

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING

Tuesday, January 12, 2010

- 1) **ROLL CALL:** President Mickelsen called the meeting to order at 7:00 p.m. Present at roll call: Vice-President Feldman, and Directors Ken Coverdell, Jim Larimer and Jerry Donovan.

Also present were: David Dickson, General Manager; Patrick Miyaki, Legal Counsel; Joe Guistino, Superintendent of Operations; Cathleen Brennan, Public Outreach/Program Development /Water Resources Analyst; JoAnne Whelen, Administrative Assistant/Recording Secretary; and Gina Brazil, Office Manager.

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC ANNOUNCEMENTS:** There were no public announcements.

- 4) **CONSENT CALENDAR**

- A. Requesting the Board to review disbursements for the month Ending December 31, 2009 - Claims: \$355,918.95; Payroll: \$76,465.71 for a total of \$432,384.66
- B. Acceptance of Financial Reports
- C. Minutes of the December 8, 2009 Board of Directors Meeting
- D. Minutes of the December 15, 2009 Special Board of Directors Meeting
- E. Monthly Water Transfer Report
- F. Installed Water Connection Capacity and Water Meters Report
- G. Total CCWD Production Report
- H. CCWD Monthly Sales by Category Report
- I. December 2009 Leak Report
- J. Rainfall Reports
- K. 411 Chesterfield - Water Service Agreement

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

ON MOTION by Director Larimer and seconded by Vice-President Feldman, the Board voted as follows, by roll call vote, to accept the Consent Calendar in its entirety:

Director Coverdell	Aye
Vice-President Feldman	Aye
Director Larimer	Aye
Director Donovan	Aye
President Mickelsen	Aye

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

Director Coverdell reported that he had recently reviewed the water efficient ordinances, water conservation and landscaping ordinance and the implementation of the indoor water use efficiency ordinance, noting that the water conservation efforts that will be required over the next three to four years will be significant.

6) GENERAL BUSINESS

A. Fiscal Year 2009-2010 CIP Projects Update

Mr. Dickson reviewed the background of this item, reporting that the approved Fiscal Year 2009-2010 Capital Improvement Program (CIP) budget included fiscal year expenditures of \$3,337,000 on CIP Projects. He summarized the table provided, indicating the CIP Projects budgeted for Fiscal Year 2009-2010, the amounts expended to date, the projected year-end expenditures, and the status of the projects. He reviewed the current progress on some of the key CIP Projects, reporting that the District is on the schedule that Bartle Wells anticipated when they prepared their financing plan, which indicated that the District will need to borrow money near the end of this fiscal year. He further reported that he recently had discussions with the Finance Committee regarding a proposal from Bartle Wells to provide assistance in obtaining financing, which would be presented to the Board at the February meeting. Potential future revisions to the formatting of the table were briefly discussed.

B. Mid-Year Financial Review

Mr. Dickson provided a mid-year review of the District's finances, reporting that the District is performing close to the approved budget and summarizing the significant variances in both revenue and operating expenses. He noted that, based on this review, he projects that the District should finish the year on budget.

C. Award of Contract - Denniston Filter Evaluation

Mr. Dickson turned the introduction of this agenda item over to Mr. Guistino, who explained that an evaluation of the filter system at Denniston is necessary to determine the cause of the poor backwash and insufficient cleaning of the filters. Mr. Guistino and Mr. Dickson addressed several questions from the Board

ON MOTION by Director Coverdell and seconded by Director Larimer, the Board voted as follows, by roll call vote, to award the contract for media removal, under drain inspection and media replacement for the Denniston Water Treatment Plant pressure filters to ERS Industrial Services in the sum of \$48,264.96:

Director Coverdell	Aye
Vice-President Feldman	Aye
Director Larimer	Aye
Director Donovan	Aye
President Mickelsen	Aye

D. Approval of contract for SCADA Design

Mr. Dickson informed the Board that the a District-wide upgrade of instrumentation and electrical control systems (Systems Control and Data Acquisition, or SCADA) is a high priority element of the Capital Improvement Program (CIP). He further advised that the approved Fiscal Year 2009-2010 to Fiscal Year 2018- 2019 CIP contains a total of \$1.1 million for SCADA, including \$250,000.00 in Fiscal Year 2009-2010.

