

North Coast County Water District
 Minutes of the Regular Board of Directors Meeting
 April 21, 2010
 2400 Francisco Blvd.
 Pacifica, CA 94044
 7:00 P.M.

1) CALL TO ORDER

President Piccolotti called the meeting to order at 7:00 p.m. at the District office.

2) ROLL CALL

Present at Roll Call were President Piccolotti and Directors DeJarnatt, Cosgrove, and Brown. Also present were General Manager Kevin O'Connell, Assistant General Manager-Administration Cari Lemke, Assistant General Manager-Operations Bert Weiss, Attorney Patrick Miyaki, and Minutes Transcriber Jean Headley. Director Vetter was absent.

3) PLEDGE OF ALLEGIANCE

Led by President Tom Piccolotti.

4) PUBLIC COMMENT

Pete Pereira of Ortega Court, a 56-year resident of Pacifica, stated that the District should not have raised water rates. He feels that management level salaries are too high, and he said that Cal Water is willing to come in and sell water at one-half of the amount this District charges. He indicated he is working to get Cal Water on the ballot in November against NCCWD.

5) APPROVAL OF ORDER OF AGENDA

General Manager Kevin O'Connell removed Item 8A5 from the agenda, because the District already has a Resolution regarding recycled water use which was passed in 2005.

ON MOTION by Director Cosgrove, seconded by Director DeJarnatt, the Board voted unanimously to approve the Order of Agenda as amended. Motion passed 4-0.

6) BOARD COMMUNICATIONS

President Piccolotti thanked Staff for sending a plant to his mother in the hospital.

7) CONSENT CALENDAR

- A. Report on Sale of District Property – None
- B. Leak Report
- C. Overview of District Investments
 - 1. March, 2010 Union Bank Statement – Bond
 - 2. March, 2010 CAMP Statement – Operating/Bond
 - 3. March, 2010 LAIF Statement
- D. Financial Statements for March, 2010
- E. Minutes of the February 24, 2010 Regular Meeting of the Board
- F. Minutes of the March 17, 2010 Regular Meeting of the Board

Staff pulled Item E from the Consent Calendar, the Minutes of the February 24, 2010 meeting, for corrections to be made.

ON MOTION by Director DeJarnatt, seconded by President Piccolotti, the Board voted unanimously to approve the Consent Calendar as amended. Motion carried 4-0.

8) GENERAL MANAGER'S REPORT:

A. New Business1. Approve Claims Dated April 21, 2010:

Staff responded to questions and comments from the Board regarding the Christen Hill Tank project, the cost of District crews repairing Vehicle #15, the Royce Pump Station, and a few minor questions.

ON MOTION by Director Cosgrove, seconded by Director DeJarnatt, the Board voted unanimously to approve the Claims dated April 21, 2010 in the amount of \$415,622.66. Motion passed 4-0.

2. Authorize the General Manager to Execute the Cooperative Agreement Between the Bureau of Reclamation and the North Coast County Water District for the Pacifica Recycled Water Project

General Manager Kevin O'Connell provided background, summarized the Staff Report, and recommended that the Board authorize him to sign the agreement. Discussion occurred.

ON MOTION by Director Cosgrove, seconded by Director DeJarnatt, the Board voted unanimously to authorize the General Manager to enter into the Assistance Agreement between the Bureau of Reclamation and North Coast County Water District for the Pacifica Recycled Water Project. Motion passed 4-0.

3. Adopt Resolution No. 1030, Support of the Application to the U.S. Department of the Interior, Bureau of Reclamation, WaterSMART Grant for the Micro-Hydroelectric Generating System Project

General Manager Kevin O'Connell summarized the Staff Report, explained the process of micro-hydroelectric power generation to the Board, and recommended adoption of the Resolution.

Director DeJarnatt indicated that the CIP Committee has discussed this and feels it could be of great benefit to the District.

Extensive discussion occurred regarding who else is doing this and how long the payout time is.

ON MOTION by Director DeJarnatt, seconded by Director Brown, by the following Roll Call Vote, the Board voted unanimously to adopt Resolution No. 1030 supporting the WaterSMART Grant application for the Micro-hydroelectric Generating System Project and direct the General Manager to enter into a grant-funded project or cooperative agreement with the Bureau of Reclamation for the Micro-hydroelectric Generating System Project:

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|----------------------|-----|
| Director DeJarnatt | Aye |
| Director Cosgrove | Aye |
| Director Brown | Aye |
| President Piccolotti | Aye |

Motion passed 4-0.

