

COASTSIDE COUNTY WATER DISTRICT

BOARD OF DIRECTORS MEETING

**CONDUCTED AT THE
CABRILLO UNIFIED SCHOOL DISTRICT
498 KELLY AVENUE, HALF MOON BAY, CA 94019**

MINUTES OF THE TUESDAY, JULY 8, 2014 BOARD OF DIRECTORS MEETING

- 1) **ROLL CALL:** President Glenn Reynolds called the meeting to order at 7:03 p.m. Present at roll call: Directors Steve Flint and Arnie Glassberg. Director Ken Coverdell and Vice-President Chris Mickelsen were absent.

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.

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC COMMENT**

Brad Jaeb, General Contractor and Real Estate Broker – expressed his concern with the current price for a water connection on the open market and requested a response from the District that he could relay to clients about the limited availability of water connections within the District.

- 4) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending June 30, 2014:
Claims: \$693,925.87; Payroll: \$75,072.27 for a total of \$768,998.14
➤ *June 2014 Monthly Financial Claims reviewed by President Reynolds*
- B. Acceptance of Financial Reports
- C. Approval of Minutes of June 10, 2014 Board of Directors Meeting
- D. Approval of Minutes of June 24, 2014 Special Board of Directors Meetings
- 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 – June 2014
- I. June 2014 Leak Report
- J. Rainfall Reports

President Reynolds reported that he had reviewed the financial claims for the month of June, 2014 and found all to be in order.

ON MOTION BY Director Glassberg and seconded by Director Flint, the Board voted as follows, to accept and approve the Consent Calendar in its entirety:

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

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

Director Flint commented that he was recently approached by a member of the Half Moon Bay Beautification Committee, inquiring about the possibility of painting the fire hydrants in the downtown area.

6) GENERAL BUSINESS

A. Water Systems Optimization, Inc. proposal for American Water Works Association (Manual M36) Water Audits and Water Loss Control Program Implementation

Ms. Brennan provided the background of this agenda item, advising that implementing M36 will help the District to meet conservation commitments and regulatory requirements, including assistance in achieving the mandated water use reductions under the 2009 California Conservation Act. She emphasized the District's goal, which is to be able to manage real and apparent water losses in a cost effective manner.

Ms. Katherine Gasner, Water Systems Optimization Project Manager, was then introduced and answered a few questions from the Board members about this proposed project, followed by a brief discussion among the Board.

Staff informed the Board that Water Systems Optimization had presented a not-to-exceed time and materials cost of \$140,000 for the scope of services described in their proposal.

ON MOTION BY President Reynolds and seconded by Director Flint, the Board voted as follows, to authorize staff to contract with Water Systems Optimization Inc. for the development and implementation of a water audit and water loss control program:

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

B. Consider Approval of Resolution 2014-04 Establishing Appropriations Limit Applicable to District during Fiscal Year 2014-2015

Mr. Miyaki provided a brief summary and explanation of the annual appropriations limit requirements.

ON MOTION BY Director Glassberg and seconded by Director Flint, the Board voted as follows, to adopt Resolution 2014-04 Establishing Appropriations Limit Applicable to the District during Fiscal Year 2014-2015:

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

C. Resolution Authorizing the Bay Area Water Supply and Conservation Agency to Initiate, Defend and Settle Arbitration Related to the Water Supply Agreement with the City and County of San Francisco

Mr. Dickson reviewed the background of this agenda item, explaining components of the Water Supply Agreement with the City and County of San Francisco. He also advised the Board that Staff agrees with the Bay Area Water Supply & Conservation Agency (BAWSCA) Board that it is timely and appropriate to implement the delegation of arbitration authority that was provided for in the Water Supply Agreement and recommends approval of the resolution. Additionally he reviewed a related action regarding BAWSCA's request to form a Wholesale Customer Settlement Committee and appoint a representative to this Committee. Mr. Dickson recommended that he be designated to fill this role.

ON MOTION BY Director Flint and seconded by President Reynolds, the Board voted as follows, to adopt Resolution 2014-05 delegating authority to the Bay Area Water Supply & Conservation Board of Directors to initiate, defend and settle arbitration related to the Water Supply Agreement between San Francisco and the Wholesale Customers:

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

Following the motion, President Reynolds appointed General Manager David Dickson to act as the District's representative on the Wholesale Customer Settlement Committee.

