

COASTSIDE COUNTY WATER DISTRICT
BOARD OF DIRECTORS MEETING
CONDUCTED AT THE
SAN MATEO COUNTY FARM BUREAU MEETING ROOM
765 MAIN STREET, HALF MOON BAY, CA 94019

MINUTES OF THE BOARD OF DIRECTORS MEETING

Tuesday, December 9, 2014

- 1) **ROLL CALL:** Vice-President Chris Mickelsen called the meeting to order at 7:02 p.m. Present at roll call: Directors Steve Flint, Arnie Glassberg and Ken Coverdell. President Glenn Reynolds was absent due to illness.

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. Water Treatment Supervisor, Sean Donovan, was also in the audience.

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC COMMENT** - There were no public comments.

- 4) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending November 30, 2014:
Claims: \$953,353.16; Payroll: \$81,384.97 for a total of \$1,034,738.13
➤ *November 2014 Monthly Financial Claims reviewed by Director Coverdell*
- B. Acceptance of Financial Reports
- C. Approval of Minutes of November 12, 2014, Regular Board of Directors Meeting
- D. Monthly Water Transfer Report
- E. Installed Water Connection Capacity and Water Meters Report
- F. Total CCWD Production Report
- G. CCWD Monthly Sales by Category Report - November 2014
- H. November 2014 Leak Report
- I. Rainfall Reports
- J. San Francisco Public Utilities Commission Hydrological Conditions Report for October 2014
- K. Notice of Completion - Nunes Water Treatment Plant Access Road Improvement Project

Director Coverdell reported that he had reviewed the financial claims and petty cash expenditures for the month of November 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	Aye
Director Coverdell	Aye
Director Flint	Aye
Director Glassberg	Aye
President Reynolds	Absent

5) MEETINGS ATTENDED / DIRECTOR COMMENTS

Director Coverdell shared some highlights from his recent tour of China, and expressed his appreciation of the water quality on the coastside.

Vice-President Mickelsen reported on a recent Bay Area Water Supply and Conservation Agency (BAWSCA) meeting.

6) GENERAL BUSINESS

A. Approval of Memorandum of Understanding Between Coastside County Water District and Teamsters Local 856

Mr. Dickson introduced this item, noting that he has been working with Sean Donovan, Water Treatment Supervisor, on these negotiations over the past several months. He commented that he has appreciated Sean's role as the Union Representative, and also recognized Sean's efforts in working with him and with the bargaining unit employees. He then outlined the key changes in the recently negotiated Memorandum of Understanding (MOU). He explained that the employees have voted to approve the MOU as presented and the Teamsters Local 856 representative has executed the document.

Director Glassberg prefaced his comments by advising that he has participated in the management side of labor negotiations for seven different public agencies over his career and stated that he was very impressed with the maturity and professionalism in the way that the Union approached the issues presented by the Board during the negotiations. Director Coverdell commented that he felt the negotiated MOU was fair and reasonable and he looked forward to the District

moving ahead, adding that he appreciated the field crew's hard work, dedication, and loyalty, and their commitment to maintaining the District's infrastructure, as well as their excellent response skills to emergency situations. Director Flint agreed that he felt the MOU was a fair and generous package and that he was happy to be a part of the District. Vice-President Mickelsen agreed that the negotiations were handled in a fair and professional manner and that he felt everyone came away as a winner.

ON MOTION BY Director Coverdell and seconded by Vice-President Mickelsen, the Board voted as follows, to authorize the General Manager to execute the Memorandum of Understanding between the District and Teamsters Local 856 covering the period July 1, 2014 through June 30, 2017:

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

Mr. Dickson concluded discussion of this agenda item by stating that he appreciated the excellent assistance provided by Patrick Miyaki and Kurt Franklin, Legal Counsel from Hanson Bridgett.

B. Adjusting the Fiscal Year 2015 Financial Plan in Response to Drought-Related Revenue Shortfall

Mr. Dickson distributed hand-outs for this agenda item, which contained information related to ten-year cash flow projections, CCWD Rate Increases needed to meet revenue requirements for fiscal year 2014-2015 to 2023-2024, water production and costs for this period, and potential adjustments to the Capital Improvement Program (CIP) for fiscal year 2014-2015 through 2023-2024. Mr. Dickson proceeded with a presentation exploring scenarios for CIP adjustments, rate increases, and borrowing, which could be considered to address the projected revenue loss. He advised that over the next several months, staff would be working on the new financing plan and fiscal year 2015-2016 budget and that some of the proposed options would be explored in greater detail at that time. Following the presentation, the Board members shared their comments with respect to the District borrowing money, as well as methods to generate income, and Mr. Dickson answered a few questions.

B. Election of Coastside County Water

Director Coverdell nominated Vice-President Mickelsen to serve as President; the nomination was seconded by Director Glassberg.

Director Coverdell then made a motion that Vice-President Mickelsen serves as the District's Board President by acclamation, which was seconded by Director Glassberg and affirmed by Director Flint:

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

Director Coverdell then nominated Director Glassberg to serve as the Board's Vice-President, which was seconded by President Mickelsen.

Director Coverdell moved that Director Glassberg serves as the Board's Vice President, and it was seconded by President Mickelsen.

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

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

Magellan Pipeline Leak and Boil Water Advisory - Mr. Dickson recognized the competence, dedication, and professionalism of the District staff, on all levels, in dealing with the pipeline break and the subsequent boil water advisory, noting that every District employee was involved and worked together effectively to address the response efforts, repairs, and communication with this incident.

Administration Building Remodeling Project - Mr. Dickson reported that the remodeling project is progressing on schedule, with the move back into the administration building expected to take place approximately the second week of January 2015.

A. **Operations Report** - Mr. Guistino explained further details of the Magellan Main Break, advising that the bacteriological sampling indicated that no water contamination had occurred. He also updated the Board on the situation with the communications improvements at the Crystal Springs Pump Station. Additionally, he reported on the progress of the operation of the Denniston Water Treatment Plant.

B. **Water Resources Report**

Ms. Brennan reviewed details contained in the informational report on the water savings for the period of March through November 2014.

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

There were no requests for future Board meetings expressed.

9) **ADJOURNMENT** - The meeting was adjourned at 8:29 p.m.

Respectfully submitted,

David R. Dickson, General Manager
Secretary of the District

Chris Mickelsen, President
Board of Directors