

North Coast County Water District
 Minutes of the Regular Board of Directors Meeting
 March 19, 2008
 2400 Francisco Blvd.
 Pacifica, CA 94044
 7:00 P.M.

1) CALL TO ORDER:

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

2) ROLL CALL:

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

3) PLEDGE OF ALLEGIANCE:

Led by General Manager Kevin O'Connell.

4) PUBLIC COMMENT:

Linda Corwin of Moana Way reported the CCAC had another meeting with Ira Ruskin and his staff. The group is working on a resolution. Ms. Corwin reported on other chloramine-related groups across the country. She indicated the drop in the number of salmon could possibly be a result of chloramine-contaminated sewage spills into the ocean.

5) APPROVAL OF ORDER OF AGENDA:

ON MOTION by Director Piccolotti, seconded by Director DeJarnatt, the Board voted unanimously to approve the order of agenda as submitted. Motion carried 5-0.

6) CONSENT CALENDAR:

- A. Report on Sale of District Property – None.
- B. Financial Statements for February 2008
- C. Overview of District Investments
 - 1. CAMP Agreement Issues and Interest Rates
 - 2. February 2008 Union Bank Statement – Bond
 - 3. February 2008 CAMP Statement – Operating/Bond
 - 4. February 2008 LAIF Statement
- D. Minutes of the December 19, 2007 Regular Meeting of the Board
- E. Minutes of the February 20, 2008 Regular Meeting of the Board

Director Brown requested the status of CAMP activities. Assistant General Manager-Administration Cari Lemke reported that the Reserve Funds have been transferred from the CAMP account to LAIF. She also reported that LAIF will not permit the District to transfer funds from the Bond Fund account back into LAIF. Ms. Lemke stated that the District's Union Bank representative would provide potential investment opportunities within the next two to three weeks. Ms. Lemke discussed CAMP representatives and stated that CAMP is working to replace the District's previous representative and that Cari has been coordinating with a person at CAMP who seems to be ready to attend to the District's account.

Director Brown voiced his strong concern with CAMP's lack of professionalism. Attorney Miyaki stated the District is able to terminate the contract with CAMP with thirty days' notice, but another alternative for investing the bond funds needs to be in place before doing so. Additional discussion occurred.

Director DeJarnatt made a correction to page 338 of the February 20, 2008 Minutes.

ON MOTION by Director Piccolotti, seconded by Director DeJarnatt, the Board voted unanimously to approve the Consent Calendar, as amended. Motion carried 5-0.

7) GENERAL MANAGER'S REPORT

A. New Business

1. Approve Claims Dated March 19, 2008:

Director Brown asked about the Waterford hydrant repair. General Manager Kevin O'Connell indicated the hydrant had been knocked down by a hit-and-run driver who was ultimately identified. Staff repaired the hydrant, and reimbursement is being sought from the perpetrator.

Director DeJarnatt asked if the amount of the PG&E bill is normal, and she inquired about the possibility of solar panels. Staff responded that the bill is normal and discussed possible sites for solar panels.

President Cosgrove inquired about the McNamara Transport dump charges relating to the San Pedro Valley Corporation Yard Project. General Manager Kevin O'Connell responded the Corporation Yard is used for temporary storage of materials from various projects, and the deteriorating storage bins are being reconstructed and materials being cleaned up and put elsewhere.

ON MOTION by Director Piccolotti, seconded by Director DeJarnatt, the Board voted unanimously to approve the Claims dated March 19, 2008 in the amount of \$571,132.34. Motion carried 5-0.

2. Authorize the General Manager to Enter into an Agreement with ERA Construction, Inc. for the Park Pacifica Tank Roadway Retaining Wall Project in an Amount not to Exceed \$55,489: General Manager Kevin O'Connell summarized the Staff Report and recommended that the Board authorize entering into the agreement with ERA Construction. Mr. O'Connell responded to questions and comments from the Board regarding the method of building the retaining wall, the inspection process, and the cost of the geotechnical consultant.

ON MOTION by Director Brown, seconded by Director DeJarnatt, the Board voted unanimously to Authorize the General Manager to Enter into an Agreement with ERA Construction, Inc. for the Park Pacifica Tank Roadway Retaining Wall Project in an Amount not to Exceed \$55,489. Motion carried 5-0.

3. Authorize the General Manager to Enter into an Agreement with Peterson Power Systems, Inc. to Purchase the Main Pump Station Standby Electrical Generator in an Amount not to Exceed \$88,689.13: General Manager Kevin O'Connell summarized the Staff Report and recommended that the Board authorize the purchase of the generator from Peterson Power Systems, Inc. Discussion occurred regarding the small number of bidders, the average annual power outages at the Main Pump Station, and the generator specifications.

