

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING

Tuesday, May 8, 2018

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

Also present: David Dickson, General Manager; Mary Rogren, Assistant General Manager; James Derbin, Superintendent of Operations; Patrick Miyaki, Legal Counsel; 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) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending April 30, 2018:
Claims: \$721,388.15; Payroll: \$95,638.87 for a total of \$817,027.02
- B. Acceptance of Financial Reports
- C. Approval of Minutes of April 10, 2018 Regular Board of Directors Meeting
- D. Approval of Minutes of April 16, 2018 Special Board of Directors Meeting
- E. Approval of Minutes of May 3, 2018 Special Board of Directors Meeting
- F. Installed Water Connection Capacity and Water Meters Report
- G. Total CCWD Production Reports
- H. CCWD Monthly Sales by Category Report -April 2018
- I. Monthly Emergency Main and Service Repairs Report
- J. Monthly Rainfall Reports
- K. Notice of Completion - Water Meter and AMI (Advanced Metering Infrastructure) Installation Services Project
- L. SFPUC Hydrological Report for the month of March 2018

President Feldman 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 Glassberg, the Board voted by roll call vote to approve the Consent Calendar in its entirety:

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

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

Director Mickelsen reported on his attendance at a recent tour of the Calaveras Dam Project.

6) GENERAL BUSINESS

A. Authorize Entering into a Placement Agent Services Agreement with Backstrom McCarley Barry & Company, LLC to Refinance the District's 2006 Series B Bonds. Also Authorize Entering into Agreement with Bond Counsel

Ms. Rogren introduced Brant Smith, Senior Vice-President and Steve So, Vice President, of Backstrom McCarley Barry & Company, LLC and provided a brief background of the District's 2006 Series B Bonds, including the interest rates and terms of the bonds. She advised that the District could potentially realize a substantial savings by refinancing the bonds.

Mr. Smith provided a presentation which included an overview of the firm, their experience, and a snapshot of the District's 2006 Series B Bonds. He also outlined the process and summarized their role and the services their firm can provide to the District. Mr. Smith and Mr. So then answered a few questions from the Board members.

ON MOTION BY Director Glassberg and seconded by Director Mickelsen, the Board voted by roll call vote to authorize the General Manager to enter into a Placement Agent Services Agreement with Backstrom McCarley Berry & Company, LLC to Refinance the District's 2006 Series B Bonds. Also Authorize Entering into an Agreement with Bond Counsel:

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

B. Fiscal Year 2018-2019 Budget Process Timeline

Ms. Rogren briefly reviewed the Budget Process Timeline for the Board's information.

C. **Proposed Draft Fiscal Year 2018-2019 and Draft Fiscal Year 2019-2020 Operations Budgets; Draft Fiscal Year 2018/2019 to 2027/2028 Capital Improvement Program (CIP); Draft Fiscal Year 2018/2019 to 2022/2023 District Financing Plan; Proposed Rate Increases for Fiscal Years 2018-2019 and 2019-2020; and Draft Cost of Service and Rate Study and Notice of Hearing to Consider and Adopt Proposed Rate Adjustments**

Ms. Rogren shared her presentation once again, featuring budget comparisons, the Draft 10-year Capital Improvement Program and the Financing Plan. She also reviewed the process to determine the District's revenue requirement and the targeted reserve balance and staff's recommended revenue increase. Following a summary of the highlights from the May 3, 2018 CCWD Special Board Meeting, Ms. Rogren reviewed the rate projections, rate structure and compliance with the legal requirements. In conclusion she outlined the residential tier structure, demonstrated a comparison of the existing and the proposed rate structure, and illustrated the bill impacts on single family residential accounts. She reiterated the dates of the two remaining budget related meetings; the June 12th, 2018 Regular CCWD Board Meeting and the Public Hearing/Special Board Meeting scheduled for June 28, 2018 at 7:00 p.m. to consider approval of the proposed rate adjustments and the District's Operations and Maintenance and Capital Improvement Program Budgets.

7) **MONTHLY INFORMATIONAL REPORTS**

A. **Assistant General Manager's Report**

SFPUC Memo from Steven Ritchie - Final Water Supply Availability Estimate

Ms. Rogren referenced the recent memorandum from Steven Ritchie with SFPUC regarding the Final Water Supply Availability Estimate, which indicates that SFPUC will not request any voluntary conservation in the coming fiscal year.

B. **Superintendent of Operations Report**

Mr. Derbin reviewed the monthly operations highlights, including recent improvements at the Denniston and Nunes Water Treatment Plants, and an update on the Downtown two-inch Main Pipeline Replacement Project and the 2" galvanized steel pipeline providing service to customers on Highway 1, south of Miramontes Point Road.

8) **DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS**

The Board requested that staff place an analysis and perspective plans for the 2" pipeline on Highway 1, south of Miramontes Point on a future agenda for discussion, including information regarding the District's legal liability.

11) **ADJOURNMENT** - The meeting was adjourned at 8:15 p.m.

Respectfully submitted,

David R. Dickson, General Manager
Secretary to the District

Robert Feldman, President
Board of Directors