

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING

Tuesday, November 8, 2016

- 1) **ROLL CALL** - President Arnie Glassberg called the meeting to order at 7:00 p.m. Present at roll call: Directors Ken Coverdell, Bob Feldman, Chris Mickelsen, and Vice-President Glenn Reynolds.

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

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC COMMENT** - Melodie Madsen - 281 Capistrano Road, Princeton - Ms. Madsen stated that she was representing Barbara's Fishtrap Restaurant and explained that there is currently a problem with the lateral line and she would like clarification regarding who is responsible for the repairs.

President Glassberg stated that he would review the information that Mr. Dickson will provide regarding the background of the issues, the District's policies and procedures for this type of situation, how the problem was diagnosed and all pertinent information so that he can evaluate the situation and determine how best to proceed.

- 4) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending October 31, 2016:
Claims: \$824,347.94; Payroll: \$91,338.27 for a total of \$915,686.21
➤ *October 2016 Monthly Financial Claims reviewed and approved by Director Mickelsen*
- B. Acceptance of Financial Reports
- C. Approval of Minutes of October 4, 2016 Rescheduled Regular Board of Directors Meeting
- D. Approval of Minutes of October 4, 2016 Special Board of Directors Meeting
- E. Approval of Minutes of October 11, 2016 Special Board of Directors Meeting
- F. Monthly Water Transfer Report
- G. Installed Water Connection Capacity and Water Meters Report
- H. Total CCWD Production Report

- I. CCWD Monthly Sales by Category Report – October 2016
- J. Monthly Emergency Main & Service Repairs Report and Water Line Flushing Report
- K. Rainfall Reports
- L. S.F.P.U.C. Hydrological Report for the month of September, 2016

Director Mickelsen stated that he had reviewed the monthly financial claims and found all to be in order.

ON MOTION BY Vice-President Reynolds and seconded by Director Feldman, the Board voted to accept and approve the Consent Calendar in its entirety:

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

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

President Glassberg reported that he had been approached by and had a meeting with City of Half Moon Bay Councilwoman Deborah Penrose, to discuss workforce housing in the community. He relayed that she had requested the District take the initiative to investigate the situation given the current unavailability of District water connections. President Glassberg advised that he had suggested to Councilwoman Penrose that perhaps if the City of Half Moon Bay was supportive of workforce housing and had a particular project in mind, discussion could possibly be initiated on the subject at that time.

6) GENERAL BUSINESS

A. Agreement with HF&H Consultants for FY 17-18 Rate Study and Transmission and Storage Fee Update

Mr. Dickson reviewed the background of this agenda item, emphasizing the challenges today in setting water rates, and advised that this year additional legislation (SB814) further complicates the task by requiring that water providers establish penalties for excess water usage. He also informed the Board of the District's need to update the transmission and storage fees to reflect the fact that the Crystal Springs project elements considered in setting the fees have been completed. He stressed the importance of ensuring that capacity charges consider all of the District's infrastructure.

Mr. Miyaki spoke briefly on the importance of having a rationale for justifying the water rates in the context of the District's revenue requirements. He advised that he strongly recommends that the District utilize the services of a rate consultant, citing that Proposition 218 litigation is very costly, and having a professional analysis would be crucial.

Mr. John Farnkopf, PE, with HF&H Consultants LLC, also explained the manner in which the transmission and storage fees were originally structured and how it could be potentially restructured.

ON MOTION BY Director Coverdell and seconded by Vice-President Reynolds, the Board voted, by roll call vote, to authorize the General Manager to execute a professional services agreement with HF&H Consultants for a study to update the District's FY 2017-18 water rates and the District's Transmission and Storage Fees, at a time-and-materials cost not to exceed \$39,600:

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

B. Agreement with Pakpour Consulting Group for Update to District Standard Plans and Specifications

Mr. Dickson introduced Joubin Pakpour, P.E., from Pakpour Consulting Group, Inc. and discussed the District's needs for technical support, especially with the recent increase in the level of development activity within the District. He explained that the District's Standard Plans and Specifications are in need of an update and noted that he was particularly impressed with the work produced by the Pakpour Group for other small districts.