President Cosgrove asked if there was any public comment on this issue. There was no public comment.

ON MOTION by Director Piccolotti, seconded by Director Vetter, the Board voted unanimously to Purchase the Main Pump Station Standby Electrical Generator from Peterson Power Systems, Inc. in an Amount not to Exceed \$88,689.13. Motion carried 5-0.

4. Authorize the General Manager to Reject All Bids for the Upper Vallemar Wooden Tank Removal Project: General Manager Kevin O'Connell summarized the Staff Report and recommended that the Board reject all bids.

Director Vetter stated he knows of three companies who purchase used wood.

Director Piccolotti asked if the District considered donating the wood to, for example, the Terra Nova Wood Shop, or would this be considered a gift of public funds. Attorney Patrick Miyaki discussed the rules governing a gift of public funds.

General Manager Kevin O'Connell stated he has explored the possibility of Staff dismantling the tank, drying and storing the wood, and then offering the wood for sale. He indicated the wood could perhaps be incorporated into the design of the new District office building.

ON MOTION by Director DeJarnatt, seconded by Director Piccolotti, the Board voted unanimously to reject all bids for the Upper Vallemar Wooden Tank Removal Project. Motion carried 5-0.

5. Adopt Resolution No. 1010 Amending Rules of the Board: Attorney Patrick Miyaki explained the Resolution and provided the background for the draft Resolution before the Board.

There was extensive Board discussion regarding the language of certain portions of the Resolution, and Attorney Miyaki responded to Board questions and comments.

There was discussion with Attorney Miyaki regarding the requirements of the Brown Act.

Director Brown requested several language amendments to the Resolution. Extensive additional discussion occurred.

ON MOTION by Director Piccolotti, seconded by Director Vetter, by the following Roll Call Vote, the Board voted to adopt Resolution No. 1010 Amending Rules of the Board, as amended:

Director Brown	No
Director DeJarnatt	Yes
Director Vetter	Yes
Director Piccolotti	Yes
President Cosgrove	Yes

Motion carried 4-1, with Director Brown dissenting.

6. Adopt Resolution No. 1011 Adopting Policy Regarding Adjusting Water Bills for Water Leaks: Assistant General Manager-Administration Cari Lemke provided background for the reasons for this Resolution. She summarized the Resolution, stated the Finance Committee met and discussed this issue, and recommended that the Board adopt the Resolution.

Director Brown initiated a discussion regarding some of the language in the Resolution, and Staff responded to his concerns.

President Cosgrove asked if there was any public comment. Linda Corwin of Moana Way indicated the first paragraph could be confusing and felt that the knowledge of the water leak should perhaps be stated earlier in the paragraph.

ON MOTION by Director DeJarnatt, seconded by Director Piccolotti, by the following Roll Call Vote, the Board voted to adopt Resolution No. 1011 Adopting Policy Regarding Adjusting Water Bills for Water Leaks on the Customer Side of the Water Meter:

Director Brown	Yes
Director DeJarnatt	Yes
Director Vetter	Yes
Director Piccolotti	Yes
President Cosgrove	Yes

Motion carried 5-0.

7. Director Interest in Attending Hetch Hetchy Tour, July 23-25: Assistant General Manager-Administration Cari Lemke asked if any Board member would be interested in attending the tour. Director Brown indicated his interest.
8. Authorize the President of the Board to Send a Letter to Assembly Member Ruskin Supporting AB 2437 – CIP Oversight:

ON MOTION by Director Piccolotti, seconded by Director Vetter, the Board voted unanimously to Authorize the President of the Board to Send a Letter to Assembly Member Ruskin Supporting AB-2437. Motion carried 5-0.

9. Authorize the General Manager to Enter into an Agreement with Gardini Electric for Emergency Electrical Repairs at the Main Pump Station in an Amount not to Exceed \$76,456 and Waive the Advertisement Requirement: General Manager Kevin O’Connell summarized the Staff Report and recommended that the Board authorize him to enter into an agreement with Gardini Electric to construct the improvements. Staff indicated that waiving the advertising requirement is requested due to the emergency nature of the repairs and because Gardini Electric is familiar with the pump station and able to perform the needed repairs within the time frame required. Mr. O’Connell discussed the scope of the project.

ON MOTION by Director DeJarnatt, seconded by Director Piccolotti, the Board voted unanimously to Authorize the General Manager to Enter into an Agreement with Gardini Electric Company, Inc. for Emergency Electrical Repairs to the Main Pump Station in an Amount not to Exceed \$76,456, and to waive the advertising requirement. Motion carried 5-0.

