

COASTSIDE COUNTY WATER DISTRICT

**766 MAIN STREET
HALF MOON BAY, CA 94019**

SPECIAL CLOSED SESSION

January 9, 2007 - 6:00 p.m.

AGENDA

- 1) CLOSED SESSION:**
 - A.** Conference with Legal Counsel - Anticipated Litigation
Initiation of litigation pursuant to subdivision (b) of Section 54956.9
One (1) potential case
 - B.** Conference with Legal Counsel - Liability Claim
(Government Code §54956.95).
Claimant: Allied Insurance
Claim Against: Coastside County Water District
 - C.** Conference with Real Property Negotiators (Cal. Govt.
Code §54956.8(b)):
Properties: Carter Hill West Storage Tank Site
(APN 056-320-090); 655 Miramar Drive
Half Moon Bay, CA (APN 048-076-070)
Agency Negotiators: General Manager/Legal Counsel
Negotiating Parties: District and Interested Parties
Subject Matter: Potential sale/lease of portion of District-
owned properties for communications tower site

REGULAR MEETING OF THE BOARD OF DIRECTORS

January 9, 2007 - 7:00 p.m.

AGENDA

The Coastside County Water District does not discriminate against persons with disabilities. Upon request, the agenda and agenda packet can be provided in a format to accommodate special needs. If you require a copy of the agenda or related materials in an alternative format to accommodate a disability, or if you wish to attend this public meeting and will require special assistance or other special equipment, please call the District at (650) 726-4405 at least five days in advance and we will make every reasonable attempt to provide such an accommodation.

The Board of the Coastside County Water District reserves the right to take action on any item included on this agenda.

- 1) ROLL CALL
- 2) PLEDGE OF ALLEGIANCE
- 3) PUBLIC ANNOUNCEMENTS

Any person may address the Board of Directors at the commencement of the meeting on any matter within the jurisdiction of the Board that is not on the agenda for this meeting. Any person may address the Board on an agenda item when that item is called. The chair requests that each person addressing the Board limits their presentation to three minutes and complete and submit a Speaker Slip.

- 4) SPECIAL ORDER OF BUSINESS
 - A. Resolution 2007-01 - A Resolution of the Board of Directors of the Coastside County Water District expressing its gratitude to Everett Ascher for his leadership and dedicated service to the community in his capacity as President of the CCWD Board of Directors ([attachment](#))

5) **MEETINGS ATTENDED / SCHEDULED - BOARD OF DIRECTORS INCLUDING COMMITTEES, CUSTOMERS, OTHER AGENCIES, ETC.**

- A. Discussion and review of District Advisory Committees ([attachment](#))
- B. Committee Reports
 - Coastside County Water District & Montara Water & Sanitary District Mutual Interest Committee Meeting - December 18, 2006
 - Information Technology Committee Meeting - December 28, 2006 ([attachment](#))

6) **CONSENT CALENDAR**

The following matters before the Board of Directors are recommended for action as stated by the General Manager.

All matters listed hereunder constitute a Consent Calendar, are considered as routine by the Board of Directors, and will be acted upon by a single vote of the Board. There will be no separate discussion of these items unless a member of the Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- A. Requesting the Board to review disbursements for the month ending December 31, 2006 - Claims: \$314,398.23; Payroll: \$92,816.95 for a total of \$407,215.18 ([attachment](#))
- B. Acceptance of Financial Reports ([attachment](#))
- C. Minutes of the December 12, 2006 Board of Directors Meeting ([attachment](#))
- D. Minutes of December 12, 2006 Special Board of Directors Workshop ([attachment](#))
- E. Installed Water Connection Capacity and Water Meters Report ([attachment](#))
- F. Total CCWD Production Report ([attachment](#))
- G. CCWD Monthly Sales by Category Report ([attachment](#))
- H. December 2006 Leak Report ([attachment](#))
- I. Rainfall Reports ([attachment](#))
- J. San Francisco Public Utilities Commission Hydrological Conditions Report for November 2006 ([attachment](#))
- K. Engineering Projects Received for Review during December 2006 ([attachment](#))
- L. Resolution 2006-25 Amending Personnel Manual at Section 2.07B pertaining to Holiday Pay (approved at December 12, 2006 Board Meeting) ([attachment](#))

- M. Application to Present a Late Liability Claim to Coastside County Water District ([attachment](#))
 - N. Notice of Completion - Nunes Water Treatment Plant Influent Control Valve Replacement Project ([attachment](#))
 - O. General Manager Activity Report ([attachment](#))
- 7) SUPERINTENDENT OF OPERATION'S REPORT ([attachment](#))
- 8) DISTRICT ENGINEER'S WORK STATUS REPORT ([attachment](#))
- 9) GENERAL MANAGER'S REPORT
- A. Discussion and possible direction to staff regarding request from Cameron Palmer and Y.A. Tittle to transfer a water service connection located at 490 Wavcrest Road to project site located on Main Street ([attachment](#))
 - B. Update on the Denniston Restoration Project, including a Scope of Work (Draft) for Preparing a Water Budget and Stream Flow Monitoring ([attachment](#))
 - C. Award of contract for the Emergency Generator Replacement Project ([attachment](#))
 - D. Update on recruitment on the Public Outreach / Program Development / Water Resources Management Position ([attachment](#))
 - E. Discussion and possible direction to staff regarding the project associated costs of the U.S. Fish & Wildlife Service component, for the El Granada Pipeline Coastal Development Permit ([attachment](#))
 - F. Status Report on Capital Improvement Projects ([attachment](#))
 - G. Correspondence: BAWSCA - WSIP Quarterly Update - 1st Quarter FY 06-07 ([attachment](#))
- 10) ATTORNEY'S REPORT
- A. Report on January 9, 2007 Closed Session Pursuant to Cal Government Code §54957.1
 - B. Local Government Omnibus Act of 2007 ([attachment](#))
- 11) AGENDA ITEMS AND DIRECTOR COMMENTS
- 12) ADJOURNMENT

RESOLUTION NO. 2007-01

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE COASTSIDE COUNTY WATER DISTRICT
EXPRESSING ITS GRATITUDE TO EVERETT ASCHER
FOR HIS LEADERSHIP AND DEDICATED SERVICE
TO THE COMMUNITY IN HIS CAPACITY AS PRESIDENT
OF THE BOARD OF DIRECTORS**

WHEREAS, Everett Ascher was originally appointed to serve on the Board of Directors of the Coastside County Water District on January 28, 2003, and thereafter was elected by the voters to serve on the Board of Directors on November 4, 2003 and reelected on November 8, 2005; and

WHEREAS, Director Ascher was thereafter elected by his fellow Directors to serve as President of the Board on January 10, 2006, and thereafter presided until December 12, 2006; and

WHEREAS, numerous accomplishments have been made by the Coastside County Water District under President Ascher's leadership including:

- Obtaining city approvals from the City of Half Moon Bay and County of San Mateo for completion of El Granada Pipeline Project.
- Implementation of a comprehensive multi-year Capital Improvement Program.
- Securing and budgeting necessary funding for completion of the District's long-term capital projects, with successful issuance of bonds to fund future capital projects.
- Absorbing a 20% rate hike from SFPUC and increasingly restrictive water quality requirements while only increasing customer rates by 7%.
- Providing comprehensive public outreach program including newsletters and bi-monthly bill inserts.
- Providing strong District staff attendance at public events promoting water conservation and awareness.
- Encouraging significant Board and staff involvement in ACWA, AWWA, CSDA, and Special District Institute.
- Enhancing District revenue by \$404,086 through the creative sale of 20 water connections.
- Completion of timely regulatory reports for DHS and DWR.
- Finishing the prior fiscal year under budget and on track to repeat accomplishment this year.
- Improving communications with City of Half Moon Bay and other public agencies.

