

North Coast County Water District

Minutes of the Regular Board of Directors Meeting
February 16, 2011
2400 Francisco Blvd.
Pacifica, CA 94044

- 1) CALL TO ORDER
- President Piccolotti called the Regular Board Meeting to order at 7:01 p.m. at the District office.
- 2) ROLL CALL

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

- 3) PLEDGE OF ALLEGIANCE
- Led by President Piccolotti.

- 4) PUBLIC COMMENT
- Kristina Flaherty of Driftwood Circle requested an item on the next agenda regarding allowing additional communications equipment at the Royce tank site. She presented Staff with a petition signed by 130 Pacificans asking for no additional equipment on this site.

Linda Corwin of Moana Way spoke regarding an article entitled "The Chlorine Dilemma" by U.C. Berkeley scientists that was published in Science Magazine and also ran on KOED.

- 5) APPROVAL OF ORDER OF AGENDA
- ON MOTION by Director Cosgrove, seconded by Director Vetter, the Board unanimously approved the Order of Agenda as submitted. Motion passed 5-0.

- 6) BOARD COMMUNICATIONS
- None.

- 7) CONSENT CALENDAR
- A. Report on Sale of District Property
B. Leak Report
C. Overview of District Investments – January & December
D. Financial Statements for January, 2011
E. Minutes of the December 30, 2010 Special Meeting of the Board
F. Minutes of the January 19, 2011 Regular Meeting of the Board

Staff made a minor correction to Item 7E, the Minutes of the December 30, 2010 Special Meeting of the Board.

Director Brown had a comment on the heading "Duration" on the Leak Report. Discussion occurred between the Board and Staff.

Director Brown made comments on the CAMP Fund and the low interest rate.

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

8) GENERAL MANAGER'S REPORT

A. New Business1. Approve Claims Dated February 16, 2011

Staff responded to questions and comments from the Board.

Director Brown asked Staff why so many employees have cell phones, and General Manager Kevin O'Connell explained why it is important for the employees to have cell phones.

ON MOTION by Director Vetter, seconded by Director Ash, the Board unanimously approved the Claims dated February 16, 2011 in the amount of \$487,501.20. Motion passed 5-0.

2. Information Re: Fluoride in Water

Director Brown stated it is odd that the American Dental Association was not mentioned in the Public Health Debate on Fluoridation. Board discussion occurred.

Linda Corwin of Moana Way stated she has several articles regarding fluoridated water, and some of the articles state that some children have been diagnosed with fluoride poisoning, and that there have been recommendations to lower the level of fluoride in water.

3. Information Re: BAWSCA/NCCWD Lawn Be Gone Program

Assistant General Manager-Administration Cari Lemke summarized the Staff Report. She discussed the water audit being conducted of the top ten residential and commercial water users. She stated that one of the top ten residential water users has applied to participate in BAWSCA's Lawn Be Gone Program. Discussion occurred. This issue will be discussed in the Public Outreach Committee and then will come back to the Board.

4. Authorize the General Manager to Purchase Hydrants and Copper Piping from Groeniger in an Amount not to Exceed \$40,441.07

General Manager Kevin O'Connell summarized the Staff Report and recommended that the Board authorize him to make the purchase. Board discussion occurred.

ON MOTION by Director Cosgrove, seconded by Director Vetter, the Board voted unanimously to authorize the General Manager to purchase hydrants and copper piping from Groeniger in an amount not to exceed \$40,441.07. Motion passed 5-0.

5. Authorize the General Manager to Purchase Inventory from Roberts & Brune Company in an Amount not to Exceed \$36,473.09

General Manager Kevin O'Connell summarized the Staff Report and recommended that the Board authorize him to make the purchase. Board discussion occurred.

The Board took a brief recess at 8:01 p.m. and reconvened at 8:03 p.m.

ON MOTION by Director Cosgrove, seconded by Director Ash, the Board voted unanimously to authorize the General Manager to purchase inventory from Roberts & Brune Company in an amount not to exceed \$36,473.09.

