

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL CLOSED SESSION

Tuesday, September 11, 2007 - 5:30 p.m.

1) CLOSED SESSION

A. Conference with Labor Negotiators

Agency Designated Representative: Legal Counsel
Employees: Administrative Assistant, Office Manager,
Superintendent of Operations, Public Outreach/Program
Development/Water Resources Analyst

B. Conference with Labor Negotiator (Gov. Code Section 54957.6)

Designated Representative: Board President Jim Larimer
Unrepresented Employees - General Manager

C. Conference with Real Property Negotiators (Cal. Govt. Code §54956.8(b):

Property: Vacant land on north side of Magellan Ave opposite the terminus of
The Crossways, in unincorporated San Mateo County (APN 048-021-130)
Property Owners: Martha E. Bishop, as to an undivided one-third (1/3) interest;
Robert E. and Helen J. Carey, Trustees of the Isabella Trust dated November 6,
2001, as to an undivided one-third (1/3) interest and Philomena, LLC, as to an
undivided one-third (1/3) interest
Agency Negotiator: Legal Counsel
Negotiating Parties: District and Property Owners
Subject Matter: Price and terms of acquisition of a temporary construction easement

Property: Vacant land commonly known as "Mirada Surf
Property" in unincorporated San Mateo County along
Santiago Avenue in El Granada
Property Owner: County of San Mateo
Agency Negotiator: Legal Counsel
Negotiating Parties: District and Property Owner
Subject Matter: Price and terms of acquisition of pipeline easement

2) RECONVENE TO OPEN SESSION

The Closed Session convened at 5:00 p.m. with President Larimer and Directors Ascher, Mickelsen, Coverdell and Feldman and Legal Counsel, Anthony Condotti. The meeting reconvened to open session at approximately 7:07 p.m.

President Larimer stated that the Board had just completed discussion of several Closed Session items and stated that there was no reportable action, other than the fact that Closed Session item 1A would be discussed later during the Open Session, under agenda item 8B.

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

September 11, 2007

- 1) ROLL CALL:** President Larimer called the meeting to order at 7:07p.m. Present at roll call were Directors Ken Coverdell, Chris Mickelsen, Bob Feldman, and Everett Ascher.

Also present were; Tony Condotti, Legal Counsel; Joe Guistino, Acting General Manager/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** - Everyone stood for the Pledge of Allegiance.
- 3) PUBLIC ANNOUNCEMENTS** - There were no announcements from the public.

4) CONSENT CALENDAR

- A. Requesting the Board to review disbursements for the month ending August 31, 2007 – Claims: \$727,663.59 Payroll: \$61,315.27 for a total of \$788,978.86
- B. Acceptance of Financial Reports
- C. Minutes of the August 21, 2007 Board of Directors Meeting
- D. Installed Water Connection Capacity and Water Meters Report
- E. Total CCWD Production Report
- F. CCWD Monthly Sales by Category Report
- G. August 2007 Leak Report
- H. Rainfall Reports
- I. San Francisco Public Utilities Commission Hydrological Conditions Report for August 2007
- J. Engineering Projects Received for Review during August 2007
- K. Acceptance of Magellan Avenue (048-021-230) – Non Complex Pipeline Extension

Director Feldman announced that he had reviewed the monthly financial claim reports and found all to be in order.

ON MOTION by Director Ascher and seconded by Director Feldman, the Board voted as follows to accept the Consent Calendar in its entirety:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

5) PUBLIC OUTREACH/PROGRAM DEVELOPMENT/WATER RESOURCES ANALYST'S REPORT

A. Monthly Water Resources Report

Ms. Brennan referenced her written staff report and reported on a few of her activities that had transpired over the past month. She provided details of her attendance at the San Francisco Public Utilities (SFPUC) Wholesale Customer Quarterly Meeting on System Operations and at a presentation on an infrastructure (water system improvement) project by the City of Mountain View.

Ms. Brennan also reported on the results of the recent Bay Area Water Supply and Conservation Agency (BAWSCA) Technical Advisory Committee (TAC) meeting and the presentation provided at the Bay Area Water Conservation Coordinators Meeting.

