

North Coast County Water District
Minutes of the Regular Board of Directors Meeting
July 15, 2009
2400 Francisco Blvd.
Pacifica, CA 94044
7:00 P.M.

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1) CALL TO ORDER:

President DeJarnatt called the meeting to order at 7:02 p.m. at the District office.

2) ROLL CALL:

Present at Roll Call were Directors Brown, Vetter, and Cosgrove and President DeJarnatt. Also present were General Manager Kevin O'Connell, Assistant General Manager-Operations Bert Weiss, Assistant General Manager-Administration Cari Lemke, Attorney Patrick Miyaki, and Minutes Transcriber Jean Headley. Director Piccolotti arrived at 7:12 p.m.

3) PLEDGE OF ALLEGIANCE:

Led by Linda Corwin

4) PUBLIC COMMENT:

Linda Corwin of Moana Way congratulated the Board on obtaining the stimulus money for the Recycled Water Project. She provided a brief update on activities of the chloramine group, indicating they have progressed to talking directly with EPA scientists.

General Manager Kevin O'Connell introduced Misty Hasey, a summer intern engineering aid from San Francisco State. Ms. Hasey provided her background to the Board.

5) APPROVAL OF ORDER OF AGENDA:

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

6) CONSENT CALENDAR:

- A. Report on Sale of District Property – None
- B. Financial Statements for June, 2009
- C. Overview of District Investments
 - 1. June, 2009 Union Bank Statement – Bond
 - 2. June, 2009 CAMP Statement – Operating/Bond
 - 3. June, 2009 LAIF Statement
- D. Minutes of the June 17, 2009 Regular Meeting of the Board

Director Cosgrove had a question regarding the Secured Tax apportionment from County of San Mateo, and Assistant General Manager-Administration Cari Lemke responded.

ON MOTION by Director Vetter, seconded by Director Cosgrove, the Board voted unanimously to approve the Consent Calendar as submitted. Motion carried 4-0.

7) GENERAL MANAGER'S REPORT:

A. New Business1. Approve Claims Dated July 15, 2009:

Staff responded to questions and comments from the Board.

ON MOTION by Director Cosgrove, seconded by Director Vetter, the Board voted unanimously to approve the Claims dated July 15, 2009 in the amount of \$561,231.14. Motion passed 5-0.

2. Adopt Resolution No. 1022 Establishing the Appropriations Limit Applicable to the District During Fiscal Year 2009-2010

Assistant General Manager-Administration Cari Lemke introduced the Resolution and recommended adoption.

ON MOTION by Director Vetter, seconded by Director Cosgrove, by the following Roll Call Vote, the Board voted unanimously to adopt Resolution No. 1022 Establishing the Appropriations Limit Applicable to the District During Fiscal Year 2009-2010:

Director Brown	Aye
Director Piccolotti	Aye
Director Vetter	Aye
Director Cosgrove	Aye
President DeJarnatt	Aye

Motion passed 5-0.

3. Authorize the General Manager to Attend the AWWA Fall Conference and the WaterSmart Innovations 2009 Conference, October 5-9 in Las Vegas in an Amount not to Exceed \$490 plus Expenses

ON MOTION by Director Cosgrove, seconded by Director Piccolotti, the Board voted unanimously to authorize the General Manager to attend the AWWA Fall Conference and the WaterSmart Innovations 2009 Conference, October 5-9 in Las Vegas, in an Amount not to Exceed \$490 plus reasonable expenses. Motion passed 5-0.

4. Adopt Resolution No. Adopting Reserve Fund Policy

General Manager Kevin O'Connell summarized the Staff Report and indicated the need to amend the Resolution to include GASB 45. Board discussion occurred regarding restricted reserves as well as potential financial implications to the District as a result of major disasters.

The Board concurs with Staff's recommendation to have a Reserve Fund Policy and directed Staff to meet with the Finance Committee to discuss the particulars of the Resolution.

5. Approve Deferral of Hanson Bridgett's Annual Rate Increase

ON MOTION by Director Piccolotti, seconded by Director Cosgrove, the Board voted unanimously to approve the deferral of Hanson Bridgett's rate increase, with thanks. Motion passed 5-0.

- 6. Pacifica Recycled Water Project State Revolving Fund Application Requirements:
 - A. Adopt Resolution No. 1023 Dedicating a Source of Revenue for the Repayment of the State Revolving Fund Loan (SRF)
 - B. Adopt Resolution No. 1024 Reimbursement Resolution for Pacifica Recycled Water Project
 - C. Adopt Resolution No. 1025 Authorizing the General Manager to Negotiate and Execute a Financial Assistance Agreement from the SWRCB

General Manager Kevin O’Connell introduced the Resolutions and discussed the purpose of each Resolution. Attorney Miyaki discussed the reasons for the amendment of Resolution No. 994 dated September 20, 2006.

ON MOTION by Director Piccolotti, seconded by Director Cosgrove, by the following Roll Call Vote, the Board voted unanimously to adopt Resolution No. 1023, Dedicating a Source of Revenue for the Repayment of the State Revolving Fund Loan:

Director Brown	Aye
Director Piccolotti	Aye
Director Vetter	Aye
Director Cosgrove	Aye
President DeJarnatt	Aye

Motion passed 5-0.