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- Strong staff/engineering team effort in timely and cost-effectively designing plant improvements.
- Soliciting helpful input from District committees which made numerous acceptable recommendations to the full Board.
- Providing strong staff training with all District employees attending at least one training program.
- Realizing significant cost savings by providing prompt and professional employee recruitment “in-house”.
- Increasing staff certifications and responsibilities.
- Obtaining compliance with all state and federal safety requirements.
- Improving Board meeting procedures and format.
- Providing prompt responses to operational emergencies such as hydrant knockdowns.
- Provided sound fiscal management as confirmed by positive financial audits.

WHEREAS, the Coastside County Water District is poised to continue the successes achieved under President Ascher’s leadership thanks to his hard work and dedication.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Coastside County Water District does hereby express its sincere thanks to and appreciation of Everett Ascher for his dedicated service to this community as a President of the Board of Directors of the Coastside County Water District.

PASSED AND ADOPTED this 9th day of January, 2007 by the following votes of the Board of Directors:

AYES:

NOES:

ABSENT:

JIM LARIMER, PRESIDENT
Board of Directors

ATTEST:

Secretary of the Board of Directors

CCWD Committees For 2007

The work of the Board with respect to analyzing issues, formulating a range of solutions when required, and oversight is performed when possible through Board committees. Committee meetings are formally announced and are open to the public. Board members not assigned to a committee may attend any of these meetings so long as the meeting has been properly noticed. No Board resolutions will be produced during these meetings. Committee recommendations made to the Board will be acted upon during properly noticed regular or emergency Board meetings where all Board members can be reasonably expected to be in attendance. Although committee meetings are open to the public, a closed session can nonetheless occur consistent with the open government rules defined in the Brown Act. Each committee is expected to meet at least 3 times each year. Scheduling of meetings is a task shared by the General Manager and the committee members. Committee reports are given at the following regularly scheduled Board meeting.

Finance (S)

Ascher, Coverdell

Tasks: The Finance committee is responsible for planning the annual budget and financial performance oversight. This subcommittee develops the *Operations and Maintenance Budget* and makes adjustments to the *Capital Improvement Program Budget* consistent with the financial resources and capabilities of the district. The Board at a regularly scheduled Board meeting adopts the recommended budgets.

Personnel (S)

Ascher, Feldman

Tasks: The development of the *General Manager's Performance Plan* is the responsibility of this committee. The Board adopts the GM's Annual Performance Plan in closed session. The Personnel committee schedules the midterm, final performance evaluations and authors a draft evaluation report for the GM's personnel file to be approved by the Board. The Personnel committee is responsible for reviewing changes to staff position descriptions and the district personnel manual. These documents are reviewed as required.

Water Quality Compliance (S)

Mickelsen & Feldman

Tasks: This committee reviews and oversees the health and safety certification and compliance process required by state and federal laws. It oversees the district's water quality record keeping, the physical plant maintenance and standards, and all other issues related to water quality and safety. In concert with the General Manager it recommends changes to district policies required to maintain a safe and quality water product. The committee reviews the *Annual Water Quality Report [AKA Consumer Confidence*

Report] and the *Annual Report to the Drinking Water Program* and recommends to the Board the actions required to adopt these reports.

Facilities Committee (S)

Larimer, Coverdell

Tasks: This committee oversees the development of the annual capital improvement program and anticipates the district's long-term capital improvement requirements. The committee prepares a *Capitol Improvement Program Budget* and presents its recommendations for annual capital improvements to the Finance Committee.

External Affairs (S)

Mickelson, Ascher

Tasks: This committee oversees the development of public information about the operations of the district including an annual review of the district website. The committee is responsible for an annual review of consulting services contracts and agreements, and for an annual review of district procurement activities and procedures.

SFPUC Policy Advisory Committee & Future Water Resources (S)

Mickelsen, Feldman

Tasks: This committee meets with officials from the SFPUC, monitors our water contract with the SFPUC and develops the basis for our supply contract negotiation with the SFPUC in conjunction with BAWSCA (Director Mickelsen is our BAWSCA representative). The committee is responsible for oversight of the Pilarcitos Watershed and our participataion in the Pilarciteos Watershed Restoration Project. The committee reviews the *Urban Water Management Plan* and the *Water Supply Evaluation report* and recommends Board approval.

Rates and Fees (A)

Feldman, Larimer

Tasks: This committee is reviewing our current water pricing models and evaluating our cost recovery. It is developing alternative pricing models to be presented to the Board for discussion and possible action. This committee will be dissolved at the completion of these tasks in 2007.

Denniston Restoration (A)

Coverdell, Larimer

Tasks: This committee is charged with oversight of the Denniston restoration project process.

Montara Water and Sanitary District Mutual Interest Committee (A)

Ascher, Coverdell

Tasks: This committee meets with and develops areas of mutual interest and common goals with the Montara Water and Sanitary District.

**Association of California Water Agencies - Joint Powers Insurance Authority
ACWA/JPIA (External Advisory Committee)**

Ascher

Task: Director Ascher represents the district on this committee that sets insurance rates for districts. (See <http://acwajpia.com/>)

California Special District Association

TBD

Task: CSDA is a lobby for special districts within the state. They pursue state wide policy legislation of benefit to special districts. (See <http://www.csda.net/>)

**COASTSIDE COUNTY WATER DISTRICT
MEMORANDUM**

TO: BOARD OF DIRECTORS
FROM: ED SCHMIDT, GENERAL MANAGER
SUBJECT: **INFORMATION TECHNOLOGY COMMITTEE MEETING WITH
RUDI METZNER**
DATE: JANUARY 5, 2007

The status of the District's hydraulic model was reviewed recently by Mr. Rudi Metzner, Water Resources Associates. A copy of his report is attached.

Mr. Metzner shared his review and recommended next steps with President Larimer and Director Feldman on December 28, 2006. They both agreed with his recommendations.

Since the District has replaced and upsized several water lines since the model was last updated, they are recommending that up to \$15,000.00 be committed to upgrading the District's model. Mr. Metzner is now retired, so I will work with him in locating someone else to provide these services.

RECEIVED

NOV 27 2006

COASTSIDE COUNTY
WATER DISTRICT

533 McBride Drive
Lafayette, CA 94549
November 21, 2006

Mr. Ed Schmidt, General Manager
Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019

Subject: Status of Hydraulic Models

Dear Mr. Schmidt:

At your request, we have reviewed the status of the District's hydraulic models of its water distribution system, which are located on an IBM ThinkPad laptop computer.

The Hydraulic Models

There are two models on the computer:

1. The "Hydraulic Model" was used for the evaluation of the existing water distribution system documented by Water Resource Associates in the report Evaluation of Existing Water Distribution System dated July 2001.
2. The "Hydraulic Model-Future" was used to prepare the report Evaluation of Future Scenarios for the Water Distribution System by Water Resource Associates dated February 2002.

The models can be accessed by clicking on the WaterCAD icon (a faucet) on the desktop of the laptop computer. A "Welcome to WaterCAD" dialog box appears. Click on "Open Existing Project" and then click on either one of the two models desired.

Model of the "Existing" System

The model of the "existing" system is based on water usage data for the period of July 1999 to June 2000 and the status of the water system at about December 2000.

A comparison of system parameters for the "existing" model with those of recent years is shown in Table 1.

Table 1. Comparison of System Parameters

| | 1997 | "Existing" Model | 2004 | 2005 |
|-------------------------|-------|---------------------|-------|-------|
| No. of accounts | 5,419 | 5,527 | 6,058 | 6,062 |
| Maximum day demand, gpm | 3,130 | 3,130 | 3,285 | 3,036 |

Model of the “Future” System

The model used in the previous report was based on 5,527 connections installed as of June 30, 2000. The “future” model includes 6,150 connections installed as of November 6, 2001 and 1,416 connections sold but not yet installed as of that date. It does not include 497 priority connections and 15 non-priority connections that had not been sold as of that date.

The average demand for the additional connections was determined by multiplying the number of equivalent meters by an average demand per equivalent meter. This latter value is the average water sales per equivalent meter during the period July 1, 1999 to June 30, 2000, except floriculture and irrigation customers.