10. Authorize the General Manager to Enter into an Agreement with Kennedy/Jenks Consultants to Increase the Schedule of Charges Based on the CPI: General Manager Kevin O'Connell summarized the Staff Report and recommended that the Board authorize an amendment to the Kennedy/Jenks agreement. Board and Staff discussion occurred.

ON MOTION by Director Piccolotti, seconded by Director Vetter, the Board voted unanimously to Authorize the General Manager to Execute an Amendment to the District's Agreement with Kennedy/Jenks Consultants to Include an Annual CPI Increase set forth in the staff report. Motion carried 5-0.

11. Authorize Director Brown to Attend the ACWA Spring Conference in the Amount of \$490 plus Hotel, Travel and Meals:

ON MOTION by President Cosgrove, seconded by Director Piccolotti, the Board voted unanimously to Authorize Director Brown to Attend the ACWA Spring Conference in the Amount of \$490 plus Hotel, Travel and Meals. Motion carried 5-0.

B. Continued Business

1. Capital Improvement Program and Bond Projects: General Manager Kevin O'Connell distributed photos of ongoing projects and briefly discussed the various projects. He responded to Board questions and comments throughout his discussion. There was some mention of an increase in graffiti and rock throwing at the tanks.
- A. Pacifica Recycled Water Project: Mr. O'Connell reported the design is moving along, and a meeting is scheduled with the SFPUC to discuss the agreement.
- B. Christen Hill Tank: Mr. O'Connell stated Staff is exploring options and alternatives with the Capital Improvement Committee and will report at the next Board meeting.
- C. Devil's Slide Tunnel Water Project: Mr. O'Connell reported the project design as well as the agreement with Cal Trans are moving ahead. He indicated the required environmental documentation should come before the Board within two months. He stated that the agreement with Shamrock Ranch is pending the return of the owners from vacation. Discussion occurred regarding the fire suppression system in the tunnels, the current length of the bores, and the water being captured during the construction of the tunnels.
- D. Roberts Road Pipeline Project: Mr. O'Connell reported the project is complete with the exception of one small section of concrete. Discussion occurred regarding access to and from the post office during the project.

8) ATTORNEY'S REPORT:

- A. Report on Alternative Water Sources for California Conference:

Attorney Miyaki reported on a very useful two-day conference he attended in Sacramento regarding alternative water sources. He briefly talked about the three main topics at the conference: water conservation, water recycling, and desalination.

9) BAY AREA WATER SUPPLY AND CONSERVATION AGENCY ISSUES:

Director Piccolotti reported he attended a BAWSCA meeting. He indicated that Ed Harrington has replaced Susan Leal at the SFPUC. Director Piccolotti stated the agenda was light and he would give his report at the next Board meeting.

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

Director Brown reported attending the CSDA meeting on March 4th in San Carlos, and Director DeJarnatt was also there. He remarked on the absence of President Kathryn Slater-Carter from the meeting and that someone else led the meeting.

Director Brown discussed an idea by a legislative analyst in Sacramento regarding the administration of state parolees being passed to the counties but not to provide any money to the counties, and the funds would be taken from special districts.

Director DeJarnatt reported on her attendance at the Delta Vision Workshop and distributed the 11-page Delta Vision Blue Ribbon Task Force report entitled "Our Vision for the California Delta."

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

Director Piccolotti agreed with Attorney Miyaki's remark about a conference with small attendance allowing for more dialogue among the participants than one with larger attendance. He stated the CSDA Education Foundation series of courses is an excellent example of the smaller, more intimate type of conferences. Director DeJarnatt agreed.

Director DeJarnatt talked about LAFCo goals and objectives, and she also discussed Granada Sanitary District's efforts to build a needed park.

Director DeJarnatt stated she would be unable to attend the next Board meeting due to her participation in the Central Valley Tour.

12) CORRESPONDENCE:

General Manager Kevin O'Connell distributed copies to the Board of a customer complaint, and he summarized the customer's complaints.

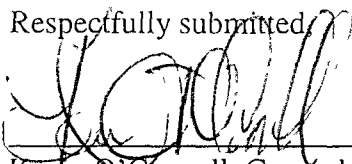
13) PUBLIC COMMENT:

None.

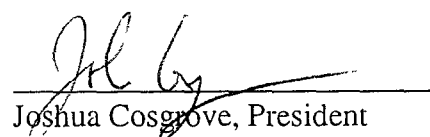
14) ADJOURN:

President Cosgrove adjourned the meeting at 9:55 p.m. The next regularly scheduled meeting of the Board of Directors will be held at 7:00 p.m. on Wednesday, April 16, 2008.

Respectfully submitted,


Kevin O'Connell, General Manager

Approved:


Joshua Cosgrove, President