Additionally Ms. Brennan reported on the San Francisco Public Utilities (SFPUC) recent research on meter reading technology and provided a memo summarizing their findings. The Board discussed the advantages of the technology and President Larimer requested that staff obtain copies from SFPUC of all associated reports relating to this research on meter reading technology. Additionally, President Larimer proposed that he would like to see a future Board agenda item on the subject, which would include a Resolution requiring that every new structure and possibly the upgrade of a structure in the community be converted to an automatic reading meter device. The Board and staff engaged in further discussion of this concept and it was decided that staff would present this matter again after the pilot program had been in place for a period of time, with ample time to analyze and evaluate the benefits of the system. Mr. Condotti recommended that this proposal be analyzed extensively, due to the fact that some type of construction projects have little or no impact on water systems, and there should be distinction between a construction project that intensifies the impact on the water system or requires a meter upgrade and a project that has no bearing on water usage. President Larimer suggested that this matter be agendized for a future Board meeting with a recommendation provided by staff at that time.

Ms. Brennan added that the District is obligated to submit a formal written meter plan to the California Urban Water Council by July 2008 and this would have an impact on that report, and noted that she sees these two issues happening simultaneously. President Larimer suggested that discussion of the proposed Resolution be placed on the April 2008 agenda for discussion, so that any conclusions from this discussion can be incorporated in the meter plan to be submitted in July 2008.

Ms. Brennan summarized the remainder of her monthly activities.

B. Water Shortage & Drought Contingency Plan – Monthly Update Report

Ms. Brennan provided details of her updated Public Outreach activities.

C. Advisory Committee Reports

- Meeting of the San Francisco Public Utilities Commission Policy Advisory and Future Water Resources Committee – (Directors Mickelsen & Feldman; Staff: Joe Guistino & Cathleen Brennan) –
 1. August 24, 2007 – Information item
 2. August 29, 2007

Ms. Brennan reported on the results of these two committee meetings, advising the Board that the committee recommends supporting the efforts of investigating the alternatives of creating a sub-region of the San Francisco Bay Area Integrated Regional Water Management Plan (IRWM) or creating a separate Coastside Region IRWM Plan and that this recommendation includes a financial contribution of up to three thousand dollars (\$3,000.) plus staff time and other resources to pursue this.

Directors Feldman and Mickelsen elaborated on this recommendation and reiterated the value of exploring these options for this minimal cost. Discussion ensued, with authorization provided by the Board to the Acting General Manager to commit \$3,000.00 and staff time and other resources to investigate the alternatives of creating a sub-region of the San Francisco Bay Area IRWM Plan.

- Meeting of the External Affairs Committee – (Directors Mickelsen and Ascher; Staff: Joe Guistino and Cathleen Brennan) – August 23, 2007
 1. Association of California Water Agencies (ACWA) Region 5 - Election for 2008-2009 Term
 2. ACWA - Committee Consideration
 3. California Special District's Association (CSDA) Board of Directors Election 2007
 4. CSDA Committee and Volunteer Interest Form

Ms. Brennan referenced her written report providing the results and recommendations from this committee meeting for each of the four discussion items.

ON MOTION by Director Coverdell and seconded by Director Feldman, the Board voted as follows to accept the Committee's recommendation that the Board concur with the ACWA Region 5 Nominating Committee's recommended slate:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

ON MOTION by Director Ascher and seconded by Director Mickelsen, the Board voted as follows for the Board to consider nominating Director Everett Ascher for the ACWA Local Government Committee:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

ON MOTION by Director Coverdell and seconded by Director Feldman, the Board voted as follows for the Board to consider casting a ballot for Sherry Sterrett for Region 3 of the CSDA Board of Directors Election 2007:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

ON MOTION by Director Coverdell and seconded by Director Feldman, the Board voted as follows for the Board to consider nominating Director Everett Ascher for appointment to a CSDA Special Committee:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

President Larimer inquired about the status of the District's review comments to be submitted to the Bay Area Water Supply & Conservation Agency (BAWSCA) in regards to the San Francisco Public Utilities Commission (SFPUC) Program Environmental Impact Report (EIR). Ms. Brennan reported that she is working with Mr. Guistino on the draft comments, which currently includes approximately nine pages, and would be submitted with a cover letter. She advised that she had submitted her draft comments to Director Mickelsen for review and Mr. Guistino indicated that he would discuss the project with Mr. Teter and obtain his review comments.

Director Mickelsen added that he had reviewed Ms. Brennan's and Mr. Guistino's comments and found them to be in line and was pleased with the emphasis in maintaining the District's best interests.

Director Feldman complimented Ms. Brennan on her thorough, well thought out and professional response submitted regarding the integrated watershed management plan for Pilarcitos Creek, noting the he felt it was the best product submitted out of all the other agency comments. He stated that he felt that Ms. Brennan was doing an excellent job of watching out for the District's best interests, and reported that he noted that the document that she reviewed and provided comments consisted of over three thousand pages.