Mr. Dickson stated that Frisch Engineering had been retained to perform the SCADA pre-design project and did a very thorough and overall excellent job of the pre-design. He explained that the staff now proposes to retain Frisch Engineering to complete the final overall SCADA design and Frisch has agreed to expedite the design work in order to

allow issuing a request for bids in March 2010. Mr. Dickson then addressed questions from the Board regarding the SCADA project.

ON MOTION by Director Coverdell and seconded by Director Donovan, the Board voted as follows, by roll call vote, to authorize execution of the contract with Frisch Engineering for SCADA design for an estimated cost of \$73,530.00:

Director Coverdell	Aye
Vice-President Feldman	Aye
Director Larimer	Aye
Director Donovan	Aye
President Mickelsen	Aye

E. Water Reclamation Update

Mr. Dickson referenced his staff report, which included a Project Summary from the San Francisco Bay Area Recycled Water Coalition (BARWC) and a summary of the January 7, 2010 BARWC meeting he attended. He informed the Board that it appears likely that the Senate authorization bill will not pass until the end of this year, thus ensuring that the list of projects will have no prospect of obtaining appropriations in Fiscal Year 2011. He noted that, given the uncertainty of the Federal grant process, that the District must design a water recycling project that can move forward independent of outside funding.

Mr. Dickson also provided an update on the recent progress with the Sewer Authority Mid-Coastside (SAM), including the District's initiation of a sampling program to determine suitability of SAM's effluent for agronomic use. CCWD will administer the program and pay for the laboratory analyses, with SAM staff being responsible for collecting the samples. He also reported that he has been working with SAM staff to draft agreement principles that can be adopted by the SAM and CCWD boards as a basis for a recycled water agreement between the two agencies. He stated that he anticipates the SAM Board will consider the principles at their January 25, 2010 meeting, which would allow the District to review the principles at the February 9, 2010 CCWD Board meeting. He explained that this will be a significant step forward once the principles are agreed upon, and will allow us to advance to a more detailed agreement for the project.

7) GENERAL MANAGER'S REPORT INCLUDING MONTHLY INFORMATIONAL REPORTS

Mr. Dickson reported on the latest developments in regards to the Midcoast Local Plan (LCP), reporting that on December 10, 2009, the California Coastal Commission (CCC) "approved" the LCP, subject to San Mateo County's acceptance of their recommended modifications. He explained that San Mateo County has 180 days to decide whether to accept the modifications, and if they do not, the existing LCP remains in effect.

Mr. Dickson reported that although there are significant issues to be resolved between the Coastal Commission and the County, the Coastal Commission staff had addressed concerns he had expressed in their revised recommendations. He advised the Board that the San Mateo County Board of Supervisors will be discussing the CCC's proposed modifications at their meeting scheduled for February 23, 2010 and he would continue to monitor and provide the Board with updates on the LCP progress. Board discussion of the LCP and process then ensued.

Mr. Dickson provided an update on the surveys for the sale and purchase of non-priority water service connections, which were recently mailed to parcel owners within the District. He advised the Board that the survey had been advertised in the Half Moon Bay Review, on the District's website and on MCTV and that the results of the surveys will be presented to the Board at the February 9, 2010 meeting.

- A. Monthly Water Resources Report**
- B. Water Shortage and Drought Contingency Plan Update**
- C. Operations Report**

Ms. Brennan reviewed the items contained in her Water Resources Report, including the recent adoption of the Water Conservation in Landscaping Regulations Ordinance by the City of Half Moon Bay, and addressed questions and comments from the Board.

Mr. Guistino highlighted several items in his Operations Report, consisting of details in regards to the recoating of the Miramar Tank and plans for the upcoming unidirectional flushing program.

8) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

There were no Director comments.

9) ADJOURNMENT

The meeting was adjourned at 8:43 p.m. The next regular meeting of the Coastside County Water District's Board of Directors is scheduled for Tuesday, February 9, 2010.

Respectfully submitted,

David R. Dickson, General Manager
Secretary of the Board

Chris R. Mickelsen, President
Board of Directors
Coastside County Water District