4. Adopt Resolution No. 1031, Identity Theft Prevention Program

General Manager Kevin O'Connell indicated this discussion was tabled from a previous Board meeting, and he provided additional background on the issue. He requested Attorney Patrick Miyaki to brief the Board regarding the results of his research into whether or not the District can require customers to provide a social security number. Attorney Miyaki indicated his research revealed that the District may request, but shall not require, a customer's social security number. Board discussion occurred.

ON MOTION by Director Cosgrove, seconded by Director DeJarnatt, by the following Roll Call Vote, the Board voted unanimously to adopt Resolution No. 1031, Approving and Adopting an Identity Theft Prevention Program:

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|----------------------|-----|
| Director DeJarnatt | Aye |
| Director Cosgrove | Aye |
| Director Brown | Aye |
| President Piccolotti | Aye |

Motion passed 4-0.

5. Appoint General Manager Kevin O'Connell as the District's Designated Alternate Representative to ACWA-JPIA

ON MOTION by Director Brown, seconded by Director DeJarnatt, the Board voted unanimously to appoint General Manager Kevin O'Connell as the District's Designated Alternate Representative to ACWA-JPIA. Motion passed 4-0.

6. General Manager Kevin O'Connell to Attend ACWA, ACWA/JPIA Conference in Monterey, CA from May 4-7, 2010

No action taken. Information item only.

7. Public Outreach: Water Conservation & Emergency Preparedness

General Manager Kevin O'Connell distributed two storyboard graphics created by District employee Matt Woodworth regarding water conservation. Director DeJarnatt and General Manager O'Connell discussed the storyboards and some of the Public Outreach Committee's other ideas.

B. Continued Business

1. Capital Improvement Program and Bond Projects:

General Manager Kevin O'Connell discussed some of the projects depicted in the April 21, 2010 CIP & Bond Projects Status Report. He responded to questions and comments from the Board during his discussion.

A. Pacifica Recycled Water Project

Earlier during tonight's meeting, the Board authorized the General Manager to sign the U.S. Department of the Interior Bureau of Reclamation Assistance Agreement. Staff will soon be meeting with SFPUC to move forward on this project.

B. Christen Hill Tank Project

Mr. O'Connell stated this project is moving forward with the cooperation of Daly City and Westborough Water District.

C. Reina Del Mar

Staff is currently replacing the hydrant on Ramona, which completes Phase VIII of this multi-year, multi-phase project. Phase IX will remove the temporary regulator that was installed at the beginning of the project. The final phases will connect existing piping to new high pressure piping.

9) BAY AREA WATER SUPPLY AND CONSERVATION AGENCY ISSUES

Linda Corwin of Moana Way reported her attendance at the BAWSCA meeting. She stated that the water quality issue is now on the budget, although it never has been before. She indicated she had a conversation with Ed Harrington regarding UV disinfection.

Ms. Corwin expressed her disappointment that Pete Pereira, who had complained about the District earlier during tonight's meeting, had not stayed for the entire meeting to see the good things the District is doing to save money. She said that Cal Water is a corporation and that only stakeholders are permitted to attend their meetings. The public is not allowed to attend.

Regarding the Micro-hydroelectric Generating System, Ms. Corwin said she has seen such a system in Grass Valley.

President Piccolotti expressed his concern regarding the potential two cents per unit charge to member agencies as a means of funding BAWSCA studies on water issues. He indicated he has discussed this issue with Art Jensen and others. He said he will keep the Board informed on this issue. Discussion occurred.

President Piccolotti discussed the draft preliminary budget proposal at the last BAWSCA meeting. He stated they are proposing a 9% increase, and Staff also is asking for cost of living allowances for the employees.

10) COMMITTEE AND/OR DIRECTORS' REPORTS ON MEETINGS ATTENDED

Director Cosgrove reported on the LAFCo meeting earlier today. They denied a reconsideration of an annexation in West Bay Sanitary District, and they adopted a draft Net Operating Budget of some \$248,000, an increase of approximately 4%. He said the meetings will now be held bi-monthly. He stated that Robert Craig of Westborough Water District is stepping down as Special Districts Representative to LAFCo, and he discussed some individuals who are interested in replacing him.

Director DeJarnatt reported her attendance at the Water Education Foundation's 27th Annual Executive Briefing. She distributed her notes from the meeting and discussed several of the items from her notes.

11) DIRECTOR'S COMMENTS AND/OR AGENDA REQUESTS

None.

12) CORRESPONDENCE

None.

13) PUBLIC COMMENT

None.

14) ADJOURN

President Piccolotti adjourned the meeting at 9:06 p.m. The next regularly schedule meeting of the Board of Directors will be held at 7:00 p.m. on Wednesday, May 19, 2010.

Respectfully submitted,

Approved:

Kevin O'Connell, General Manager

Tom Piccolotti, President