Director Ascher congratulated Ms. Brennan on her superb monthly agenda reports, stating that all information was thorough and complete, all questions answered precisely in a very easy to understand manner.

Director Feldman added that he felt that the recent article Ms. Brennan had participated in for the Half Moon Bay Review was presented as an outstanding discussion of conservation and the Crystal Springs situation. He stated that the information provided for the article was well covered and articulated the needs of the community in regards to conservation.

President Larimer added that the Board is very pleased with the way Ms. Brennan is handling these issues and reiterated that Ms. Brennan is empowered and authorized to speak on behalf of the District on these issues and at these meetings.

6) **SUPERINTENDENT OF OPERATION'S REPORT**

A. **Superintendent of Operations Monthly Report**

Mr. Guistino referenced his written staff report, noting a few monthly highlights including the Denniston Storage Tank Modification and El Granada Pump Station Modification Projects, and the Nunes Filter Rinse Valves. He also reported that the first stage of the annual inspection from the State Department of Health Services is scheduled for the first week of October, followed by a second full day later in the month. He advised that the water treatment plants are in top-notch shape and he is looking forward to the inspections.

7) **DISTRICT ENGINEER'S REPORT**

A. **Phase 3 El Granada Pipeline Replacement Project**

Mr. Teter informed the Board that sixteen sets of contract documents had been distributed to date and that he expected an excellent response to the request for bids, scheduled to be opened on October 2, 2007. He also informed that all bid information is additionally available electronically, which has been very beneficial, especially to the interested sub-contractors. He also advised that the last encroachment for the project had now been received and noted that bid results would be available at the October Board meeting, followed by an award of contract, with work possibly starting within approximately six weeks, possibly during the middle of November 2007.

B. District Engineer Work Status Report

Mr. Teter referenced his written staff report and provided updates on the progress of the Water Treatment Plant Short-Term Improvement projects.

C. Addendum to Agreement with J.M. Turner Engineering, Inc. to Perform Structural Design Services for the Denniston WTP Modifications Portion of the Short-Term Water Treatment Plant Improvements Project

Mr. Teter explained that he is recommending that the Board direct the District Legal Counsel to prepare an Addendum to the District's Professional Services Agreement with J.M. Turner Engineering, Inc. to perform structural design services for the Denniston WTP Modifications Portion of the Short-Term Water Treatment Plant Improvements Project.

ON MOTION by Director Coverdell and seconded by Director Ascher, the Board voted as follows to direct the District Legal Counsel to prepare an Addendum to the District's Professional Services Agreement with J.M. Turner Engineering, Inc. to perform structural design services for the Denniston WTP Modifications Portion of the Short-Term Water Treatment Plant Improvements Project:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

Director Feldman added that he enjoyed the humor and lightheartedness in regards to the photographs of the young man who "assisted" the District field crew in the installation of a new water sampling station. He stated that he thought it was wonderful public relations and enjoyed seeing the Certificate of Appreciation issued from the District to Graham Wylie for his assistance with the project.

8) **GENERAL BUSINESS**

A. **Consider Resolution 2007-16 recognizing certain employee classifications within Operations Division as separate bargaining unit and the Teamsters Union, Local 856 as the unit's exclusive representative**

Mr. Condotti provided the background of this item, reporting that on June 19, 2007, the District received a petition from Local 856 of the Freight Checkers, Clerical Employees and Helpers Union (Teamsters), seeking formal recognition as the bargaining representative of the nine District employees occupying the following positions: Distribution Supervisor, Treatment Supervisor, Sr. Treatment Operator, three Treatment/Distribution Operators and three Maintenance Worker positions. He advised the Board that the recommended action is to approve Resolution 2007-16.

ON MOTION by Director Coverdell and seconded by Director Ascher, the Board voted as follows to adopt Resolution 2007-16 recognizing certain employee classifications within Operations Division as separate bargaining unit and the Teamsters Union, Local 856 as the unit's exclusive representative:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

B. **Consider Resolution 2007-17 Adopting temporary salary adjustment for certain management employees pending General Manager Recruitment**

Mr. Condotti stated that this was a follow-up to the August 21, 2007 Closed Session discussion by the Board to consider a temporary salary adjustment for the Superintendent of Operations (Acting General Manager), the Office Manager, Administrative Assistant, and the Public Outreach/Program Development/Water Resources Analyst positions. He explained that the four positions had basically been assuming the duties and responsibilities of the General Manager position, since his resignation in May of 2007.

Mr. Condotti referenced the draft resolution prepared in the Board packet and recommended that the language be amended to insert the words “in the amount of twenty-five percent of current salary, commencing May 1, 2007”.

