

**COASTSIDE COUNTY WATER DISTRICT**

**766 MAIN STREET**

**HALF MOON BAY, CA 94019**

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

**Tuesday, May 9, 2017**

- 1) **ROLL CALL** - The meeting began at 6:00 p.m. Present at roll call: Directors Ken Coverdell, Arnie Glassberg, Chris Mickelsen, Vice-President Bob Feldman, President Glenn Reynolds, David Dickson, General Manager; Mary Rogren, Assistant General Manager; and Patrick Miyaki, Legal Counsel.
- 2) **PUBLIC COMMENT**
- 3) **CLOSED SESSION**
  - A. **Conference with Legal Counsel - Anticipated Litigation  
Significant Exposure to Litigation  
Pursuant to California Government Code Section §54956.9(d)(2)  
One Potential Case**
  - B. **Conference with Labor Negotiator  
Pursuant to California Government Code Section §54957.6  
Agency Designated Representatives: David Dickson, General Manager  
and Mary Rogren, Assistant General Manager  
Employee Organization: Teamsters Union, Local 856**
- 4) **RECONVENE TO OPEN SESSION** - President Reynolds reported that there was no Board action taken on agenda items 3A and 3B.
- 5) **ADJOURNMENT** - The Special Meeting was adjourned at 6:58 p.m.

Respectfully submitted,

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David R. Dickson, General Manager

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Glenn Reynolds, President  
Board of Directors

**COASTSIDE COUNTY WATER DISTRICT**

**766 MAIN STREET**

**HALF MOON BAY, CA 94019**

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

**Tuesday, May 9, 2017**

- 1) **ROLL CALL** - President Glenn Reynolds called the meeting to order at 7:04 p.m. Present at roll call: Directors Ken Coverdell, Arnie Glassberg, Chris Mickelsen and Vice-President Bob Feldman.

Also present: David Dickson, General Manager; Mary Rogren, Assistant General Manager; Patrick Miyaki Legal Counsel; Cathleen Brennan, Water Resources Analyst; and JoAnne Whelen, Administrative Assistant/Recording Secretary.

- 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, 2017:  
Claims: \$1,066,634.89; Payroll: \$88,276.13 for a total of \$1,154,911.02
- B. Acceptance of Financial Reports
- C. Approval of Minutes of April 11, 2017 Regular Board of Directors Meeting
- D. Monthly Water Transfer Report
- E. Installed Water Connection Capacity and Water Meters Report
- F. Total CCWD Production Report
- G. CCWD Monthly Sales by Category Report - April 2017
- H. Monthly Emergency Main & Service Repairs Report and Water Line Flushing Report
- I. Monthly Rainfall Reports
- J. S.F.P.U.C. Hydrological Report for the month of March 2017
- K. CCWD Priority Setting Workshop Report - March 16, 2017

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

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

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

5) **MEETINGS ATTENDED / DIRECTOR COMMENTS**

President Reynolds and Director Coverdell both provided an update regarding the recent Recycled Water Committee meeting.

Director Mickelsen reported that he had a recent one-on-one meeting with Nicole Sandkulla, Bay Area Water Supply and Conservation Agency's (BAWSCA) Chief Executive Officer and General Manager.

6) **GENERAL BUSINESS**

A. **Fiscal Year 2017-2018 Budget Process Timeline**

Ms. Rogren reviewed the proposed timeline schedule for upcoming budget meetings and outreach activities.

B. **Draft Fiscal Year 2017-2018 Operations Budget and Draft Fiscal Year 2017/2018 to 2026/2027 Capital Improvement Program**

Ms. Rogren reviewed the budget documents and shared some photographs of recent capital improvement projects. She informed the Board that the budget presentation is the same as the Board has examined over the last couple of months, reporting that the only changes include an addition of \$20,000 to the Capital Improvement Program for placement of two valves near the Ritz Carlton that will enable the District to isolate leaks and avoid shutting down service at the hotel and an increase to the cost of the backhoe from \$130,000 to \$200,000.

C. **Fiscal Year 2017/2018 to FY 2022/2023 Financing Plan and Proposed Water Rate Increase; Cost of Service Analysis**

Ms. Rogren once again summarized the District's Financing Plan, Reserves, and Cost of Service Analysis.

D. **Public Outreach Overview**

Mr. Dickson introduced this agenda item, noting that he thought it would be helpful to the Board to review the District's current public outreach activities.

Ms. Brennan reminded the Board that the District had worked with a consultant in 2011 to develop a communications plan, including strategies to improve outreach efforts. Based on that communications plan, Ms. Brennan reviewed the summary table of the strategies and tasks implemented by the District and explained each of the District’s current outreach practices. Mr. Dickson also stressed the importance of the District’s customer service as an element of overall outreach, citing examples of the District’s personal interactions with customers in providing prompt on-site response, advice and information to customers in a variety of situations. The Board expressed their satisfaction with the positive results of the District’s current outreach program.

**E.     Hanson Bridgett Billing Rates – Proposed Restructuring and Increase**

Mr. Miyaki referenced the memo contained in the Board packet and provided a historical context to the memo and reviewed the District’s long standing relationship with Hanson Bridgett, dating back to 1966. He then summarized the rate history with the District and answered a few questions from the Board members.

**ON MOTION BY President Reynolds and seconded by Vice-President Feldman, the Board voted by roll call vote to approve the proposed rate structure, authorize the Board President to work with legal counsel to develop an amendment to the agreement between Coastside County Water District and Hanson Bridgett:**

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

**F.     Approval to retain Fedak & Brown LLP for Financial Auditing Services**

Ms. Rogren reported that the District has been using the services of the same audit firm, JJACPA, Inc. since 2009 and has been very pleased with their services. However, she advised that best practice guidelines for special districts call for replacing audit firms every five years, so consequently, staff recommends replacing JJACPA with Fedack and Brown for the upcoming audit for the fiscal year ending June 2017. Ms. Rogren described the proposals received from three firms and reviewed Fedak and Brown’s over 35 years of experience, their numerous clients in the San Francisco Bay Area and their excellent references provided by other water districts.

**ON MOTION BY Director Glassberg and seconded by Director Mickelsen, the Board voted by roll call vote, to authorize staff to retain the services of Fedak and Brown, LLC to audit the District’s financial records for the Fiscal Years ending June 30, 2017 through 2019:**

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

7) **MONTHLY INFORMATIONAL REPORTS**

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

- Automated Metering Infrastructure (AMI) Implementation - Ms. Rogren provided an update on the progress of program implementation, including the recently installed data collection units (DCUs), installation and programming of over 500+ Badger ultrasonic meters and Aclara Meter Transmission Units (MTUs) and implementation of Aclara's NCC cloud-based software and the Aclara -Tyler billing system connection.

**B. Superintendent of Operations Report** - Mr. Guistino summarized the monthly project highlights, including the Denniston Pump Station and Bridgeport Transmission Main, El Granada Tank 3 Rehabilitation and Coating, and approval to dredge at the Denniston Reservoir recently granted by the Department of Fish and Game.

8) **DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS** - There were no requests from Directors for future agenda items.

9) **ADJOURNMENT** - The meeting was adjourned at 8:42 p.m.

Respectfully submitted,

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David R. Dickson, General Manager  
Secretary to the District

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Glenn Reynolds, President  
Board of Directors