The model of the water system includes anticipated improvements to serve adequately the anticipated future connections.

System parameters for the “future” model are shown in Table 2.

Table 2. System Parameters for “Future” Model

| | “Future” model |
|-------------------------|-------------------|
| No. of accounts | 7,566 |
| Maximum day demand, gpm | 4,560 |

Software

Haestad Methods, Inc. developed the water system modeling software. Recently, Bentley Systems, Incorporated (800-727-6555) acquired this firm.

The software on the District’s computer is version 6.5. It is the 2,000-pipe version and is AutoCAD capable. The latest version is 8.0. A sales agent has said that version 8.0 contains “fairly significant changes” over version 6.5.

Technical support can be obtained through email correspondence or a Bentley Select Agreement. This latter service is similar to the Haestad Methods ClientCare agreement, which the District had purchased for one or more years. For an annual fee of \$2,400, the Bentley Select Agreement will entitle the District to all updates to the software, to deploy the software over a local area network, and to technical support by phone.

The Bentley account manager for the District is Tasneem Khomusi. Her direct phone number is 203-805-0423.

Steps to Bring the Models Current

The District should take the following steps to bring the models current.

1. Identify one or more persons who would operate the models.
2. Decide whether to enter into a Bentley Select Agreement.
3. Revise the pressure zone boundaries, if required.
4. Install new elements (e.g., nodes, pipes, reservoirs, and pressure reducing valves) and update technical data for pumping stations and pressure reducing valves.
5. Add new water demands to the “existing” model either by adding specific customer data or by “scaling up” all the water demand data in the model by a conversion factor.

We will be pleased to discuss this review with you at your convenience.

Very truly yours,



Rudolph C. Metzner, P.E.

| <u>Check Number</u> | <u>Vendor No</u> | <u>Vendor Name</u> | <u>Check Date</u> | <u>Void Amount</u> | <u>Check Amount</u> |
|---------------------|------------------|--------------------------------|-------------------|--------------------|---------------------|
| 9071 | BFI01 | ALLIED WASTE SERVICES #925 | 12/01/2006 | 0.00 | 205.65 |
| 9072 | COA05 | COAST TRANSMISSIONS | 12/01/2006 | 0.00 | 1,649.04 |
| 9073 | COA22 | COASTSIDE FAMILY MEDICAL | 12/01/2006 | 0.00 | 125.00 |
| 9074 | MIL07 | MILLS-PENINSULA HEALTH SERVICE | 12/01/2006 | 0.00 | 245.25 |
| 9075 | PAC02 | PACIFICA CREDIT UNION | 12/01/2006 | 0.00 | 612.00 |
| 9076 | PUB01 | PUB. EMP. RETIRE SYSTEM | 12/01/2006 | 0.00 | 15,772.21 |
| 9077 | TWI01 | STEVE TWITCHELL | 12/01/2006 | 0.00 | 3,276.30 |
| 9078 | VAL01 | VALIC | 12/01/2006 | 0.00 | 2,792.00 |
| 9079 | COU 05 | RECORDER'S OFFICE | 12/05/2006 | 0.00 | 10.00 |
| 9080 | ALV01 | ALVES PETROLEUM, INC. | 12/07/2006 | 0.00 | 1,490.61 |
| 9081 | COA 15 | COASTSIDE NET, INC | 12/07/2006 | 0.00 | 59.95 |
| 9082 | KAI01 | KAISER FOUNDATION HEALTH | 12/07/2006 | 0.00 | 8,353.00 |
| 9083 | PAC 01 | PACIFIC GAS & ELECTRIC CO. | 12/07/2006 | 0.00 | 34,342.78 |
| 9084 | SAN04 | SAN FRANCISCO PUBLIC UTILITIES | 12/07/2006 | 0.00 | 50.00 |
| 9085 | ASC01 | EVERETT ASCHER | 12/15/2006 | 0.00 | 873.26 |
| 9086 | BFI02 | BFI OF CALIFORNIA, INC. | 12/15/2006 | 0.00 | 55.50 |
| 9087 | PAC02 | PACIFICA CREDIT UNION | 12/15/2006 | 0.00 | 612.00 |
| 9088 | PUB01 | PUB. EMP. RETIRE SYSTEM | 12/15/2006 | 0.00 | 15,143.41 |
| 9089 | SAN 07 | SAN MATEO COUNTY | 12/15/2006 | 0.00 | 948.00 |
| 9090 | UB*00277 | WHITE OAK INVESTMENTS | 12/15/2006 | 0.00 | 75.00 |
| 9091 | VAL01 | VALIC | 12/15/2006 | 0.00 | 2,642.00 |
| 9092 | ADP01 | ADP, INC. | 12/28/2006 | 0.00 | 321.80 |
| 9093 | ALP02 | ALPINE AWARDS ACCOUNTING | 12/28/2006 | 0.00 | 180.13 |
| 9094 | ALP03 | ALPINE CONTROLS | 12/28/2006 | 0.00 | 9,794.63 |
| 9095 | AND10 | ANDERSON PACIFIC ENGINEERING | 12/28/2006 | 0.00 | 11,805.00 |
| 9096 | ASS01 | ACWA SERVICES CORPORATION | 12/28/2006 | 0.00 | 14,918.74 |
| 9097 | ATC01 | ATCHISON, BARISONE | 12/28/2006 | 0.00 | 5,926.57 |
| 9098 | AZT01 | AZTEC GARDENS | 12/28/2006 | 0.00 | 190.00 |
| 9099 | BAL02 | TERRY BALDWIN | 12/28/2006 | 0.00 | 125.00 |
| 9100 | BAS01 | BASIC CHEMICAL SOLUTION, LLC | 12/28/2006 | 0.00 | 3,947.50 |
| 9101 | BAY07 | BAY AREA WATER SUPPLY & | 12/28/2006 | 0.00 | 2,459.40 |
| 9102 | BAY10 | BAY ALARM COMPANY | 12/28/2006 | 0.00 | 85.00 |
| 9103 | BEN01 | BENTLEY SYSTEMS INC | 12/28/2006 | 0.00 | 624.75 |
| 9104 | BFI02 | BFI OF CALIFORNIA, INC. | 12/28/2006 | 0.00 | 148.00 |
| 9105 | BOR01 | BORGES & MAHONEY, INC. | 12/28/2006 | 0.00 | 532.96 |
| 9106 | CAL31 | CALIFORNIA OVERNIGHT | 12/28/2006 | 0.00 | 154.19 |
| 9107 | CIN01 | CINTAS FIRST AID & SAFETY | 12/28/2006 | 0.00 | 32.89 |
| 9108 | COA02 | ROGUE WEB WORKS, LLC | 12/28/2006 | 0.00 | 275.00 |
| 9109 | COX02 | AMANDA COX | 12/28/2006 | 0.00 | 1,747.95 |
| 9110 | DAL 01 | DAL PORTO ELECTRIC | 12/28/2006 | 0.00 | 1,708.00 |
| 9111 | DAT01 | DATAPROSE | 12/28/2006 | 0.00 | 1,420.01 |
| 9112 | DEP03 | DEPARTMENT OF JUSTICE | 12/28/2006 | 0.00 | 56.00 |
| 9113 | EIP 01 | EIP ASSOCIATES, INC. | 12/28/2006 | 0.00 | 29,360.36 |
| 9114 | EWI01 | EWING IRRIGATION PRODUCTS | 12/28/2006 | 0.00 | 274.52 |
| 9115 | FRA02 | TIM FRAHM | 12/28/2006 | 0.00 | 1,050.00 |
| 9116 | GOL04 | GOLDEN STATE FLOW MEASUREMENT | 12/28/2006 | 0.00 | 1,934.54 |
| 9117 | GRA 03 | GRAINGER, INC. | 12/28/2006 | 0.00 | 133.53 |
| 9118 | HAC01 | HACH CO., INC. | 12/28/2006 | 0.00 | 216.53 |
| 9119 | HAL 01 | HMB BLDG. & GARDEN INC. | 12/28/2006 | 0.00 | 10.59 |
| 9120 | HAL04 | HALF MOON BAY REVIEW | 12/28/2006 | 0.00 | 148.50 |
| 9121 | HAL07 | HALF MOON BAY POSTMASTER | 12/28/2006 | 0.00 | 160.00 |
| 9122 | HAL24 | H.M.B.AUTO PARTS | 12/28/2006 | 0.00 | 268.55 |
| 9123 | IRO01 | IRON MOUNTAIN | 12/28/2006 | 0.00 | 286.55 |
| 9124 | IRV01 | IRVINE, DAVID E. | 12/28/2006 | 0.00 | 1,162.50 |
| 9125 | IRV02 | IRVINE, DAVID E. | 12/28/2006 | 0.00 | 1,414.02 |
| 9126 | JAM01 | JAMES FORD, INC. | 12/28/2006 | 0.00 | 160.00 |
| 9127 | KRU01 | KRUG-BIXBY-LONG ASSOC., INC. | 12/28/2006 | 0.00 | 4,546.74 |
| 9128 | MAZ01 | MAZE & ASSOCIATES, INC. | 12/28/2006 | 0.00 | 763.04 |
| 9129 | MCT01 | MCTV6 | 12/28/2006 | 0.00 | 280.00 |
| 9130 | MET01 | RUDOLPH METZNER | 12/28/2006 | 0.00 | 853.00 |
| 9131 | MIS01 | MISSION UNIFORM SERVICES INC. | 12/28/2006 | 0.00 | 705.30 |
| 9132 | MON07 | MONTEREY COUNTY LAB | 12/28/2006 | 0.00 | 1,574.60 |

