

**COASTSIDE COUNTY WATER DISTRICT**

**766 MAIN STREET**

**HALF MOON BAY, CA 94019**

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

**May 16, 2006**

- 1) **ROLL CALL:** President Ascher called the meeting to order at 7:31 p.m. Present at roll call were Directors Jim Larimer, Chris Mickelsen, Ken Coverdell and John Muller

Also present were Ed Schmidt, General Manager; Anthony Condotti, Legal Counsel; Jim Teter, District Engineer; Joe Guistino, Superintendent of Operations; Amanda Cox, Water Conservation Coordinator; 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:**

Bob Ptacek, Montara - provided a brochure that he had acquired at the recent ACWA Spring Conference on a device called the Smart Faucet, manufactured by Integrated Resource Management, LLC.

- 4) **CONSENT CALENDAR**

- A. Requesting the Board to review disbursements for the month ending April 30, 2006 - Claims: \$395,725.56 Payroll: \$60,564.62 for a total of \$456,290.18
- B. Acceptance of Financial Reports
- C. Minutes of the April 18, 2006 Board of Directors Meeting
- D. Monthly Water Transfer Report

- E. General Manager Activities Report
- F. Water Service Connections Installed, Priority and Non-Priority Report
- G. Total CCWD Production Report
- H. CCWD Water Use by Category Report
- I. April 2006 Leak Report
- J. Rainfall Reports
- K. San Francisco Public Utilities Commission Hydrological Conditions Report for March 2006
- L. Reminder about AB 1234 Mandatory Ethics Training Workshop – Wednesday, May 24, 2006
- M. Engineering Projects Received for Review during April 2006

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

**ON MOTION by Director Mickelsen and seconded by Director Coverdell, the Board voted unanimously to accept the Consent Calendar in its entirety:**

<b>Director Coverdell</b>	<b>Aye</b>
<b>Director Larimer</b>	<b>Aye</b>
<b>Director Mickelsen</b>	<b>Aye</b>
<b>Director Muller</b>	<b>Aye</b>
<b>President Ascher</b>	<b>Aye</b>

**5) WATER CONSERVATION COORDINATOR'S REPORT**

**A. Water Conservation Report**

Ms. Cox referenced her staff report and reported on the success of the Water Wise Garden Design Workshop, her participation in the local Girl Scout Troop's "Save the Bay" project and provided details of a few of her recent water conservation activities.

President Ascher complimented Ms. Cox on the draft newsletter, commenting that he found it to be very professional, informative and colorful. He also expressed his appreciation to Ms. Cox for sponsoring the District's water conservation booth at the SAM 30-year celebration event.

6) **SUPERINTENDENT OF OPERATIONS REPORT**

A. **Superintendent of Operations Monthly Report**

Mr. Guistino referenced his written staff report and reported on a few of the key events, including the recent inspection by the Department of Health Services of the Nunes Water Treatment Plant, which was very successful.

Mr. Schmidt, on behalf of the staff, thanked the Board for the purchase of the forklift.

President Ascher then announced that the agenda would be re-ordered so that the next item to be discussed would be the Engineer's Report.

9) **ENGINEER'S REPORT**

A. **District Engineer Work Status Report**

Mr. Teter referenced his staff report and reported that he has completed the drawings for the Pilarcitos East Pipeline project, and would be following up with an encroachment permit with CalTrans. He also reported progress on the short-term improvements at the Nunes Water Treatment Plant.

At President Ascher's request, Mr. Teter then briefly outlined the timelines provided for the El Granada Pipeline Replacement Project.

Director Mickelsen thanked Mr. Teter for soliciting input from the field staff in the design of the water treatment plant improvements.

7) **GENERAL MANAGER'S REPORT**

A. **Discussion and direction to staff regarding request for relief of water bill from Dayna and Ivan Chalif for service located at 455C Cypress Avenue**

Mr. Schmidt provided the background of this unusual case, including all of the action and investigations provided by District staff.

