

North Coast County Water District
Minutes of the Regular Board of Directors Meeting
May 20, 2009
2400 Francisco Blvd.
Pacifica, CA 94044
7:00 P.M.

1) CALL TO ORDER:

President DeJarnatt called the meeting to order at 7:04 p.m. at the District office.

2) ROLL CALL:

Present at Roll Call were Directors Brown, Piccolotti, 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 David Gehrig, and Minutes Transcriber Jean Headley.

3) PLEDGE OF ALLEGIANCE:

Led by Kevin O'Connell.

4) PUBLIC COMMENT:

Ron Ash of Hermosa Avenue distributed a letter to the Board regarding the financial responsibility of the employer and employee.

5) APPROVAL OF ORDER OF AGENDA:

Director Piccolotti requested that Items 6A and 6B be reversed.

ON MOTION by Director Piccolotti, seconded by Director Vetter, the Board voted unanimously to approve the Order of Agenda, as amended. Motion passed 5-0.

6) SPECIAL ORDER OF BUSINESS:

A. Presentation of the Star of the Sea Award by the Pacifica Beach Coalition

Lynn Adams, President of Pacifica Beach Coalition, presented the North Coast County Water District with a Star of the Sea Award for their sponsorship in Earth Day. She also summarized the results of Earth Day activities.

Prior to the meeting, Ms. Adams had distributed PBC posters depicting a map of Pacifica's watersheds, environmentally friendly recycled plastic tote bags, and a three-page report of Earth Day activities.

B. Presentation of Awards to Water Awareness Poster Contest Winners

President DeJarnatt presented certificates and prizes to the first, second, and third place winners in the K-1st grade, 2nd & 3rd grade, and 4th & 5th grade divisions of the Water Awareness Poster Contest.

Photos were taken and all attendees were treated to celebratory cupcakes.

The Board took a brief recess at 7:24 p.m. and reconvened at 7:32 p.m.

7) CONSENT CALENDAR:

- A. Report on Sale of District Property – None
- B. Financial Statements for April, 2009
- C. Overview of District Investments
 - 1. April, 2009 Union Bank Statement – Bond
 - 2. April, 2009 CAMP Statement – Operating/Bond
 - 3. April, 2009 LAIF Statement
- D. Minutes of the April 15, 2009 Regular Meeting of the Board

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

8) GENERAL MANAGER'S REPORT:

A. New Business1. Approve Claims Dated May 20, 2009:

Staff responded to questions and comments from the Board.

Director Cosgrove indicated he would like to see any materials that were provided to the crew at the asbestos training course.

ON MOTION by Director Cosgrove, seconded by Director Brown, the Board voted unanimously to approve the Claims dated May 20, 2009 in the amount of \$521,411.08. Motion passed 5-0.

2. Appoint Director to the:

- A. Bay Area Water Supply & Conservation Agency
- B. Bay Area Regional Water System Financing Authority

ON MOTION by Director Brown, seconded by Director Piccolotti, the Board voted unanimously to appoint Director Piccolotti to both BAWSCA and BARWSFA. Motion passed 5-0.

3. Authorize the General Manager to Execute an Agreement with United Rentals for the Purchase of a 17,000 lb. Excavator in an Amount not to Exceed \$87,386.89:

Assistant General Manager-Operations Bert Weiss summarized the Staff Report and recommended that the Board authorize the General Manager to enter into the agreement.

ON MOTION by Director Vetter, seconded by Director Piccolotti, the Board voted unanimously to authorize the General Manager to enter into an agreement with United Rentals for the purchase of a 17,000 lb. class rubber tracked excavator for an amount not to exceed \$87,386.89. Motion passed 5-0.

4. Discussion Re: New Tank Dedication:

Director Cosgrove had requested this agenda item. He suggested holding a dedication ceremony for the new tanks in order to inform the public what the District is doing to maintain the District's facilities.

Director Brown suggested having progress pictures in the Tribune.

Discussion occurred regarding where and when to hold the dedication ceremony, whom to invite, the contents of the dedication plaque, and how to transport people to the ceremony.

ON MOTION by Director Brown, seconded by Director Piccolotti, the Board voted unanimously to authorize Staff to plan a dedication event for the Gypsy Hill and Royce tanks to be held at the Royce tank site, and to submit the plan to the Outreach Committee for discussion and approval. Motion passed 5-0.

5. Update Re: Tyler Technology Conversion:

Assistant General Manager-Administration Cari Lemke updated the Board on the new billing system. Staff has submitted conversion information requested by Tyler Technology. Staff is meeting with a representative from Twain Harte, who recently underwent the same conversion the District is undergoing. Staff discussion occurred regarding the reason for the conversion, the possible time frame, and the advantages of the new system.

