

COASTSIDE COUNTY WATER DISTRICT
766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

Tuesday, April 29, 2014

- 1) **ROLL CALL** - Vice-President Mickelsen called the meeting to order at 3:05 p.m. Present at roll call: Directors Ken Coverdell, Steve Flint and Arnie Glassberg. President Glenn Reynolds arrived at 3:22 p.m.

Also present were: David Dickson, General Manager; Patrick Miyaki, Legal Counsel; Joe Guistino, Superintendent of Operations; JoAnne Whelen, Administrative Assistant/Recording Secretary; Cathleen Brennan, Water Resources Analyst; and Gina Brazil, Office Manager. There were two members of the public in the audience.

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC COMMENT** - There were no comments from the public.

- 4) **GENERAL BUSINESS**

- A. **Budget and Financing Plan Workshop - Proposed Fiscal Year 2014-2015 Budget and Fiscal Year 2014/2015 to 2023/2024 Capital Improvement Program**

Mr. Dickson's presentation of the District's budget included outlining key aspects of the budget, including revenue, expenses, debt service, and contributions to capital and reserves. He also reviewed in depth the financing plan sheets for fiscal year 2014/2015 to fiscal year 2023/2024 and the rate increases needed to fund the budget and capital improvement program and demonstrated how a 9% rate increase would impact a typical bi-monthly water bill.

Discussion ensued about the District's water sales projections and the potential impact of drought conditions. Mr. Miyaki advised the Board that other issues to be considered include how the District may deal with continued drought and the financial impacts and rate increases in compliance with Proposition 218, as well as what the District may choose to do on a temporary basis to deal with drought conditions. He also provided a comprehensive summary of the Proposition 218 process. Mr. Dickson then answered several budget related questions from the Board members, followed by a comment period from members of the audience.

Leonard Woren, El Granada

- Public Comment – urged the Board to consider televising the budget workshops in the future and urged the District to consider providing a quality sound system when renovating the building.
- Agenda Item 4A – Stated that the District's base charge needs to be re-evaluated. Mr. Woren also stated that with some new members now on the CCWD Board of Directors, it may be a good opportunity to visit the topic of recycled water again.

Bob Feldman, Half Moon Bay – Complimented the General Manager on a good job on the budget and the workshop presentation and shared his view that the District should be able to keep the rate increase in the single digits and possibly consider delaying certain costs at this time in order to keep the rate increase at a minimum.

In concluding discussion of this agenda item, Mr. Dickson advised that staff would be presenting the budget and the capital improvement program to the Board again at the next regular Board meeting, scheduled for Tuesday, May 13, 2014.

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

Mr. Miyaki provided a brief explanation of what was now required of the Board with respect to scheduling the Public Hearing.

The Board commended staff on the excellent and thorough effort on the overall budget and presentation.

ON MOTION BY Director Coverdell and seconded by Vice-President Mickelsen, the Board voted as follows, by roll call vote, to schedule a Public Hearing for Tuesday, June 24, 2014 on the proposed rate increase of up to 9% in the District's water rates and to authorize Staff to issue a Notice of Public Hearing for the proposed rate increase:

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

The meeting was adjourned at 4:38 p.m.

Respectfully submitted,

David R. Dickson, General Manager
Secretary of the District

Glenn Reynolds, President
Board of Directors