6. Consolidation of Finance & CIP Committees

Director Brown proposed that the two committees be consolidated for ease and efficiency and for the new committee to be called the Budget and Finance Committee.

Director Vetter stated he is opposed to this as he would like to have more people looking at the budget items. Board discussion occurred.

Attorney Patrick Miyaki stated that the Rules of the Board which identify the purposes and objectives of the standing committees would need to be amended.

ON MOTION by Director Brown, seconded by Director Cosgrove, the Board voted by Roll Call to direct District Counsel to prepare a Resolution consolidating the CIP Committee and the Finance Committee into one Budget and Finance Committee:

Director Brown	Yes
Director Cosgrove	Yes
Director Vetter	No
Director Ash	No
President Piccolotti	Abstain

The motion failed 2-2-1.

7. Review/Approve Mid Year Budget Adjustments

- A. FY 2010-11 Operating Budget
B. FY 2010-11 CIP Budget

General Manager Kevin O'Connell stated this has been through the Finance Committee, which made one minor change.

ON MOTION by Director Brown, seconded by Director Cosgrove, the Board voted unanimously to approve the mid-year budget adjustments for FY 2010-11 Operating Budget and FY 2010-11 CIP Budget as submitted. Motion passed 5-0.

B. Continued Business

1. Capital Improvement Program and Bond Projects

General Manager Kevin O'Connell asked if the Board had any questions on the February 16, 2011 CIP & Bond Projects Report. He responded to questions and comments from the Board.

Mr. O'Connell discussed the draft brochure announcing the groundbreaking ceremonies for the Pacifica Recycled Water Project. The list of invitees was discussed. Mr. O'Connell also discussed the plans in process for the ceremony, which will include ceremonial hats and shovels for the Board and Staff.

9) BAY AREA WATER SUPPLY AND CONSERVATION AGENCY ISSUES

President Piccolotti reported that BAWSCA met on January 20, 2011 and he discussed some of the highlights of the meeting including their election, a citizen who spoke against fluoride, BAWSCA's Lawn Be Gone program, Ed Harrington of the SFPUC spoke of water usage and upcoming rate increases, and BAWSCA's request for a new position was not approved.

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

Director Brown reported that the Finance Committee met and they feel that the District's wholesale water cost may increase by about \$1 million next year.

Director Cosgrove reported his attendance at the Finance Committee meeting.

Director Cosgrove reported he attended a CSDA San Mateo Chapter meeting. He stated that Leland Yee's representative discussed Governor Brown's State of the State Address and the budget and indicated that Special Districts' reserves could be targeted. Director Cosgrove said there was discussion at the meeting about the consolidation proposed by LAFCo's Preliminary Municipal Service Review for Mid-Peninsula Water District. Director Cosgrove said the next meeting will be a buffet dinner meeting at 7:00 p.m. on May 3 at the Sequoia Health District Office in Redwood City, but he will be unable to attend because he will be at the CSDA Legislative Days meeting. He asked if anyone else on the Board would like to attend the buffet dinner meeting.

11) DIRECTORS' COMMENTS AND/OR AGENDA REQUESTS

Director Cosgrove said to agendaize the cell tower issue. President Piccolotti said it should be an Action/Information item.

President Piccolotti asked for an agenda item to discuss the District's current construction specifications that go out to the public.

12) CORRESPONDENCE

None.

13) PUBLIC COMMENT

None.

14) CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(a)

Name of Case: Montara Water and Sanitary District v. San Mateo County Local Agency Formation Commission, et al.
Case No. CIV 502380

Attorney Patrick Miyaki adjourned the Board into Closed Session at 9:00 p.m.

The Board reconvened into Open Session at 10:46 p.m.

15) REPORT ON ACTION TAKEN IN CLOSED SESSION

Attorney Patrick Miyaki reported that the Board heard a report from legal counsel in Closed Session and no action was taken.

16) ADJOURN

President Piccolotti adjourned the meeting at 10:47 p.m. in memory of his mother, Martha J. Velez.

Respectfully submitted,

Approved:

Kevin O'Connell, General Manager

Tom Piccolotti, President