

**North Coast County Water District**  
 Minutes of the Regular Board of Directors Meeting  
 May 21, 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 Assistant General Manager-Operations Bert Weiss, Assistant General Manager-Administration Cari Lemke, Attorney Patrick Miyaki, and Minutes Transcriber Jean Headley.

3) PLEDGE OF ALLEGIANCE:

Led by President Cosgrove.

4) PUBLIC COMMENT:

Sharon Leuhs of Crespi Drive spoke in opposition to the upcoming spraying for the apple moth. She distributed pictures to the Board and stated the spraying is not safe, not effective, and not necessary. She indicated that many organizations are opposed to the proposed spraying.

5) APPROVAL OF ORDER OF AGENDA:

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

6) SPECIAL ORDER OF BUSINESS:

- A. Presentation of Awards to Water Awareness Poster Contest Winners:  
 President Cosgrove showed the T-shirt that each winner will receive along with other prizes. He read the names of the first, second and third place winners from three categories: 2nd grade, 3rd grade, and 4th/5th grade. Each winner was presented with a Certificate of Excellence and a prize package. Individual and group photos were taken.

The Board took a recess at 7:10 p.m. to have refreshments with the winners and their families and teachers. The meeting reconvened at 7:20 p.m.

7) CONSENT CALENDAR:

- A. Report on Sale of District Property – None.  
 B. Financial Statements for April, 2008  
 C. Overview of District Investments  
     1. April, 2008 Union Bank Statement – Bond  
     2. April, 2008 CAMP Statement – Operating/Bond  
     3. April, 2008 LAIF Statement  
 D. Minutes of the April 16, 2008 Regular Meeting of the Board

Director Brown requested an update on the District's investments. Assistant General Manager-Administration Cari Lemke reported Staff located a program through CSDA and has obtained approval from Union Bank, the trustee holder of the funds. Approval is pending from the bonding authority, after which the funds can be transferred to the CSDA program, which is very similar to LAIF.

Director Brown made a correction to Item 12 on page 350 of the April 16, 2008 minutes, correcting SFPUC to East Bay Municipal Utilities District (EBMUD).

Also on page 350, in the second paragraph under Item 12, Director Brown changed "success rate" to "acceptance rate."

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

8) GENERAL MANAGER'S REPORT

A. New Business

1. Upcoming Opportunities for AB 1234 Training:

Assistant General Manager-Administration Cari Lemke informed the Board it is now time for the Board members to again attend two hours of AB 1234 training, which is required every two years. She indicated it is available online, and she also referred to a list of classes.

2. Board Authorize the General Manager to Purchase 6,400 Linear Feet of Domestic Class 52 Ductile Iron Pipe for an Amount not to Exceed \$298,750.52 from Groeniger and Company and Authorize the Transfer of \$400,000 from Account 1118-112B to 117-145:

Assistant General Manager-Operations Bert Weiss summarized the Staff Report and indicated the pipe would be delivered to the District locations nearest where they will be used. Discussion occurred regarding the cost of loading and unloading the pipe, security at the sites where the piping will be stored, and capping the pipes to keep them clean.

Assistant General Manager-Administration Cari Lemke discussed the transfer of funds in the budget to cover this purchase.

ON MOTION by Director Piccolotti, seconded by Director DeJarnatt, the Board voted unanimously to Authorize the General Manager to Purchase 6,400 Linear Feet of Domestic Class 52 Ductile Iron Pipe for an Amount not to Exceed \$298,750.52 from Groeniger and Company, to Waive the Advertising Requirement, and to Authorize the Transfer of \$400,000 from Account 1118-112B to 1117-145. Motion carried 5-0.

3. Information Re: CalPERS Retiree Benefit Trust:

Assistant General Manager-Administration Cari Lemke summarized the Staff Report. Board discussion occurred.

4. Liens on Property for Nonpayment of Water Bill:

Attorney Patrick Miyaki stated he was asked to research whether the Board can lien a property for nonpayment of water bills. He indicated it is a complicated subject, but basically the District can lien the property if the owner is responsible for the bill but cannot lien the property when a tenant is responsible for the water bill. He indicated that East Bay Municipal Utilities District surveyed nine agencies to determine who liened properties for nonpayment of a water bill, and San Francisco Public Utilities District was the only agency that liened property for nonpayment of a bill.