6. Update Re: Actuarial Evaluation for New Employee Retirement Benefits:

Assistant General Manager-Administration Cari Lemke stated she was asked to contact CalPERS to find out how much it would cost to get the evaluation for new employee retirement benefits, and she determined the cost would be \$300.

7. Discussion Re: Proposition 218 Process:

General Manager Kevin O'Connell discussed the possibility of a rate adjustment in 2010 and indicated this has been discussed by the Finance Committee. Discussion occurred regarding the timeline required to notify customers and holding a public hearing in compliance with Proposition 218.

8. Approve FY 09/10 and 10/11 Operating Budget:

9. Approve FY 09/10 and 10/11 Capital Improvement Program Budget:

General Manager Kevin O'Connell discussed the FY 2009/10 and 2010/11 Operating and Capital Improvement Program Budgets. He responded to Board questions and comments throughout his discussion.

The Board praised Staff for their outstanding work on the budgets.

ON MOTION by Director Vetter, seconded by Director Piccolotti, the Board voted unanimously to approve the FY 2009/10 and 2010/11 Operating Budget and the FY 2009/10 and 2010/11 Capital Improvement Program Budget. Motion passed 5-0.

The Board took a brief recess at 8:53 p.m. and reconvened at 9:00 p.m.

B. Continued Business

1. Capital Improvement Program and Bond Projects:

General Manager Kevin O'Connell discussed the May 2009 photos of projects in progress.

- A. San Pedro Corp Yard
Mr. O'Connell discussed the upgrades and improvements being completed in the filter plant building.
- B. Gypsy Hill Paving
Mr. O'Connell discussed the removal of eucalyptus trees and being replaced with cypress trees. Some of the paving has been completed and the rest is proceeding.
- C. Royce/Gypsy Coating Inspection
Mr. O'Connell reported that coating has proceeded and final coating inspection will take place on Tuesday.

Mr. O'Connell also discussed Christen Hill. Kennedy-Jenks has been hired to design the new tank, and NGO will perform on-site and off-site geotechnical inspections. An encroachment permit has been obtained for the CalTrans portion of the property.

Mr. O'Connell reported the crew is in the process of changing out meters in two zones and have completed approximately 400-500 so far.

Director Piccolotti asked about the status of the golf course negotiations. Mr. O'Connell reported that most of the San Francisco Supervisors are not in favor of shutting down the golf course, and he indicated the District hopes to be able to receive some stimulus funds to assist with the Recycled Water Project.

9) BAY AREA WATER SUPPLY AND CONSERVATION AGENCY ISSUES:

Director Piccolotti reported the next BAWSCA meeting is May 21st in Foster City, and he named some of the agenda items to be discussed at the meeting. Discussion ensued regarding the proposed BAWSCA budget and Director Piccolotti stated that he feels that the proposed 9% increase in costs is excessive. He will report on the May 21st meeting at the District's June Board meeting.

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

Director Cosgrove reported on his attendance at the LAFCo and CSDA meetings. At the LAFCo meeting held today, the proposed dissolution of the Skyline Water District was approved 6-1. At a CSDA meeting earlier this month, there was rigorous discussion by representatives from Montara Water and Sanitary District and Granada Sanitary District who felt their districts were not being served well, and as a result a committee will be formed to investigate how LAFCOs from around the state operate.

Director Brown indicated the Finance Committee matters have already been discussed in tonight's meeting.

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

None.

12) CORRESPONDENCE:

Director Brown discussed a letter he distributed to the Board from the JPIA that outlines safety award programs offered through the JPIA, and he encouraged Staff to identify employees who might be eligible for various categories of the award.

- 13) CLOSED SESSION:
(Pursuant to California Government Code Section 54957)
Public Employee Performance Evaluation
Title: General Manager

The Board adjourned into Closed Session at 9:55 p.m.

The Board reconvened into Open Session at 10:28 p.m.

- 14) REPORT ON ACTION TAKEN IN CLOSED SESSION:

General Manager Kevin O'Connell reported that no action was taken in Closed Session.

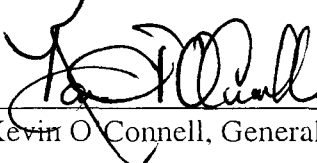
- 15) PUBLIC COMMENT:

None.

- 16) ADJOURN:

President DeJarnatt adjourned the meeting at 10:30 p.m. The next regularly scheduled meeting of the Board of Directors will be held at 7:00 p.m. on Wednesday, June 17, 2009.

Respectfully submitted,



Kevin O'Connell, General Manager

Approved:



Ann DeJarnatt, President