

**COASTSIDE COUNTY WATER DISTRICT**

**766 MAIN STREET**

**HALF MOON BAY, CA 94019**

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

**Tuesday, October 13, 2009**

- 1) **ROLL CALL** - The Closed Session convened at 6:00 p.m. Present at roll call were President Mickelsen, Vice-President Feldman and Directors Ken Coverdell and Jim Larimer. Also present was David Dickson, General Manager.
  
- 2) **PUBLIC ANNOUNCEMENTS** - There were no public announcements.
  
- 3) **CLOSED SESSION**
  - A. Public Employee Performance Evaluation  
(Cal. Govt. Code §54957): Title: General Manager
  
- 4) **RECONVENE TO OPEN SESSION** - The Closed Session concluded at approximately 7:00 p.m., immediately prior to commencement of the regular meeting, at which time President Mickelsen announced that no action was taken.

**COASTSIDE COUNTY WATER DISTRICT**

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**HALF MOON BAY, CA 94019**

**MINUTES OF THE BOARD OF DIRECTORS MEETING**

**Tuesday, September 8, 2009**

- 1) **ROLL CALL:** President Mickelsen called the meeting to order at 7:06 p.m. Present at roll call were Vice-President Feldman, Directors Ken Coverdell, and Jim Larimer.

Also present were: David Dickson, General Manager; Patrick Miyaki, Legal Counsel; Joe Guistino, 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**

- 3) **PUBLIC ANNOUNCEMENTS:** There were no public announcements.

- 4) **CONSENT CALENDAR**

- A. Requesting the Board to review disbursements for the month Ending September 30, 2009 - Claims: \$1,197,821.83; Payroll: \$70,922.86 for a total of \$1,268,744.69
- B. Acceptance of Financial Reports
- C. Minutes of the September 8, 2009 Board of Directors Meeting
- D. Minutes of the September 23, 2009 Special Board Meeting
- 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
- I. September 2009 Leak Report

- J. Rainfall Reports
- K. San Francisco Public Utilities Commission Hydrological Conditions Report for September 2009

Vice-President Feldman reported that he had reviewed the monthly financial claims and found all to be in order.

**ON MOTION by Director Coverdell and seconded by Director Larimer, the Board voted as follows, by roll call vote, to accept the Consent Calendar in its entirety:**

<b>Director Coverdell</b>	<b>Aye</b>
<b>Vice-President Feldman</b>	<b>Aye</b>
<b>Director Larimer</b>	<b>Aye</b>
<b>Director Ascher</b>	<b>Absent</b>
<b>President Mickelsen</b>	<b>Aye</b>

**5) MEETINGS ATTENDED / DIRECTOR COMMENTS**

Director Coverdell reported on the September meeting of the Bay Area Water Supply and Conservation Agency (BAWSCA). Vice-President Feldman reported on a recent Association of California Water Agencies (ACWA) Region 5 event that he attended with Director Ascher and Mr. Dickson on the Delta Perspective. Director Larimer reminded the Board that the San Mateo County Chapter of the California Special Districts Association is scheduled to meet on October 27, 2009 and encouraged the Board members to attend.

**6) GENERAL BUSINESS**

**A. Possible Amendment to General Manager's Employment Contract/Compensation**

There was no discussion on this item and no action taken.

**B. Resolution 2009-12 - A Resolution Adopting the Implementation of an Identity Theft Prevention Program**

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Mr. Dickson provided the background of this item, advising the Board that, in response to the growing problem of identity theft, the Federal Trade Commission (FTC) issued regulations (“Red Flags Rule”), which requires financial institutions and creditors to implement a written program that provides for identification, detection, and response to Red Flags. Mr. Dickson explained that JoAnne Whelen had drafted the policy, which included a number of procedures put in place in the billing and record keeping operations to flag possible identity theft activities. He further advised that the office staff had reviewed the policy and provided some input. Mr. Miyaki added that his firm had reviewed the policy and found it to be a complete and comprehensive program.

**ON MOTION by Director Larimer and seconded by Vice-President Feldman, the Board voted as follows, to adopt Resolution 2009-12 approving and adopting the Coastside County Water District’s Identity Theft Prevention Program:**

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Director Coverdell	Aye
Vice-President Feldman	Aye
Director Larimer	Aye
Director Ascher	Absent
President Mickelsen	Aye

**C. Approval of Contracts for Services for the Nunes Water Treatment Plant Short Term Improvements Project:**

1. Contract with EKI, Inc. for construction management services
2. Contract with Frisch Engineering for electrical engineering services during construction
3. Contract with Calcon Systems for SCADA programming services

Mr. Dickson reported that staff had reviewed these contracts in detail with the Facilities Committee members on September 2, 2009 and that these ancillary contracts are essential and integral to the construction project. He introduced Steve and Jeff Tarentino from EKI, Inc., regarding the proposed project construction management services, and reviewed the proposals from Frisch Engineering for

the electrical/instrumentation engineering services during construction and the proposal from Calcon Systems for the SCADA programming. He proceeded to address a few questions from the Board regarding the proposals and the process.