There was discussion regarding how much money the District loses annually for nonpayment of bills, the cost to lien a property, and the Small Claims Court process. Director Brown suggested placing this issue on a future agenda to consider adopting a policy for authorizing imposing a lien on property for nonpayment of District charges when the property owner is responsible for paying the bill.

5. CSDA Board of Directors – Call for Nominations:

Assistant General Manager-Administration Cari Lemke introduced this item. None of the Directors expressed any interest.

6 Approve Claims dated May 21, 2008:

Staff responded to questions and comments from the Board.

ON MOTION by Director DeJarnatt, seconded by Director Brown, the Board voted unanimously to approve the Claims dated May 21, 2008 in the amount of \$580,757.61. Motion passed 5-0.

B. Continued Business

1. Capital Improvement Program and Bond Projects:

- A. Christen Hill Tank: Assistant General Manager-Operations Bert Weiss updated the Board regarding progress on the Christen Hill Tank. He indicated the complication involves placement of the access road and movement of the dirt/fill.
- B. Pacifica Recycled Water Project: Attorney Patrick Miyaki reported on negotiations with SFPUC. He indicated good progress has been made by overcoming some earlier “deal breakers,” although some issues still need to be worked through. Director Piccolotti quoted from a letter dated May 2, 2008 from Ed Harrington, the new General Manager of SFPUC, to the Senior Planner in the San Francisco Planning Department, which states: “The SFPUC intends to cooperate with the wholesale customers in the development of conservation, recycled water, and/or groundwater projects to eliminate shortfalls, including the creation of financial mechanisms to achieve this goal.”
- C. Devils Slide Tunnel Water Project: Attorney Patrick Miyaki indicated Staff received comments to the contract from CalTrans and he feels we are very close to reaching agreement.
- D. I-280 Tunnel Project: Attorney Patrick Miyaki provided a brief overview of the project and indicated discussions are proceeding with representatives of the SFPUC and the jail. He said there still needs to be discussions about roles and responsibilities before an MOU can be prepared. Director Vetter inquired about the possibility of San Bruno Jail becoming a customer of the District. Assistant General Manager-Operations Bert Weiss indicated this has been discussed, but San Bruno Jail does not seem interested.

Assistant General Manager-Operations Bert Weiss distributed copies of photos of projects in process and discussed each photo.

## 9) BAY AREA WATER SUPPLY AND CONSERVATION AGENCY ISSUES:

Director Piccolotti reported on the May 15, 2008 BAWSCA meeting and discussed highlights.

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

A. ACWA Spring Conference:

Director Brown discussed the ACWA Spring Conference and the JPIA Board of Directors meeting. He spoke about various subjects including earthquake and flood insurance, public relations insurance, workers' compensation insurance for divers cleaning tanks, the eminent domain process, and rent control.

B. CSDA Seminar – Board's Role in Finance & Fiscal Accountability:

Director DeJarnatt reported on her attendance at the CSDA Seminar, indicating some disappointment that she did not learn anything new. She indicated she enjoyed the Central Valley Tour and discussed several aspects of the tour.

C. Independent Special District Selection Committee Meeting:

President Cosgrove reported on his attendance at the Independent Special District Selection Committee Meeting. He indicated the main topic was the election of Special District members to LAFCo.

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

Director Brown passed along to Assistant General Manager-Administration Cari Lemke information from Data Prose, a company that claims it can save 15 cents per piece on mailings.

Director Piccolotti spoke regarding upcoming filing deadlines.

Attorney Patrick Miyaki spoke regarding Sharon Leuhs' comments during Public Comment about placing an item on the next agenda regarding the apple moth spraying. Attorney Miyaki stated it is within the Board's discretion whether or not to place an item on the agenda.

12) CORRESPONDENCE: None.

13) PUBLIC COMMENT: None.

14) ADJOURN:

President Cosgrove adjourned the meeting at 9:18 p.m. The next regularly scheduled meeting of the Board of Directors will be held at 7:00 p.m. on Wednesday, June 18, 2008.

Respectfully submitted,

Approved:

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Kevin O'Connell, General Manager

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Joshua Cosgrove, President