Dayna Chalif addressed the Board and explained that even after a thorough examination of the premises and all circumstances, there is still no explanation for the high water usage. Ms. Chalif also thanked District staff for their comprehensive investigations and reports and reiterated that the situation is still unexplainable and also that it has corrected itself, and their water usage is back to a normal amount.

The Board discussed the issue and staff answered several questions. Director Larimer suggested that staff possibly investigate the feasibility of a customer program that would be voluntary, where interested customers could record their own meter readings on a monthly basis and submit the reading on a postcard to CCWD. The Board continued to discuss what type of event could possibly have occurred to cause this incident and directed several additional questions to Ms. Chalif.

President Ascher proposed, for the Board's consideration, that the Board grant a 50% reduction of the high bill, which could be paid on the amortization schedule. Also, staff would schedule a site visit to evaluate the current fixtures within the residence.

**ON MOTION BY Director Muller and seconded by Director Coverdell, the Board voted unanimously to accept President Ascher's recommendation to reduce the high bill by 50%, which could be paid on the amortization schedule:**

Director Coverdell	Aye
Director Larimer	Aye
Director Mickelsen	Aye
Director Muller	Aye
President Ascher	Aye

**B. Award of Contract for Construction of Denniston Water Treatment Plant Perimeter Fencing Project**

Mr. Schmidt introduced this item and provided the background of the project, explaining the locations of the proposed fencing.

The Board and staff discussed the vulnerability of the water tank and discussed the advantages and disadvantages of fencing this particular area of the site.

**ON MOTION by President Ascher and seconded by Director Coverdell, the Board voted unanimously to authorize the General Manager to proceed with securing a contract, not to exceed \$25,000. for installation of fencing around the Denniston Water Treatment Plant, which does not include fencing around the tank at this time, but that fencing around the tank would be placed on a list for future security upgrades**

Director Coverdell	Aye
Director Larimer	Aye
Director Mickelsen	Aye
Director Muller	Aye
President Ascher	Aye

C. **Discussion and possible direction to staff on the status of the Coastal Development Permit with the City of Half Moon Bay for the El Granada Pipeline Replacement Project**

Mr. Schmidt referenced his staff report, which included a time-line of the recent correspondence between the District and the City of Half Moon Bay. He also distributed copies of the actual correspondence. Mr. Schmidt distributed another handout which consisted of a timeline of the next steps anticipated in connection with the El Granada Pipeline Coastal Development Permit and reviewed details of each of those steps.

Mr. Condotti explained the procedure and time frame involved in obtaining the Coastal Development Permit.

The Board discussed the history of this event, beginning approximately six years ago and the long and expensive process that has transpired, including the financial impact to the District's ratepayers.

After further discussion, staff was directed to draft a letter to the City of Half Moon Bay for the Board President's signature,

expressing concerns, including the costly expenses associated with the delays to this project. The letter should state the importance of the two agencies in working together to insure that this critical piece of infrastructure is replaced without further delay. President Ascher also requested that the letter reference the fact that the Governor and both Democratic and Republican members of the State Legislature are all in agreement of the importance of upgrading and replacing California's decaying infrastructure. The letter should further state that CCWD is requesting an expeditious resolution of this issue. Additionally Director Larimer requested that the letter include a historical timeline from the submittal of the original CEQA document.

**D. Establishment of a Records Retention Policy**

Mr. Schmidt explained that he and President Ascher recently learned the importance of a comprehensive records retention policy while attending a meeting of the California Special Districts Association (CSDA). He referenced the draft records retention policy prepared by District's Legal Counsel, which was based on a modeled policy, developed by CSDA.

Director Larimer suggested one correction on page one, item 8A of the policy, changing the "National Bureau of Standards" to the "National Institute of Standards and Technology".