**ON MOTION by Director Coverdell and seconded by President Mickelsen, the Board voted as follows, to approve the following contracts for services required to complete the Nunes Short-Term Improvements Project: the contract with EKI, Inc. for construction management services for an estimated cost of \$96,500; the contract with Frisch Engineering for electrical/instrumentation engineering services during construction at an estimated cost of \$44,170; and the contract with Calcon Systems for SCADA programming for a lump-sum cost of \$96,280:**

Director Coverdell	Aye
Vice-President Feldman	Aye
Director Larimer	Aye
Director Ascher	Absent
President Mickelsen	Aye

- D. Resolution 2009-11 Approving the form of and authorizing the execution and delivery of a purchase and sale agreement and related documents with respect to the sale of the seller's Proposition 1A receivable from the State; and directing and authorizing certain other actions in connection therewith

Deleted: 12

Mr. Dickson reviewed the background of Proposition 1A and the emergency suspension of it, which was passed by the Legislature and signed by the Governor as part of the 2009-2010 budget package on July 28, 2009. He proceeded to explain how the securitization program would work and reviewed the legal agreements and documents prepared by the law firm, Orrick, Herrington & Sutcliffe, LLP, which were reviewed and approved by Hanson, Bridgett, LLP. He reviewed the benefits of participation in the program and recommended that the Board approve and adopt the Resolution, which authorizes the sale of CCWD's Proposition 1A Receivable to California Communities, approves the form and directs execution and delivery of the Purchase and Sale Agreement, authorizes and directs any authorized officer to send, or to cause to be sent, an irrevocable written instruction required by statute to the State Controller notifying the State of the sale of the Proposition 1A Receivable and instructing the disbursement of the Prop. 1A Receivable to the

Bond Trustee, and appoints certain CCWD officers and officials as authorized officers for purposes of signing documents. Mr. Dickson and Mr. Miyaki addressed several questions from Board members.

**ON MOTION by Director Coverdell and seconded by Director Larimer, the Board voted as follows to adopt Resolution 2009-11 Approving the form of and authorizing the execution and delivery of a purchase and sale agreement and related documents with respect to the sale of the District's Proposition 1A receivable from the State; and directing and authorizing certain other actions in connection therewith:**

<b>Director Coverdell</b>	<b>Aye</b>
<b>Vice-President Feldman</b>	<b>Aye</b>
<b>Director Larimer</b>	<b>Aye</b>
<b>Director Ascher</b>	<b>Absent</b>
<b>President Mickelsen</b>	<b>Aye</b>

**E. Water Reclamation Update**

Mr. Dickson reviewed the recent activities and developments, including the Pilot Test Project and the results of the September 28, 2009 Recycled Water Committee and the Sewer Authority Mid-Coastside's (SAM) Board meeting. Board discussion about the recycled water project ensued, with Mr. Dickson addressing some of the questions and providing additional details regarding the process. Director Coverdell recognized and complimented Mr. Dickson for his efforts in building a bridge and opening a partnership with SAM, noting that it was amazing step forward to bringing recycled water to our community. Additionally Mr. Dickson reported on his attendance at a recent Bay Area Recycled Water Coalition Meeting.

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

- A. Monthly Water Resources Report**
- B. Water Shortage and Drought Contingency Plan Update**
- C. Operations Report**

Mr. Dickson introduced a slide show consisting of photographs taken at the recent sites of the Denniston Reservoir Maintenance

Project and the Pilarcitos Culvert Replacement Project, which was narrated by Steve Twitchell, Water Treatment Plant Supervisor. Mr. Dickson complimented Mr. Guistino for his tenacious efforts in obtaining permits for these important and valuable projects. His report also included the announcement that Director Feldman had been elected to serve on the Association of California Water Agencies (ACWA) Region 5 Board of Directors.

Ms. Brennan provided an update on water conservation, outreach, and water resources activities.

Mr. Guistino addressed questions from the Board members in regards to some of the current projects, including the Denniston Alternative Pre-Treatment Project, the Pilarcitos Canyon Blending Project.

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

There was no discussion on this agenda item.

**9) ADJOURNMENT**

**ON MOTION by Director Feldman and seconded by Director Larimer, the Board voted unanimously to adjourn the October 13, 2009 meeting of the Coastside County Water District's Board of Directors:**

<b>Director Coverdell</b>	<b>Aye</b>
<b>Vice-President Feldman</b>	<b>Aye</b>
<b>Director Larimer</b>	<b>Aye</b>
<b>Director Ascher</b>	<b>Absent</b>
<b>President Mickelsen</b>	<b>Aye</b>

The meeting was adjourned at 8:40 p.m. The next regular meeting of the Coastside County Water District's Board of Directors is scheduled for Tuesday, November 10, 2009.

Respectfully submitted,

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David R. Dickson, General Manager  
Secretary of the Board

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Chris R. Mickelsen, President  
Board of Directors  
Coastside County Water District