTION BY Director Reynolds and seconded by Director Feldman, the Board voted by roll call vote to authorize the General Manager to retain the professional services of EKI Environmental and Water (EKI) for capital project management support, with an initial time and materials budget of \$40,000:

Director Reynolds	Aye
Vice-President Mickelsen	Aye
Director Feldman	Aye
Director Glassberg	Aye
President Coverdell	Aye

B. Approval of 2018 Amendments to the Water Supply Agreement with the City and County of San Francisco and the Wholesale Customers in Alameda County, San Mateo County and Santa Clara County

Ms. Rogren explained that in the course of implementing the 2009 Water Supply Agreement, it became clear to the Bay Area Water Supply and Conservation Agency (BAWSCA) and the San Francisco Public Utilities Commission (SFPUC) that several amendments were needed to address some substantive and important issues. She added that BAWSCA and SFPUC identified seven amendments of the greatest importance to each agency. Ms. Rogren then briefly summarized each of the seven proposed amendments.

Vice-President Mickelsen, currently serving as a member of the BAWSCA Board as well, stated his support of the amendments.

ON MOTION BY Director Feldman and seconded by Director Glassberg, the Board voted by roll call vote to approve Resolution 2019-01, A Resolution of the Board of Directors of the Coastside County Water District Approving Amendments to the Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County:

Director Reynolds	Aye
Vice-President Mickelsen	Aye
Director Feldman	Aye
Director Glassberg	Aye
President Coverdell	Aye

C. **Quarterly Financial Review**

Ms. Rogren summarized year-to-date revenue and expenses for the first six months of fiscal year 2018-2019. She reviewed key highlights, including revenue \$204,000 above budget due to higher water sales and tax receipts and expenses over budget by \$340,000 due to water purchased from SFPUC being higher than originally budgeted. She also pointed out that loan payments were \$50,000 under budget due to the refinancing of the District's 2006 Series B Bonds that occurred in July 2018.

D. **Coastside County Water District Board Committees**

President Coverdell distributed copies of draft proposed changes to the District Board Committee list. He advised that this proposed re-assignment of the District's committees would be in effect until the Board discusses the committees in further detail at a future meeting.

Mr. Miyaki suggested that the Board consider re-visiting the purpose of the District's Advisory Committees as well. He then summarized the differences between Standing Committees and Advisory Committees.

E. **Appointment of CCWD Board Member Representative Alternate(s) to participate in San Mateo Local Agency Formation Commission (LAFCo) election of officers**

President Coverdell stated that this is an annual exercise where the District designates each of the other members of the Board as an alternate to participate in LAFCo's election of officers if the Board President is not available.

ON MOTION BY Director Glassberg and seconded by Vice-President Mickelsen, the Board voted, by roll call vote, to appoint CCWD Board Member Representative alternate(s) by name: Vice-President Mickelsen, and Directors Reynolds, Feldman, and Glassberg, to participate in San Mateo Local Agency Formation Commission (LAFCo) election of officers:

Director Reynolds	Aye
Vice-President Mickelsen	Aye
Director Feldman	Aye
Director Glassberg	Aye
President Coverdell	Aye

F. Resignation of Director Glassberg and Consideration of the Process for Filling a Vacancy on the Board of Directors

President Coverdell introduced this agenda topic by advising that Director Glassberg had submitted his resignation from the District's Board of Directors, effective January 31, 2019, because he plans to move outside the District.

President Coverdell and the other Board members thanked Director Glassberg for his service to the District.

Director Glassberg also expressed his sentiments and thanked the staff and the Board members.

Mr. Miyaki and Mr. Dickson reviewed the next steps of the process of filling the vacancy, which was followed by discussion among the Board members with the exception of Director Glassberg, who did not participate in the discussion.

ON MOTION BY Director Reynolds and seconded by Vice-President Mickelsen, the Board voted, by roll call vote, to fill the vacancy on the Board by appointment, to direct staff to issue a notice of vacancy, including establishing a deadline of January 25, 2019 for submitting candidate's statements of interest, and with the next steps of the process to be determined at the February 12th 2019 Board meeting:

Director Reynolds	Aye
Vice-President Mickelsen	Aye
Director Feldman	Aye
Director Glassberg	Abstain
President Coverdell	Aye

8) MONTHLY INFORMATIONAL REPORT

A. Assistant General Manager

Ms. Rogren announced that she was pleased to report that the District was notified by the Department of Water Resources, that based on the comments and local data submitted by the District and other stakeholders in the District's basin area, that the Half Moon Bay Terrace Basin had been reclassified to "very low priority". She advised that this basin still falls under the purview of the Sustainable Groundwater Management Act (SGMA), but that the mandates do not apply for low priority basins.

The Board thanked District staff for this excellent news and Mr. Miyaki echoed the magnitude of this finding, noting that the appreciation to District staff, led by Ms. Rogren, is well deserved and an eventual significant cost savings to the District.

B. Superintendent of Operations

Mr. Derbin reviewed monthly operations highlights for the month of December.

C. Water Resource Analyst

Ms. Brennan summarized a Bay Area Water Supply and Conservation Agency (BAWSCA) grant reimbursement update.

9) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

10) ADJOURNMENT - The meeting was adjourned at 8:44 p.m.

Respectfully submitted,

David R. Dickson, General Manager
Secretary to the District

Ken Coverdell, President
Board of Directors