**ON MOTION by Director Mickelsen and seconded by Director Muller, the Board voted unanimously to approve Resolution 2006-11 Adopting a Policy For Retention of District Records with the following correction on page one, Item 8A of the policy, changing the "National Bureau of Standards" to the "National Institute of Standards and Technology".**

Director Coverdell	Aye
Director Larimer	Aye
Director Mickelsen	Aye
Director Muller	Aye
President Ascher	Aye

**E. Consideration of awarding an “innovative cost saving measure” incentive payment to CCWD operations staff in the amount of \$780. (10% of realized cost savings) for innovative design and construction work on the Denniston Water Treatment Plant**

Mr. Schmidt reviewed the background of this item and explained that his report consists of a cost comparison of CCWD actual costs for this project, versus the cost of having the work performed by an outside contractor, as requested by the Board at the April regular meeting.

Mr. Schmidt relayed his recommendation to award the payment of \$780.00 to the operations staff as an incentive for identifying and implementing innovative cost-saving measures. The General Manager also indicated that the Office Manager could establish an account for the tracking of these funds.

President Ascher reported that he had issued accolades to each of the field staff for their participation in this project, with a copy to be placed in their personnel files. The entire Board expressed their approval and authorized the General Manager to award this \$780.00 to the CCWD Operations Staff.

Director Muller reported that at his recent attendance at the Association of California Water Agencies Spring Conference in Monterey, he encountered several vendors who reported meeting and talking with CCWD staff members, and felt that District staff is making a positive impression in the field.

**F. Discussion and possible direction to staff regarding the possible development of an Employee Suggestion Award Program**

Mr. Schmidt reported that District staff had surveyed many agencies and determined that most agencies do not have a program of this nature, and he also stated the difficulties he encountered in administering a similar program in a previous position at another agency. He stated that an incentive to staff, as awarded in the previous agenda item, could be implemented as needed, without a formal program adopted. The Board was in agreement with the General Manager’s recommendation.

**G. Status Report on the Current Major Capital Improvement Projects**

Mr. Schmidt referenced the written report and provided an update on the Main Street/Highway 92 project.

Director Larimer suggested that possibly comments could be incorporated into the letter to be drafted to the City of Half Moon Bay regarding the El Granada Pipeline CDP, expressing the District's appreciation for the positive and successful relationship with Paul Nagengast and the City of Half Moon Bay staff on the Main Street/Highway 92 project.

**8) ATTORNEY'S REPORT**

**A. Update on sale of twenty partial non-priority water service connections**

Mr. Condotti reviewed the background and schedule for this item and reiterated that no further action is required by the Board on this process.

**10) MEETINGS ATTENDED / SCHEDULED - BOARD OF DIRECTORS**

Director Muller reported that he had attended the ACWA conference in Monterey this past week and summarized the sessions that he had attended.

Director Mickelsen reported on a conference he had attended in Sacramento, including breakfast with the Governor and lunch with Assemblyman Nunez where the focus of the discussion was on infrastructure. He also reported on the Progress Seminar he recently attended with President Ascher in Monterey.

Director Larimer stated that he and Director Muller had met with staff in regards to the Infrastructure rate study where some principles were established and that the committee would meet again next month.

President Ascher commented that he had represented the District, along with a few other Board members, at the recent Farm Day Luncheon, and had also attended the event sponsored by the Sewer Authority Mid-Coastside. He also reported on this attendance at the Local Agency Formation Commission. He also announced that he was recently appointed as a representative of the local government committee with ACWA Region 5.

President Ascher stated that one of his objectives is to raise the visibility of the District because he believes that the Coastside County Water District is an incredible agency.

**12) CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL -  
ANTICIPATED LITIGATION  
Initiated litigation pursuant to subdivision (b) of Section 54956.9  
One (1) potential case**

The Closed Session convened at approximately 9:15 p.m. with Directors Ascher, Coverdell, Larimer, Mickelsen and Muller. Also in attendance were Ed Schmidt and Tony Condotti. The Board reconvened to open session at approximately 9:30 p.m. with no members of the public present. No action was reported.

**13) ADJOURNMENT**

The meeting was adjourned at 9:15 p.m. for the Closed Door Session. The next meeting of the Coastside County Water District Board of Directors is scheduled for Tuesday, June 13, 2006 at 7:30 p.m.

**Respectfully submitted**

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**Ed Schmidt, General Manager**

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**Everett Ascher, President**