

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

January 14, 2020

- 1) **ROLL CALL** - President Chris Mickelsen called the meeting to order at 7:02 p.m. Present at roll call: Directors Bob Feldman, Jim Larimer, Ken Coverdell and Vice-President Glenn Reynolds.

Also present: Mary Rogren, General Manager; Patrick Miyaki, Legal Counsel; James Derbin, Superintendent of Operations; JoAnne Whelen, Administrative Assistant/Recording Secretary, Cathleen Brennan, Water Resource 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 December 31, 2019
- B. Acceptance of Financial Reports
- C. Approval of Minutes of December 10, 2019 Public Hearing
- D. Approval of Minutes of December 10, 2019 Regular Board of Directors Meeting
- E. Approval of Minutes of December 17, 2019 Public Hearing
- F. Monthly Water Service Connection Transfer Report
- G. Installed Water Connection Capacity and Water Meters Report
- H. Total CCWD Production Report
- I. CCWD Monthly Sales by Category Report - December 2019
- J. Monthly Planned Plant or Tank Discharge and New Water Line Flushing Report
- K. Monthly Rainfall Reports
- L. S.F.P.U.C. Hydrological Report for the month of November 2019
- M. S.F.P.U.C. Hydrological Report for the month of December 2019
- N. Notice of Completion - Bell Moon Pipeline Replacement Project
- O. Request for Board to Provide Authorization to Write Off Bad Debts for Fiscal Year Ending 2018-2019

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

ON MOTION BY Director Coverdell and seconded by Vice-President Reynolds, the Board voted to approve the Consent Calendar in its entirety:

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

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

There were no reports of meetings attended or Director comments.

6) GENERAL BUSINESS

A. Coastside County Water District Basic Financial Statements and Independent Auditor's Report for the Fiscal Year Ended June 30, 2019

Ms. Rogren introduced Jeff Palmer, with Fedak & Brown LLP, the District's Independent Auditor. Mr. Palmer proceeded with his presentation, detailing the audit standards including assessing the District's internal controls, agreeing with balances to support documentation and to perform analysis of key relationships. He reported the results, an unmodified "clean" opinion with regards to the financial position of the District in all material respects. Mr. Palmer reported that based on the findings of their audit, no material weaknesses within the District's internal control structure were identified. He also summarized the communication to the governing board and reviewed the financial highlights in terms of assets, liabilities, and the District's net position, and answered a few questions from the Board.

ON MOTION BY Director Coverdell and seconded by Director Feldman, the Board voted by roll call vote to accept the Coastside County Water District's Basic Financial Statements and Independent Auditor's Report for Fiscal year Ended June 30, 2019:

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

B. Quarterly Financial Review

Ms. Rogren referenced the Period Budget Analysis and summarized the year-to-date revenue and expenses for the first six months of Fiscal Year 2019-2020. She reviewed the key highlights including the year to date total revenue being \$387,000

above budget and the operating expenses being \$197,000 or 3.5% below budget. Ms. Rogren also recapped the Capital Improvement Projects, noting that for the first six months of the 2019-2020 Fiscal Year, the District spent \$3,100,000 in Capital Improvement Projects, with another \$900,000 already committed and in process.

C. Fiscal Year 2020-2021 and Fiscal Year 2021-2022 Budget Process Timeline

Ms. Rogren pointed out a couple of key adjustments to the budget process timeline, including conducting the public hearing to approve the Operations and Maintenance and the Capital Improvement Program Budgets, and to approve the Rate Adjustments at the June 9, 2020 Regular Board of Directors Meeting.

D. Review of Coastside County Water District Board Committees and Composition of Committees

President Mickelsen reported that he has an interest in serving on the District’s Facilities Committee and had advised one of the current Committee Members, Jim Larimer, of his interest to take his place with serving on this committee. Director Larimer agreed, and also accepted the assignment to take President Mickelsen’s position on the District’s Human Resources Committee.

Mr. Miyaki stated that by reviewing this matter, the Board also reviewed the purposes, guidelines, and time frames of the standing committees and advisory committees and that any revisions to the composition of the committee assignments must now be made by Board action.

ON MOTION BY Vice-President Reynolds and seconded by President Mickelsen, the Board voted by roll call vote to approve the 2020 Board committees and assignments with the updated change to have President Mickelsen serve on the District’s Facilities Committee along with Vice-President Reynolds and for Director Larimer to serve on the District’s Human Resources Committee with Director Feldman:

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

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

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

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

7) **MONTHLY INFORMATIONAL REPORTS**

A. **Superintendent of Operations**

Mr. Derbin reviewed operations highlights for the month of December 2019.

B. **Water Resources Report**

Ms. Brennan provided an update on the Regional Water Demand Study, advising that this work will support the District's 2020 Urban Water Management Plan. She also directed the Board's attention to a fact sheet on the New Water Use Efficiency Legislation prepared by the Association of California Water Agencies, for the purpose of assisting water agencies with providing the correct information to the public about the new water efficiency laws.

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

Director Coverdell suggested that the Director compensation paid for District meeting attendance be reviewed and possibly increased which could also act as an incentive for local members of the public within the District's boundaries to participate as a potential Board member. Mr. Miyaki advised that there are legal considerations that he can provide for this future agenda item

President Mickelsen then announced the closed session agenda item, and there was a brief break at 7:50 p.m. to clear the Board room. The Board convened into closed session at 7:57 p.m.

9) **CLOSED SESSION**

A. **Pursuant to California Government Code Section 54956.9(d)(2)
Conference with Legal Counsel - Anticipated Litigation
Significant Exposure to Litigation - One Potential Case**

10) RECONVENE TO OPEN SESSION

The Board reconvened into open session at 8:20 p.m. Mr. Miyaki reported that no action was taken in the Closed Session.

11) ADJOURNMENT

The Board meeting was adjourned at 8:21 p.m.

Respectfully submitted,

Mary Rogren, General Manager
Secretary to the District

Chris Mickelsen, President
Board of Directors