| <u>Check Number</u> | <u>Vendor No</u> | <u>Vendor Name</u> | <u>Check Date</u> | <u>Void Amount</u> | <u>Check Amount</u> |
|----------------------|------------------|--------------------------------|-------------------|--------------------|---------------------|
| 9133 | OCE04 | OCEAN SHORE CO. | 12/28/2006 | 0.00 | 736.38 |
| 9134 | OFF01 | OFFICE DEPOT | 12/28/2006 | 0.00 | 288.39 |
| 9135 | PAR 01 | JOHN M. PARSONS | 12/28/2006 | 0.00 | 3,250.00 |
| 9136 | PIT04 | PITNEY BOWES | 12/28/2006 | 0.00 | 465.75 |
| 9137 | RAD 01 | STRAWFLOWER ELECTRONICS | 12/28/2006 | 0.00 | 86.30 |
| 9138 | ROB 01 | ROBERTS & BRUNE CO. | 12/28/2006 | 0.00 | 114.80 |
| 9139 | SAN 03 | SAN FRANCISCO WATER DEPT. | 12/28/2006 | 0.00 | 77,732.32 |
| 9140 | SBC02 | AT&T | 12/28/2006 | 0.00 | 1,154.36 |
| 9141 | SBC03 | SBC LONG DISTANCE | 12/28/2006 | 0.00 | 39.21 |
| 9142 | SEQ02 | SEQUOIA OCCUPATIONAL HEALTH | 12/28/2006 | 0.00 | 20.00 |
| 9143 | STA 03 | CA DHS DRINKING WATER PROGRAM | 12/28/2006 | 0.00 | 150.00 |
| 9144 | STA11 | STATE WATER RESOURCES CONTL BD | 12/28/2006 | 0.00 | 299.76 |
| 9145 | TAI02 | TAIT ENVIRONMENTAL SYSTEMS | 12/28/2006 | 0.00 | 200.00 |
| 9146 | TEL01 | TELOG | 12/28/2006 | 0.00 | 199.10 |
| 9147 | TET 01 | JAMES TETER | 12/28/2006 | 0.00 | 5,311.44 |
| 9148 | UB*00278 | MARGARET BEUSELINCK | 12/28/2006 | 0.00 | 37.50 |
| 9149 | UB*00279 | STEVE TINETTI | 12/28/2006 | 0.00 | 25.18 |
| 9150 | UB*00280 | RONALD FONG | 12/28/2006 | 0.00 | 21.05 |
| 9151 | UB*00281 | BRIAN DONNELLAN | 12/28/2006 | 0.00 | 50.18 |
| 9152 | UB*00282 | RONALD STEVENSON | 12/28/2006 | 0.00 | 75.63 |
| 9153 | UB*00283 | ANDREA STARIHA | 12/28/2006 | 0.00 | 359.27 |
| 9154 | UB*00284 | HEATHER MORRIS | 12/28/2006 | 0.00 | 22.87 |
| 9155 | UB*00285 | BOARDWALK INVESTMENTS | 12/28/2006 | 0.00 | 45.07 |
| 9156 | UNI 01 | UNITED STATES POSTAL SVC. | 12/28/2006 | 0.00 | 1,075.05 |
| 9157 | WAT 02 | WATER EDUCATION FOUND. | 12/28/2006 | 0.00 | 1,000.00 |
| 9158 | WES11 | WEST COAST AGGREGATES, INC. | 12/28/2006 | 0.00 | 299.27 |
| 9159 | WIE 02 | WIENHOFF & ASSOCIATES, INC. | 12/28/2006 | 0.00 | 500.00 |
| 9160 | ADP01 | ADP, INC. | 12/29/2006 | 0.00 | 53.45 |
| 9161 | ALP03 | ALPINE CONTROLS | 12/29/2006 | 0.00 | 1,896.01 |
| 9162 | AND01 | ANDREINI BROS. INC. | 12/29/2006 | 0.00 | 455.00 |
| 9163 | BAY10 | BAY ALARM COMPANY | 12/29/2006 | 0.00 | 642.00 |
| 9164 | CAL31 | CALIFORNIA OVERNIGHT | 12/29/2006 | 0.00 | 143.86 |
| 9165 | COA19 | COASTSIDE COUNTY WATER DIST. | 12/29/2006 | 0.00 | 274.45 |
| 9166 | FIR06 | FIRST NATIONAL BANK | 12/29/2006 | 0.00 | 2,772.05 |
| 9167 | LAN04 | LANIER WORLDWIDE, INC. | 12/29/2006 | 0.00 | 775.13 |
| 9168 | MCT01 | MCTV6 | 12/29/2006 | 0.00 | 305.00 |
| 9169 | MET06 | METLIFE SBC | 12/29/2006 | 0.00 | 1,126.33 |
| 9170 | MON07 | MONTEREY COUNTY LAB | 12/29/2006 | 0.00 | 2,770.00 |
| 9171 | PAC 01 | PACIFIC GAS & ELECTRIC CO. | 12/29/2006 | 0.00 | 516.23 |
| 9172 | PAC02 | PACIFICA CREDIT UNION | 12/29/2006 | 0.00 | 612.00 |
| 9173 | PUB01 | PUB. EMP. RETIRE SYSTEM | 12/29/2006 | 0.00 | 14,105.54 |
| 9174 | SPR03 | SPRINT PCS | 12/29/2006 | 0.00 | 570.95 |
| 9175 | STA 03 | CA DHS DRINKING WATER PROGRAM | 12/29/2006 | 0.00 | 90.00 |
| 9176 | VAL01 | VALIC | 12/29/2006 | 0.00 | 2,642.00 |
| Report Total: | | | | 0.00 | 314,398.23 |