Director Coverdell requested that the record state that when the Committee members met to discuss this matter, they agreed that these four staff members have performed above and beyond the call of duty, and that due to the extra work and commitment, these four employees have stepped up and made it possible for the District to continue to function at a very high level for the past approximately four months. He expressed his appreciation to Joe Guistino, Cathleen Brennan, Gina Brazil and JoAnne Whelen for their patience, tolerance, and extra efforts and interactions during this period and stated that he found it amazing how smoothly the District has been running in the absence of a General Manager. Director Coverdell also expressed his appreciation to the field crew for stepping up as well.

Director Ascher stated that he agreed with Director Coverdell’s remarks and reiterated that he felt that these individuals had done a superb job and also added that the Board was able to offer this temporary salary adjustment within the context of the current CCWD Budget. He stated that these employees, who have stepped up and performed the additional responsibilities in this period, will be rewarded for their performance without materially affecting the budget.

President Larimer added that he was also impressed with their performance, and that many General Manager related responsibilities continued be addressed and handled, as evidenced by Ms. Brennan’s monthly staff report, listing the many tasks that have recently transpired. He acknowledged that he was aware that all of these additional functions have required a great deal of cooperation and collaboration of their parts and that it was very much appreciated.

ON MOTION by Director Ascher and seconded by Director Coverdell, the Board voted as follows to adopt Resolution 2007-17 with the inclusion of the language provided by District’s Legal Counsel, adopting temporary salary adjustment for certain management employees pending General Manager Recruitment:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

C. **Consider Resolution Nos. 2007-18, approving quitclaim deed and 2007-19 approving agreement, deed and exchange of easements for APN 047-330-010 (Mirada Surf Parcel; Owner: County of San Mateo)**

Mr. Condotti introduced this agenda item, provided the background, and reviewed a condition requiring the relocation of an existing District easement over the Mirada Surf property, owned by the County of San Mateo. Additionally he explained the need for the Board to approve the agreement, deed and easement exchange agreement that will establish a new easement that basically goes around the edge of the property within the boundaries of an existing roadway, and so in addition to assisting the County with their long range development plans, it will result in the avoidance of the requirement to remove several large trees in the existing easement area. Mr. Condotti informed the Board that there were a few revisions to the documents contained in the Board packet and distributed the updated versions of the documents.

ON MOTION by Director Coverdell and seconded by Director Aschr, the Board voted as follows to adopt Resolution 2007-18 Approving Agreement, Deed and Exchange of Easements (047-330-010) and 2007-19 Approving Easement Quitclaim Deed (047-330-010):

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

9) **ATTORNEY'S REPORT**

A. **ACWA Legal Affairs Committee - Consideration Form Renewal**

Mr. Condotti explained that for the past year he has been serving on the Association of California Water Agencies' (ACWA) Legal

Affairs Committee as a representative of the Coastside County Water District. He added that last year the appointment was handled by the General Manager, and in the absence of a General Manager, he is requesting that the Board authorize the Board President to execute the Committee Consideration Form to allow him to continue to serve on this ACWA Legal Affairs Committee. He advised the Board that all expenses associated with participation in the Legal Affairs Committee are covered by his law firm.

ON MOTION by Director Ascher and seconded by Director Mickelsen the Board voted as follows to authorize the Board President to execute the ACWA Committee Consideration Form to allow Mr. Anthony Condotti to continue to serve on the Legal Affairs Committee:

Director Coverdell	Aye
Director Mickelsen	Aye
Director Ascher	Aye
Director Feldman	Aye
President Larimer	Aye

10) AGENDA ITEMS AND DIRECTOR COMMENTS

President Larimer stated that the agenda format had changed somewhat, in order to place an emphasis on tracking all of the advisory committee meetings and avoiding redundancy.

Director Ascher announced that the San Mateo County Local Agency Formation (LAFCO) would be conducting a Municipal Service Review within the next three months of the local special districts in the community. He recommended to the Board that he meet with staff members to advise them in order to start preparing and organizing the materials for this Review.

Director Ascher also requested the Board to consider directing staff to institute a program or contest to design a new Coastside County Water District logo. The Board indicated that they were satisfied with the logo at this time and took no action on this suggestion.

11) ADJOURNMENT

The meeting was adjourned at 9:00 p.m. The next meeting of the Coastside County Water District's Board of Directors is scheduled for Tuesday, October 9, 2007.

Respectfully submitted,

Joe Guistino, Acting General Manager

Jim Larimer, President
Board of Directors
Coastside County Water District