

**COASTSIDE COUNTY WATER DISTRICT**

**766 MAIN STREET**

**HALF MOON BAY, CA 94019**

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

**Tuesday, April 11, 2017**

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

Also present: David Dickson, General Manager; Mary Rogren, Assistant General Manager; Julie Sherman, 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 March 31, 2017:  
Claims: \$1,034,131.25; Payroll: \$88,604.75 for a total of \$1,122,736.00
- B. Acceptance of Financial Reports
- C. Approval of Minutes of March 14, 2017 Regular Board of Directors Meeting
- D. Approval of Minutes of March 16, 2017 Special Board of Directors Meeting
- E. Approval of Minutes of March 29, 2017 Special Board of Directors Meeting
- F. Monthly Water Transfer Report
- G. Installed Water Connection Capacity and Water Meters Report
- H. Total CCWD Production Report
- I. CCWD Monthly Sales by Category Report - March 2017
- J. Monthly Emergency Main & Service Repairs Report and Water Line Flushing Report
- K. Monthly Rainfall Reports
- L. S.F.P.U.C. Hydrological Report for the month of February 2017

Director Mickelsen stated 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:**

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

Director Glassberg requested that some revisions be made to the District's Monthly Investment Report in the future, specifically showing a comparison to the previous year.

5) **MEETINGS ATTENDED / DIRECTOR COMMENTS**

There were no reports of meetings attended or Director comments.

6) **GENERAL BUSINESS**

A. **Quarterly Financial Review**

Ms. Rogren summarized the year to date revenue and expenses for the first nine months of Fiscal year 2016-2017, reviewing some of the key year to date revenue and expense highlights.

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

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

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

Ms. Rogren acknowledged John Farnkoph, Senior Vice-President and Rick Simonson, Vice President with HF&F Consultants. She then once again presented the Draft Fiscal year 2017/2018 Operations Budget to the Board, reviewing in detail, the Budget Risks and Opportunities and the Draft Capital Improvement Program.

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

Ms. Rogren examined the District's Financing Plan, Reserves, and Cost of Service Analysis. The District's financing model was utilized to evaluate the impacts of some alternatives to meet the District's reserve requirements and objectives.

**E. Schedule a Public Hearing on Proposed Rate Increase and Authorize Issuance of a Notice of Public Hearing and Proposed Rate Increase**

Ms. Rogren informed the Board that in order to comply with the requirements of Proposition 218, the recommended Board action would authorize issuance of a notice of a rate increase and schedule a public hearing for June 13, 2017.

Director Coverdell made a motion to approve the Notice of the Public Hearing and Proposed Rate Increase, but before the motion received a second, Vice-President Feldman suggested changing the wording on the Proposition 218 notice in the first paragraph to read "to consider a proposed increase of 0% on the Base Charge and up to 5% in the District's Water Consumption Quantity Charges as shown in the schedule below." Director Coverdell accepted the amendment to his motion.

**ON MOTION BY Director Coverdell and seconded by Director Glassberg, the Board voted by roll call vote, to schedule a Public Hearing for Tuesday, June 13, 2017 on the proposed rate increase and authorize staff to issue a Notice of Public Hearing for the proposed rate increase based on the revised language referenced above proposed by Vice-President Feldman:**

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

**F. Professional Services Agreement with Analytical Environmental Services for Pilarcitos Canyon Pipeline Replacement Project Mitigated Negative Declaration**

Mr. Dickson reviewed the background of this project, explaining that the District has been working with the San Francisco Public Utilities Commission over the past four to five years to come up with a plan to replace the pipeline that will work for both SFPUC and the District. Mr. Dickson explained the District's plan for the pipeline replacement and identified a number of requirements that must be met, including preparing an environmental review document under the California Environmental Quality Act (CEQA), which Analytical Environmental Services (AES) will be able to assist the District in accomplishing. Brief discussion about the process and time frame ensued.

**ON MOTION BY Director Coverdell and seconded by Director Mickelsen, the Board voted by roll call vote, to authorize the General Manager to execute a Professional Services Agreement with Analytical Environmental Services (AES) for preparation of a Mitigated Negative Declaration and other permitting assistance for the Pilarcitos Canyon Pipeline Replacement Project for a cost not to exceed \$97,175:**

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

**G. Ordinance 2017-01 - Rescinding Resolution 2014-06 which implemented Stage 2 of the Water Shortage Contingency Plan and Ordinance 2016-01, which amended the mandatory water use restrictions and prohibitions under Stage 2**

Ms. Brennan reviewed the background of this agenda item, advising that based on the significant improvement of the drought conditions across the state, and Governor Brown's Executive Order B-40-17, issued on April 7, 2017, staff is recommending that Resolution 2014-06 and Ordinance 2016-01 be rescinded by the adoption of Ordinance 2017-01.

**ON MOTION BY Director Glassberg and seconded by Director Mickelsen, the Board voted by roll call vote, to adopt Ordinance 2017-01, rescinding Resolution No. 2014-06, which implemented Stage 2 of the Water Shortage Contingency Plan; and rescinding Ordinance 2016-01, which amended the mandatory water use restrictions and prohibitions under Stage 2:**

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

**7) GENERAL MANAGER'S REPORT AND MONTHLY INFORMATIONAL REPORTS**

- SFPUC Final Water Supply Availability Estimate - Mr. Dickson advised that SFPUC has provided its final Water Supply Availability Estimate for the upcoming year, confirming that there is "no need to continue voluntary reductions in any part of the service area".

**A. Superintendent of Operations Report -** Mr. Dickson advised that Mr. Guistino was not present at the meeting, but he answered the Board's questions about the recent water leak at the Ritz Carlton Hotel.

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

Director Coverdell requested an update on the status on San Vicente water rights in the near future and Vice-President Feldman inquired about the availability of the report from the recent Strategic Planning Session, conducted on March 16, 2017.

9) **ADJOURNMENT** - The meeting was adjourned at 8:28 p.m.

Respectfully submitted,

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David Dickson, General Manager  
Secretary to the District

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Robert Feldman, Vice-President  
Board of Directors