ON MOTION by Director Piccolotti, seconded by Director Cosgrove, by the following Roll Call Vote, the Board voted unanimously to adopt Resolution No. 1024, Reimbursement Resolution for Pacifica Recycled Water Project:

Director Brown	Aye
Director Piccolotti	Aye
Director Vetter	Aye
Director Cosgrove	Aye
President DeJarnatt	Aye

Motion passed 5-0.

ON MOTION by Director Cosgrove, seconded by Director Vetter, by the following Roll Call Vote, the Board voted unanimously to adopt Resolution No. 1025, Authorizing the General Manager to Negotiate and Execute a Financial Assistance Agreement from the State Water Resources Control Board:

Director Brown	Aye
Director Piccolotti	Aye
Director Vetter	Aye
Director Cosgrove	Aye
President DeJarnatt	Aye

Motion passed 5-0.

- 7. Seminar Discussion on Recent Advances in Coastal Analysis and Management Affecting California

General Manager Kevin O’Connell distributed materials regarding a workshop that he and Assistant General Manager-Operations

Bert Weiss attended entitled "Impacts of Sea Level Rise on the California Coast." Messrs. O'Connell and Weiss extensively reported on several items discussed at the workshop.

There was some discussion regarding the possibility of researching alternate locations for the new District office facilities considering the possibility of a major flood event.

B. Continued Business

1. Capital Improvement Program and Bond Projects:

General Manager Kevin O'Connell distributed photos of July 2009 projects.

Assistant General Manager-Operations Bert Weiss talked to the Board regarding the work being performed on the 21" Jumper Nodule in the SFPUC Watershed area. He answered questions from the Board regarding the equipment shown in the photo.

General Manager O'Connell continued describing the contents of the photos, responding to Board questions about the various projects throughout his discussion.

Mr. O'Connell also distributed and discussed three maps depicting 1) leaks from 2007-2009, 2) the meter change out program from prior to 2005 thru 2008/09, and 3) easement clearings.

A. Royce Dedication

General Manager Kevin O'Connell discussed the proposed location and designs of the new Royce dedication plaque. Board discussion occurred regarding where to place the plaque on the site.

ON MOTION by President DeJarnatt, seconded by Director Cosgrove, the Board voted to adopt Option 1 for the Royce Dedication Plaque. Motion carried 4-0-1, with Director Piccolotti abstaining.

B. Christen Hill Tank Replacement

General Manager Kevin O'Connell reported this project is moving forward. The preliminary design will be complete later this week, and Staff has looked into the possibility of obtaining a bond for this project.

C. San Pedro Corp Yard

No report.

D. Royce/Gypsy Coating Inspection

General Manager Kevin O'Connell reported the Gypsy coating inspection identified some problems, which have been resolved. He indicated that the Gypsy Hill Tank is currently offline but has passed the biological testing. Once all testing has been completed and passed, the tank will be refilled and go back on-line.

At Director Brown's request, General Manager Kevin O'Connell and Assistant General Manager-Operations Bert Weiss provided a chronology of events concerning the three leaks that occurred on July 11th and the incredibly diligent actions taken by District crews working around the clock to repair all three leaks.

8) BAY AREA WATER SUPPLY AND CONSERVATION AGENCY ISSUES:

Director Piccolotti stated the BAWSCA meeting is tomorrow night, and he will make a report at the next Board meeting.

9) COMMITTEE AND/OR DIRECTORS' REPORTS ON MEETINGS ATTENDED:

Director Cosgrove reported on issues discussed at the CIP meeting and provided a brief overview of today's LAFCo meeting.

10) DIRECTOR'S COMMENTS AND/OR AGENDA REQUESTS:

Director Cosgrove indicated he would like to attend the CSDA Annual Conference and requested this be placed on next month's agenda.

Director Vetter requested an agenda item regarding the amount of water lost due to leaks.

Director Piccolotti asked what is the General Manager's authorization limit for claims before the item must come to the Board. General Manager O'Connell responded the amount is \$30,000 for material and vehicles.

Director Vetter stated he followed through on President DeJarnatt's idea about a bonus to employees from the Board of Directors and he purchased \$20.00 Safeway Gift Certificates for each of the District's employees. He encouraged his fellow Board members to share in the cost of the gift certificates.

11) CORRESPONDENCE:

None.

12) PUBLIC COMMENT:

Paul Perkovic, President of Montara Water & Sanitary District, thanked the Board for the Resolution honoring their 50th year anniversary. He briefly commented on the Water System Improvement Program that the SFPUC is doing and the proposed recharge and extraction wells.

13) ADJOURN:

President DeJarnatt adjourned the meeting at 9:54 p.m. The next regularly schedule meeting of the Board of Directors will be held at 7:00 p.m. on Wednesday, August 19, 2009.

Respectfully submitted,

Approved:

Kevin O'Connell, General Manager

Ann DeJarnatt, President