D. Proposed Response to the 2013-2014 San Mateo Grand Jury Report

Mr. Dickson introduced this item, noting that the Grand Jury's Report had been forwarded to the Board in May. He summarized the Report, which focused on all 23 independent special districts in San Mateo County to evaluate website transparency. Mr. Dickson also reviewed the Findings and Recommendations contained in the Report, and pointed out that although the focus of the Grand Jury's investigation was website transparency, some of their findings go beyond transparency into special district participation in voluntary recognition programs offered by the California Special District Leadership Foundation.

Mr. Dickson reviewed the requirements associated with providing a response to the Report and directed the Board's attention to Staff's draft response, summarizing the proposed responses to the findings and recommendations of the report. President Reynolds suggested adding the word "voluntary" with respect to the programs recommended in findings F5 through F8 in the Report.

ON MOTION BY President Reynolds and seconded by Director Glassberg, the Board voted as follows to approve the proposed response to findings and recommendations of the 2013-2014 San Mateo County Grand Jury Report, as modified by the Board with the inclusion of the word "voluntary" with respect to the programs recommended in findings F5 through F8 of the Report findings:

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

E. **California Special Districts Association (CSDA) - 2014 Board Election - Region 5, Seat C**

Mr. Dickson explained that as a member of the California Special Districts Association, the Coastside County Water District's Board of Directors has the opportunity to participate in the Board Elections process by casting a vote for one of the candidates seeking to represent Region 5. Brief Board discussion about the candidates ensued.

ON MOTION BY Director Glassberg and seconded by Director Flint, the Board voted as follows to cast their vote to designate candidate Vincent C. Ferrante to serve as one of the representatives to the California Special Districts Association (CSDA) Board of Directors in Region 5, Seat C:

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

F. **Award of Contract to Andreini Brothers for Nunes Water Treatment Plant Access Road Paving**

Mr. Guistino described the project, and the urgency in improving the road conditions. Director Reynolds asked whether it would be possible to use permeable paving, and staff responded that doing so would require revising the project documents and re-bidding the project.

ON MOTION BY President Reynolds and seconded by Director Glassberg, the Board voted as follows to authorize the General Manager to execute an agreement with Andreini Brothers, Inc. to make paving improvements to the Nunes Water Treatment Plant access road at a cost of \$95,000:

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

G. Appointment of Representative to Recycled Water Committee

Mr. Dickson referenced the email correspondence he had received from Robert Hopkins, Sewer Authority Mid-Coastside Manager, with the request to appoint a CCWD Board member to the newly re-formed Recycled Water Committee. Mr. Dickson added that he looked forward to any opportunity to foster cooperation among the agencies to explore water resources, including recycled water on a community wide basis. The Board agreed with President Reynolds direction that Director Coverdell would be a good candidate to serve on this committee and President Reynolds volunteered to participate as an alternate committee member should it be necessary.

7) GENERAL MANAGER'S REPORT - INCLUDING MONTHLY INFORMATIONAL REPORTS

SFPUC Drought Conditions Update - Mr. Dickson relayed the message from SFPUC regarding their call for 10% voluntary conservation, with a continued emphasis that water users need to conserve more and that "Mandatory rationing is still on the table."

Potential Drought-Related Action by State Water Resources Control Board - Mr. Dickson advised that under intense political pressure resulting from the severity of the statewide drought, the State Water Resources Control Board is considering the possibility of mandating water use reduction measures that would be mandatory for all water systems in the state.

Administration Building Remodeling Project Status - Mr. Dickson updated the Board on the progress to date, advising that the original contractor selected was unable to meet the District's payment bond requirements, so now the District is working with the second contractor, Teamwrkx Construction, and work should begin soon.

Operations Report

Mr. Guistino reviewed the highlights from his monthly report, including the near completion of the El Granada Tank 2 Renovation Project and staff's current efforts to maximize the production of Denniston sources during the summer irrigation season.

Water Resources Report

Ms. Brennan informed the Board of the recent grant reimbursement the District received, funding the washing machine and high efficiency toilet rebate programs. She also summarized details of the recent Annual Water Quality Report for Calendar Year 2013.

8) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

Director Glassberg shared that he was recently in the Yosemite area and had the opportunity to spend the day at the Hetch Hetchy Reservoir, which he found very impressive.

9) ADJOURNMENT - The meeting was adjourned at 8:34p.m.

Respectfully submitted,

David R. Dickson, General Manager
Secretary of the District

Glenn Reynolds, President
Board of Directors