Mr. Pakpour circulated a copy of the plans and specification standards that his firm had prepared for Mid-Peninsula Water District and addressed the Board providing information about his firm, their scope of work, and answered a few questions from the Board members.

ON MOTION BY Director Coverdell and seconded by Director Mickelsen the Board voted, by roll call vote, to authorize the General Manager to execute a Professional Services Agreement with Pakpour Consulting Group to update the District's Standard Plans and Specifications at a time-and-materials cost not to exceed \$32,300:

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

C. Contract with Balance Hydrologics for Denniston/San Vicente Stream Gaging, Groundwater Monitoring, and Data Analysis

Mr. Dickson explained that this is an annual renewal of the contract with Balance Hydrologics and emphasized the importance of quantifying the amount of water

available for diversion from Denniston and San Vicente Creeks in order to secure water rights on those streams.

Director Coverdell requested that the cost be a not-to-exceed amount of \$89,590. and also requested that Balance Hydrologics provide the District with either a monthly or an annual report of their time expended on this project.

ON MOTION BY Director Coverdell and seconded by Director Feldman, the Board voted, by roll call vote, to authorize staff to contract with Balance Hydrologics, Inc. for Water Year 2017 stream gaging, groundwater monitoring, and data analysis for the Denniston Creek and San Vicente Creek watersheds for an estimated time-and-materials cost not to exceed \$89,590:

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

D. Recycled Water Update and Consideration of Recycled Water Production Capacity

Mr. Dickson reviewed the background and recent events and reiterated the CCWD'S Board adopted water quality specification based on Kennedy/Jenks Technical Memorandum on June 10, 2016. He reminded the Board that the District has not yet specified recycled water production requirements as specified in the Guiding Principles for Recycled Water. He suggested that the District could contribute to the progress of this project by specifying facility capacity exceeding the needs of the golf course. He proposed that the Board consider adopting a Phase 1 production requirement of 550,000 gallons per day (average day) and requesting that the Sewer Authority Mid-Coastside (SAM) add to the 25% design an analysis of extending the capacity of the proposed recycled water facilities to treat 100% of the secondary effluent available from SAM to the highest achievable product water quality. Mr. Dickson reiterated that SAM is embarking on a design and he feels it is important for CCWD to have some input on the parameters of that design. He also stated that he has been emphasizing for the last year and a half that an agreement needs to be negotiated.

Mr. Miyaki clarified the procedure to address these suggestions and shared his legal perspective of the required next steps, including negotiating and securing an agreement. Board discussion ensued.

ON MOTION BY Vice-President Reynolds and seconded by Director Coverdell, the Board voted, by roll call vote, to ratify the Phase 1 production requirement of 550,000 gallons per day (average day):

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

Following the vote on the above motion, additional discussion ensued, which concluded with President Glassberg obtaining consensus from all Board members that the District requests that SAM add to the 25% design an analysis of extending the capacity of the proposed recycled water facilities to treat 100% of the secondary effluent available from SAM to the highest achievable product water quality and that it would also be appropriate to include with this request a commitment to pay the additional cost for the change in design scope. The Board further agreed on the need to pursue an agreement between CCWD and SAM for recycled water.

- 7) **GENERAL MANAGER'S REPORT AND MONTHLY INFORMATIONAL REPORTS**
- **Change in District Election Schedule** - Mr. Dickson advised that the process of changing the District's election schedule to even years has now been concluded.
 - A. **Superintendent's Report** - There were no questions from the Board members on the Superintendent's report.
 - B. **Water Resources Report** - Ms. Brennan provided a brief update to the Board on new developments with the California Urban Water Conservation Council.
- 8) **DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS**
- President Glassberg stated he will not be present at the December CCWD Board of Directors meeting, so this would be his last meeting as the Board President. He expressed his gratitude to the Board members and Staff for their support and said he was looking forward to many more years of working together. There were no requests from the Directors for any future specific agenda items.
- 9) **ADJOURNMENT** - The meeting was adjourned at 9:04 p.m.

Respectfully submitted,

David Dickson, General Manager
Secretary to the District

Glenn Reynolds, Vice-President
Board of Directors