**General Ledger
Period Budget Analysis**

**Coastside County Water District
December 2006**

| <u>Account</u> | <u>Description</u> | <u>Dec 06</u> | <u>Budget</u> | <u>Variance</u> Over/(Under) Budget | <u>% Variance</u> Over/(Under) Budget | <u>YTD Actual</u> | <u>YTD Budget</u> | <u>Variance</u> Over/(Under) Budget | <u>% Variance</u> Over/(Under) Budget |
|-----------------------|--------------------------------|-------------------|-------------------|---|---|---------------------|---------------------|---|---|
| REVENUE | | | | | | | | | |
| 4120-00 | Water Revenue - All Areas | 263,909.82 | 272,125.00 | (8,215.18) | (3.02) | 2,712,484.46 | 2,719,065.00 | (6,580.54) | (0.24) |
| 4170-00 | Water Taken From Hydrants | 2,960.63 | 2,500.00 | 460.63 | 18.43 | 5,918.97 | 15,000.00 | (9,081.03) | (60.54) |
| 4180-00 | Late Notice - 10% Penalty | -89.49 | 4,166.66 | (4,256.15) | (102.15) | 23,813.97 | 24,999.96 | (1,185.99) | (4.74) |
| 4230-00 | Service Connections | 834.60 | 500.00 | 334.60 | 66.92 | 232,432.98 | 233,000.00 | (567.02) | (0.24) |
| 4920-00 | Interest Earned | 0.00 | 0.00 | 0.00 | 0.00 | 61,508.89 | 33,043.00 | 28,465.89 | 86.15 |
| 4925-00 | Interest Revenue T&S Fees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4930-00 | Tax Apportionments/Cnty Checks | 245,103.85 | 112,500.00 | 132,603.85 | 117.87 | 318,135.74 | 225,000.00 | 93,135.74 | 41.39 |
| 4950-00 | Miscellaenous Income | 3,324.28 | 6,000.00 | (2,675.72) | (44.60) | 29,499.41 | 36,000.00 | (6,500.59) | (18.06) |
| 4960-00 | CSP Assm. Dist. Processing Fee | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4965-00 | ERAF Refund - County Taxes | 0.00 | 173,000.00 | (173,000.00) | (100.00) | 0.00 | 173,000.00 | (173,000.00) | (100.00) |
| 4235-00 | CSP Connection T & S Fees | 0.00 | 0.00 | 0.00 | 0.00 | 216,070.00 | 0.00 | 216,070.00 | 0.00 |
| 4970-00 | Wavecrest Reserve Conn. Fees | 3,345.60 | 0.00 | 3,345.60 | 0.00 | 20,073.60 | 0.00 | 20,073.60 | 0.00 |
| REVENUE Totals | | 519,389.29 | 570,791.66 | (51,402.37) | (9.01) | 3,619,938.02 | 3,459,107.96 | 160,830.06 | 4.65 |
| EXPENSES | | | | | | | | | |
| 5000-00 | Gen. Oper. Fund | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5130-00 | Water Purchased | 77,732.32 | 78,879.00 | (1,146.68) | (1.45) | 631,058.60 | 602,509.00 | 28,549.60 | 4.74 |
| 5710-00 | Deprec. Trucks, Tools, Equip | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5230-00 | Pump Exp, Nunes T P | 1,429.69 | 1,083.33 | 346.36 | 31.97 | 7,529.41 | 6,499.98 | 1,029.43 | 15.84 |
| 5231-00 | Pump Exp, CSP Pump Station | 24,869.70 | 21,363.00 | 3,506.70 | 16.41 | 169,103.37 | 121,581.00 | 47,522.37 | 39.09 |
| 5232-00 | Pump Exp, Trans. & Dist. | 3,418.74 | 2,066.66 | 1,352.08 | 65.42 | 12,009.14 | 12,399.96 | (390.82) | (3.15) |
| 5233-00 | Pump Exp, Pilarcitos Can. | 664.46 | 2,200.00 | (1,535.54) | (69.80) | 2,079.14 | 7,500.00 | (5,420.86) | (72.28) |
| 5234-00 | Pump Exp. Denniston Proj. | 4,015.56 | 3,545.00 | 470.56 | 13.27 | 27,632.06 | 42,540.00 | (14,907.94) | (35.04) |
| 5242-00 | CSP Pump Station Operations | 751.42 | 650.00 | 101.42 | 15.60 | 4,430.84 | 3,900.00 | 530.84 | 13.61 |
| 5235-00 | Denniston T.P. Operations | 4,312.62 | 6,121.66 | (1,809.04) | (29.55) | 28,455.62 | 36,729.96 | (8,274.34) | (22.53) |
| 5236-00 | Denniston T.P. Maintenance | 1,992.33 | 2,500.00 | (507.67) | (20.31) | 9,232.14 | 15,000.00 | (5,767.86) | (38.45) |
| 5240-00 | Nunes T P Operations | 5,048.49 | 8,189.41 | (3,140.92) | (38.35) | 48,966.30 | 49,136.46 | (170.16) | (0.35) |
| 5241-00 | Nunes T P Maintenance | 13,190.13 | 4,525.00 | 8,665.13 | 191.49 | 22,181.26 | 27,150.00 | (4,968.74) | (18.30) |
| 5243-00 | CSP Pump Station Maintenance | 4,555.39 | 4,250.00 | 305.39 | 7.19 | 12,087.98 | 25,500.00 | (13,412.02) | (52.60) |
| 5245-00 | Alves/Miramontes Maintenance | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5400-00 | Trans & Dist. Exp. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5318-00 | Studies/Surveys/Consulting | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5321-00 | Water Conservation | 4,332.35 | 3,875.00 | 457.35 | 11.80 | 13,474.93 | 23,250.00 | (9,775.07) | (42.04) |
| 5322-00 | Community Outreach | 983.50 | 1,189.16 | (205.66) | (17.29) | 6,307.34 | 7,134.96 | (827.62) | (11.60) |
| 5500-00 | General Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5620-00 | Office Supplies & Expense | 8,561.24 | 9,010.83 | (449.59) | (4.99) | 45,996.15 | 54,064.98 | (8,068.83) | (14.92) |
| 5621-00 | Computer Services | 2,399.52 | 2,900.00 | (500.48) | (17.26) | 19,853.85 | 17,400.00 | 2,453.85 | 14.10 |
| 5625-00 | Meetings / Training / Seminars | 942.62 | 2,333.33 | (1,390.71) | (59.60) | 8,871.00 | 13,999.98 | (5,128.98) | (36.64) |

**General Ledger
Period Budget Analysis**

December 2006

| <u>Account</u> | <u>Description</u> | <u>Dec 06</u> | <u>Budget</u> | <u>Variance</u> | <u>% Variance</u> | <u>YTD Actual</u> | <u>YTD Budget</u> | <u>Variance</u> | <u>% Variance</u> |
|----------------------|---------------------------------|-------------------|-------------------|------------------------|------------------------|---------------------|---------------------|------------------------|------------------------|
| | | | | Over/(Under) Budget | Over/(Under) Budget | | | Over/(Under) Budget | Over/(Under) Budget |
| 5630-00 | Insurance | 29,089.01 | 24,604.16 | 4,484.85 | 18.23 | 222,131.19 | 247,624.96 | (25,493.77) | (10.30) |
| 5681-00 | Legal | 4,264.21 | 4,333.33 | (69.12) | (1.60) | 26,648.52 | 25,999.98 | 648.54 | 2.49 |
| 5682-00 | Engineering | 924.00 | 2,500.00 | (1,576.00) | (63.04) | 9,782.07 | 15,000.00 | (5,217.93) | (34.79) |
| 5683-00 | Financial Services | 4,013.04 | 3,181.82 | 831.22 | 26.12 | 19,118.97 | 20,909.10 | (1,790.13) | (8.56) |
| 5685-00 | Board Meeting Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5686-00 | Miscellaneous Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5687-00 | Membership, Dues, Subscript. | 1,200.00 | 1,747.08 | (547.08) | (31.31) | 19,030.26 | 19,232.48 | (202.22) | (1.05) |
| 5688-00 | Election Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5690-00 | Interest Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5700-00 | San Mateo County Fees | 948.00 | 1,000.00 | (52.00) | (5.20) | 6,461.00 | 10,500.00 | (4,039.00) | (38.47) |
| 5701-00 | Property Taxes | 0.00 | 0.00 | 0.00 | 0.00 | 697.94 | 700.00 | (2.06) | (0.29) |
| 5705-00 | State Fees | 299.76 | 0.00 | 299.76 | 0.00 | 34,397.77 | 23,000.00 | 11,397.77 | 49.56 |
| 5711-00 | Debt Service - Existing Bonds | 0.00 | 0.00 | 0.00 | 0.00 | 45,110.00 | 230,110.00 | (185,000.00) | (80.40) |
| 5712-00 | Debt Service - Proposed Bonds | 0.00 | 0.00 | 0.00 | 0.00 | 108,649.17 | 243,600.00 | (134,950.83) | (55.40) |
| 5713-00 | Contribution to CIP & Reserves | 43,725.00 | 43,725.00 | 0.00 | 0.00 | 262,350.00 | 262,350.00 | 0.00 | 0.00 |
| 5714-00 | Transfer of Conn Fees to CSP | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5725-00 | Debt Issuance Amortization Exp | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5743-00 | CSP Assm. Dist. Processing Fee | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5744-00 | Capital Replacement Contri. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5411-00 | Salaries & Wages - Field | 92,734.31 | 91,430.88 | 1,303.43 | 1.43 | 380,767.11 | 396,200.48 | (15,433.37) | (3.90) |
| 5610-00 | Salaries/Wages - Administration | 53,631.81 | 62,306.65 | (8,674.84) | (13.92) | 232,124.15 | 269,995.45 | (37,871.30) | (14.03) |
| 5640-00 | Employees Retirement Plan | 43,765.73 | 43,308.46 | 457.27 | 1.06 | 196,951.43 | 187,669.96 | 9,281.47 | 4.95 |
| 5684-00 | Payroll Tax Expense | 9,426.33 | 11,374.38 | (1,948.05) | (17.13) | 43,436.25 | 49,288.98 | (5,852.73) | (11.87) |
| 5412-00 | Maintenance - General | 3,265.41 | 9,796.66 | (6,531.25) | (66.67) | 66,967.46 | 58,779.96 | 8,187.50 | 13.93 |
| 5414-00 | Motor Vehicle Expense | 4,143.46 | 3,291.66 | 851.80 | 25.88 | 24,657.79 | 19,749.96 | 4,907.83 | 24.85 |
| 5415-00 | Maintenance - Well Fields | 0.00 | 2,616.66 | (2,616.66) | (100.00) | 0.00 | 15,699.96 | (15,699.96) | (100.00) |
| 5745-00 | CSP Connect. Reserve Contribu. | 0.00 | 0.00 | 0.00 | 0.00 | 216,070.00 | 0.00 | 216,070.00 | 0.00 |
| 5746-00 | Wavecrest CSP Connt. Reserve | 3,345.60 | 0.00 | 3,345.60 | 0.00 | 20,073.60 | 0.00 | 20,073.60 | 0.00 |
| EXPENSE Total | | 453,975.75 | 459,898.12 | (5,922.37) | (1.29) | 3,004,693.81 | 3,162,707.55 | (158,013.74) | (5.00) |
| REVENUE Total | | 519,389.29 | 570,791.66 | (51,402.37) | (9.01) | 3,619,938.02 | 3,459,107.96 | 160,830.06 | 4.65 |
| EXPENSE Total | | 453,975.75 | 459,898.12 | (5,922.37) | (1.29) | 3,004,693.81 | 3,162,707.55 | (158,013.74) | (5.00) |
| INCOME Total | | 65,413.54 | 110,893.54 | | | 615,244.21 | 296,400.41 | | |

COASTSIDE COUNTY WATER DISTRICT

INVESTMENT REPORT

December 31, 2006

| | | <i>Restricted</i> | <i>Restricted</i> | <i>Restricted for CSP CIP Projects</i> | | |
|---|--|-------------------------------|---------------------------------|--|-------------------------|------------------------|
| | CASH FLOW & OPERATING RESERVE | EMERGENCY RESERVES | CAPITAL EXPENDITURES | DISTRICT CSP CONTRIBUTION | CSP T&S FEES | TOTAL |
| DISTRICT BALANCES | | | | | | |
| <u>CASH IN FNB</u> | | | | | | |
| OPERATING ACCOUNT | | | \$1,109,153.95 | | | \$1,109,153.95 |
| CSP T&S ACCOUNT | | | | | \$956,290.98 | \$956,290.98 |
| TOTAL FIRST NATIONAL BANK | \$0.00 | \$0.00 | \$1,109,153.95 | \$0.00 | \$956,290.98 | \$2,065,444.93 |
| CASH WITH L.A.I.F | \$297,900.00 | \$700,000.00 | \$1,317,460.06 | \$267,655.14 | \$2,450,789.67 | \$5,033,804.87 |
| UNION BANK - Project Fund Balance | | | \$6,524,830.95 | | | \$6,524,830.95 |
| CASH ON HAND | \$2,100.00 | | | | | \$2,100.00 |
| TOTAL DISTRICT CASH BALANCES | \$300,000.00 | \$700,000.00 | \$8,951,444.96 | \$267,655.14 | \$3,407,080.65 | \$13,626,180.75 |
| | | | | | | |
| | | | | | | |
| ASSESSMENT DISTRICT BALANCES | | | | | | |
| <u>CASH IN FIRST NATIONAL BANK (FNB)</u> | | | | | | |
| REDEMPTION ACCOUNT | | \$ 66,236.80 | | | | |
| RESERVE ACCOUNT (Closed Account 8-4-04) | | \$ - | | | | |
| TOTAL ASSESSMENT DISTRICT CASH | | \$ 66,236.80 | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| <i>This report is in conformity with CCWD's Investment Policy and there are sufficient funds to meet CCWD's expenditure requirements for the next six months.</i> | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

**COASTSIDE COUNTY WATER DISTRICT
CRYSTAL SPRINGS PROJECT
CAPITAL PROJECTS FY 06/07**

December 2006

| <u>PROJECT</u> | <u>Actual to date</u> | <u>FY 06/07 CIP Budget</u> | <u>% Completed</u> |
|---|------------------------------|-----------------------------------|---------------------------|
| El Granada Pipeline Phase 3A (City) 3B (County) 1128-03/04 | \$104,861 | \$1,000,000 | 10.5% |
| Main Street/Hwy 92 Pipeline Replacement Project - Phase 2 1120-93 | | \$718,000 | |
| Contingency | | \$100,000 | |
| TOTALS | \$104,861 | \$1,718,000 | 6.1% |

Coastside County Water District
Capital Improvement Projects (Non-CSP) - FY 06/07

DATE: December 2006

| DESCRIPTION | ACCT NO | CONTRACT AMOUNT | ACTUAL TO DATE | FY 06/07 CIP BUDGET |
|---|---------|--------------------|-------------------|------------------------|
| <u>PIPELINE PROJECTS</u> | | | | |
| Main Street/Hwy 92 Widening Project (Non-CSP Portion) | 1120-93 | | \$5,910 | \$492,000 |
| <u>WATER TREATMENT PLANT PROJECTS</u> | | | | |
| Denniston Foot Valve for 60hp Pump | 1121-22 | | | \$10,000 |
| Denniston Hi Lift Pumps - Refurbish | 1121-23 | | \$24,999 | \$20,000 |
| Nunes Level Indicators Clearwell/Recovery Tanks | 1121-24 | | \$6,078 | \$10,000 |
| Nunes Filter Media Replacement | 1121-25 | | | \$5,000 |
| Nunes Filter Backwash Valves | 1121-26 | | | \$5,000 |
| Nunes - Automatic Sludge Valve | 1121-27 | | \$5,228 | \$5,000 |
| <u>FACILITIES AND MAINTENANCE PROJECTS</u> | | | | |
| Denniston Restoration | 1120-03 | | \$15,386 | \$25,000 |
| Meter Change Program | 1117-06 | | | \$15,000 |
| City & County Projects (resurfacing/raising boxes) | 1120-86 | | \$18,361 | \$30,000 |
| Pave Nunes WTP Road | 1121-28 | | \$13,000 | \$30,000 |
| Safety/Security Upgrades | 1121-29 | | \$5,089 | \$20,000 |

Coastside County Water District
Capital Improvement Projects (Non-CSP) - FY 06/07

EQUIPMENT PURCHASE & REPLACEMENT

| | | | | |
|-----------------------|---------|--|---------|-----------|
| Vehicle Replacement | 1118-04 | | | \$25,000 |
| Computer System | 1118-02 | | \$6,554 | \$8,000 |
| Office/Shop Equipment | 1118-02 | | \$1,443 | \$1,500 |
| SCADA/Telemetry | 1121-82 | | | \$125,000 |

PUMP STATIONS / TANKS / WELLS

| | | | | |
|-----------------------------------|---------|--|----------|-----------|
| Alves Tank - Paint Sand Blast - | 1121-08 | | | \$125,000 |
| CSP Motor and Pump Rehabilitation | 1121-30 | | \$18,739 | \$50,000 |

DEBT RETIREMENT

| | | | | |
|---------------------------|--|--|--|-----------|
| Nunes WTP & Revenue Bonds | | | | \$185,000 |
|---------------------------|--|--|--|-----------|

DENNISTON - SHORT TERM IMPROVEMENTS

| | | | | |
|--|---------|--|--|-----------|
| Replace Chlorine Gas with New Sodium Hypochlorite | 1121-31 | | | \$150,000 |
| Replace Caustic Soda System | 1121-32 | | | \$150,000 |
| Construct Treated Water Tank Modifications/Flow Through Operations | 1121-33 | | | \$400,000 |
| Configure Plant for Automated Shutdown | 1121-34 | | | \$100,000 |
| Install Automated Filter-to-Waste | 1121-35 | | | \$100,000 |

Coastside County Water District
Capital Improvement Projects (Non-CSP) - FY 06/07

NUNES - SHORT TERM IMPROVEMENTS

| | | | | |
|---|---------|--|------|-----------|
| Replace Chlorine Gas with New Sodium Hypochlorite | 1121-36 | | \$11 | \$150,000 |
| Replace Caustic Soda Piping and Add Containment | 1121-37 | | \$11 | \$130,000 |

TOTAL CAPITAL IMPROVEMENT PROJECT BUDGET

\$2,366,500

**Legal Cost Tracking Report
12 Months At-A-Glance**

**Acct. No.5681
ANTHONY CONDOTTI
Legal**

| Month | Admin (General Legal Fees) | CSP | Transfer Program | CIP | Personnel | Lawsuits 62% Reimbursable | Infrastructure Project Review (Reimbursable) | TOTAL |
|---------------|---|--------------|-----------------------------|--------------|------------------|---|--|----------------|
| Jan-06 | 4,371 | 1,033 | | 543 | 1,153 | 457 | 613 | 8,167 |
| Feb-06 | 3,421 | | 78 | | 134 | 364 | 78 | 4,075 |
| Mar-06 | 9,291 | 273 | | | 20 | 1,143 | | 10,726 |
| Apr-06 | 5,749 | 1,209 | 59 | 39 | | 1,011 | | 8,066 |
| May-06 | 7,448 | | 273 | 1,427 | | 690 | | 9,838 |
| Jun-06 | 7,815 | 156 | 78 | 2,705 | | 184 | | 10,938 |
| Jul-06 | 7,930 | 1,190 | | 2,081 | 351 | | 20 | 11,571 |
| Aug-06 | 8,040 | 1,346 | 254 | | | 1,222 | | 10,861 |
| Sep-06 | 5,739 | 2,925 | | | | 225 | 176 | 9,064 |
| Oct-06 | 5,997 | 1,580 | 156 | 39 | 117 | 1,133 | 59 | 9,080 |
| Nov-06 | 4,624 | 15 | 117 | 332 | 176 | 1,023 | | 6,286 |
| Dec-06 | 3,757 | 59 | | 1,073 | 878 | 161 | | 5,926 |
| TOTAL | 74,183 | 9,783 | 1,014 | 8,237 | 2,827 | 7,611 | 944 | 104,598 |

**Engineer Cost Tracking Report
12 Months At-A-Glance**

**Acct. No. 5682
JAMES TETER
Engineer**

| Month | Admin & Retainer | CSP Phase II | Phase 3 EG Pipeline | CIP | Short Term WTP Imprv. | Studies & Projects | TOTAL | Reimbursable from Projects |
|---------------|---------------------------------|-------------------------|--------------------------------|---------------|--------------------------------------|-----------------------------------|----------------|---|
| Jan-06 | 6,303 | 222 | 1,743 | 9,311 | | | 17,578 | |
| Feb-06 | 3,056 | 222 | | 4,736 | | | 8,014 | |
| Mar-06 | 2,621 | | 74 | 7,395 | | | 10,090 | |
| Apr-06 | 2,996 | | 566 | 13,263 | | 497 | 17,321 | |
| May-06 | 3,858 | | 296 | 3,490 | 3,665 | | 11,309 | |
| Jun-06 | 1,046 | | 444 | 2,544 | 10,268 | | 14,302 | |
| Jul-06 | 2,140 | | 12,685 | | 3,399 | 304 | 18,528 | 304 |
| Aug-06 | 2,862 | | 11,669 | 456 | 4,349 | | 19,336 | |
| Sep-06 | 995 | | 13,974 | 456 | 4,445 | | 19,870 | |
| Oct-06 | 924 | | 5,507 | 3,328 | 13,361 | 76 | 23,196 | 76 |
| Nov-06 | 1,938 | | 2,414 | 2,103 | 16,217 | | 22,672 | |
| Dec-06 | 924 | | 684 | | 3,703 | | 5,311 | |
| TOTAL | 29,660 | 444 | 50,056 | 47,082 | 59,409 | 877 | 187,528 | 380 |

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

December 12, 2006

- 1) **ROLL CALL:** President Ascher called the meeting to order at 7:03 p.m. Present at roll call were Directors Ken Coverdell, Jim Larimer, Chris Mickelsen, and Bob Feldman.

Also present were Ed Schmidt, General Manager; Anthony Condotti, Legal Counsel; Jim Teter, District Engineer; Joe Guistino, Superintendent of Operations; JoAnne Whelen, Administrative Assistant/Recording Secretary and Gina Brazil, Office Manager. TRC Essex consultants, Steve Stielstra and Kevin Janik were also present.

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC ANNOUNCEMENTS**

There were no public announcements.

- 4) **SPECIAL ORDER OF BUSINESS**

- A. **Recognition of Coastside County Water District Field Supervisor, Elias Borba, in appreciation of his 24 years of commitment to the success of the Coastside County Water District - Resolution 2006-24.**

President Ascher introduced this item, and proceeded to read the Resolution recognizing Elias Borba for his 24 years of valuable, loyal, and dedicated service to the District.

THE BOARD voted as follows, by roll call vote, to adopt Resolution 2006-24 Recognizing Elias Borba upon his retirement after twenty-four years of dedicated service to the Coastside County Water District:

| | |
|---------------------------|------------|
| Director Coverdell | Aye |
| Director Larimer | Aye |
| Director Mickelsen | Aye |
| Director Feldman | Aye |
| President Ascher | Aye |

President Ascher then presented Mr. Borba with an engraved clock and each of the Directors and staff members presented Mr. Borba with applause and a handshake. Mr. Borba shared a few words, thanking the Board, staff, and his many co-workers, many of whom were in the audience, both members of the field crew and the office staff, for a rewarding and memorable career at the Coastside County Water District. President Ascher then also acknowledged Mr. Borba's wife, Connie and presented her with a bouquet of flowers.

President Ascher announced that the Agenda would be re-ordered at this time and that item 8A would be discussed next, in order to accommodate members of the public who were in the audience.

8) GENERAL MANAGER'S REPORT

A. Discussion of the Draft Initial Report Findings from TRC Essex on the Denniston Restoration Project

Mr. Schmidt introduced this item and reported that copies of the Denniston Reservoir Restoration Project Draft Initial Findings Report, prepared by TRC Essex were available. He also provided a brief background, including the many aspects of the report findings. Mr. Schmidt highlighted his recommendations, including providing direction to TRC Essex to obtain a contract price estimate for a qualified hydrologist to prepare a water budget for the Denniston Watershed, and to direct staff, attorney, and TRC Essex to meet with Peninsula Open Space Trust (POST) officials and concur on a "letter of intent" that would provide a foundation for a future Memorandum of Understanding (MOU), that might include an agreement(s) on initial project parameters, stream flow alteration, conservation easement strategy, titleholder designation, and future management of the watershed. He also advised that the "letter of intent", followed later by the MOU, would be forwarded to senior management staff at the U.S. Fish & Wildlife Service, California Department of Fish & Game, and NOAA Fisheries. Mr. Schmidt then introduced Mr. Kevin Janik, Project Manager, with TRC Essex.

Mr. Janik provided a brief report, referencing the earlier presentation of the draft initial project findings, which included an outline of the physical parameters that exist in the watershed, as well as details regarding species and hydrological issues. He explained that the report also provided suggestions on future permitting options and strategies. Mr. Janik also stated that the draft report contained suggestions of how the water quality in the watershed could be improved, and offered recommendations of how to potentially proceed, and depending on those results, noted that a good foundation could exist to move forward with the project. He then offered to address any questions.

Director Coverdell inquired about the project timelines, which Mr. Janik responded that the figures were based on compliance of the California Environmental Quality Act (CEQA) and the National Environmental Quality Act (NEPA) requirements.

Director Larimer verified that TRC Essex was making two recommendations, (1) that the District needs to proceed with the hydrology and determine what the safe yield, re-charge and draw-down rates would be and (2) the District needs to proceed with a Memorandum of Understanding with POST. He stated that after reading TRC Essex's draft report, a third topic comes to mind, that this project is very broad, involves many interest groups, and a lot of potential sources of revenue exist to pay for remedies associated with some of the suggested actions, including funds for potential restoration of stream projects. Mr. Janik addressed several questions from Director Larimer in regards to plans to pursue potential funding, and project timelines, explaining that everything is in a preliminary stage and open to discussion at this point, with concrete plans and schedules difficult to pursue at this time, until an actual project description is developed.

Director Mickelsen inquired about the timeline anticipated for the water budget, which Mr. Janik explained that the time a hydrologist would need to develop a water budget would be determined upon the amount and quality of sources of data that can be produced, making it difficult to estimate at this point.

Director Feldman inquired about the possibility of partnering with others to possibly pursue a recovery action, which Mr. Janik confirmed was a viable option.

President Ascher requested that Mr. Janik explain the differences between the traditional permitting and a federal recovery project. Mr. Janik responded that a lot of it was yet to be determined, but the project could quite possibly be exempt from the National Environmental Policy Act, and explained that specifics are yet to be determined because recovery projects are a somewhat new scenario with many unanswered questions. He suggested that, depending on specifics, the permitting could vary in a lot of different ways. He reiterated that this is a somewhat new process that we will have to continue working with other agencies, and it would be a learning process for all.

Mr. Janik elaborated on the water budget process, including some of the combination of approaches a hydrologist may use to develop a water budget, which would be the first part of the process. The installation of permanent gauging stations would follow, allowing monitoring on a regular basis, so the amount of water flowing through the creek could be monitored for years to come. He explained that obtaining this information is a very necessary first step.

President Ascher stated that he felt this was a two-part quest, the first part is to open discussions with representatives from Peninsula Open Space Trust, and suggested that the Board direct the General Manager to commence those discussions as soon as practical.

ON MOTION by Director Larimer and seconded by Director Coverdell, the Board directed staff to open discussions with Peninsula Open Space Trust Representatives in connection with the Denniston Reservoir Restoration Project.

Discussion ensued among the Board and Director Larimer commented that the Board should establish a board subcommittee to participate in the process and to establish a procedure to move forward. He also stated that the Board wants to encourage other stakeholders to join us in these meetings, and that the desire is to move forward in this way and that regular contact with the Board was important because this is not simply a technical issue and there are many aspects to this problem that have to be dealt with. He concluded by stating that he is proposing that a special subcommittee be formed to move forward on this immediately. Director Larimer stated that this is to be an amendment to the original motion, which was accepted by Director Coverdell.

ON MOTION by Director Larimer and seconded by Director Coverdell, the Board voted as follows to direct the General Manager to start discussion with POST and that the Board would establish a subcommittee to assist the General Manager with these discussions:

| | |
|---------------------------|------------|
| Director Coverdell | Aye |
| Director Larimer | Aye |
| Director Mickelsen | Aye |
| Director Feldman | Aye |
| President Ascher | Aye |

President Ascher stated that further direction included having the General Manager establish a scope of work and a budget for that work and bring that information back to the Board. Staff was also directed to locate and have available the Denniston historical stream-flow monitoring records. The Board also extended an invitation to POST and Mr. David Lea to participate in even the initial steps of this project's process. President Ascher thanked the staff from TRC Essex for the work performed to date on the project.

At this point in the meeting, President Ascher announced that item 4B – Election of CCWD President and Vice-President would be the next agenda Item.

4) SPECIAL ORDER OF BUSINESS

B. Election of CCWD President and Vice-President

President Ascher opened the discussion by nominating Director Larimer to serve as President. Director Mickelsen seconded the motion and closed nominations.

ON MOTION by President Ascher and seconded by Director Mickelsen, the Board voted as follows to appoint Director Larimer as CCWD Board President:

| | |
|---------------------------|------------|
| Director Coverdell | Aye |
| Director Larimer | Aye |
| Director Mickelsen | Aye |
| Director Feldman | Aye |
| President Ascher | Aye |

ON MOTION by Director Ascher and seconded by Director Coverdell, the Board voted as follows to appoint Director Mickelsen as CCWD Board Vice-President:

| | |
|---------------------------|------------|
| Director Coverdell | Aye |
| Director Larimer | Aye |
| Director Mickelsen | Aye |
| Director Feldman | Aye |
| President Ascher | Aye |

It was agreed that Director Ascher would continue to act in the capacity of Board President, throughout the duration of this meeting.

John Muller, Councilmember, City of Half Moon Bay – stated that he felt it was appropriate to acknowledge and congratulate Elias Borba on his retirement from the District. He also thanked President Ascher for his leadership, both to the District and the community over the past year. He congratulated Mr. Ascher and wished the new Board officers, Directors Larimer and Mickelsen, continued success in their leadership positions.

5) CONSENT CALENDAR

- A.** Requesting the Board to review disbursements for the month ending November 30, 2006 – Claims: \$343,036.18; Payroll: \$64,534.11 for a total of \$407,570.29
- B.** Acceptance of Financial Reports
- C.** Minutes of the November 14, 2006 Board of Directors Meeting
- D.** Monthly Water Transfer Report
- E.** Installed Water Connection Capacity and Water Meters Report
- F.** Total CCWD Production Report
- G.** CCWD Monthly Sales By Category Report
- H.** November 2006 Leak Report
- I.** Rainfall Reports
- J.** San Francisco Public Utilities Commission Hydrological Conditions
- K.** Engineering Projects Received for Review during the month of November, 2006
- L.** Acceptance of 190 Escalona Avenue – Non-Complex Pipeline Extension
- M.** General Manager Activity Report

ON MOTION by Director Feldman and seconded by Director Coverdell, the Board voted as follows to accept the Consent Calendar in its entirety:

| | |
|---------------------------|------------|
| Director Coverdell | Aye |
| Director Larimer | Aye |
| Director Mickelsen | Aye |
| Director Feldman | Aye |
| President Ascher | Aye |

6) **SUPERINTENDENT OF OPERATIONS REPORT**

Mr. Guistino referenced his written staff report, highlighting a few important events, including the hiring of a new temporary worker, the completion of the Nunes influent control valve installation, and the rotation of Jack Whelen and Jon Bruce into the water treatment plant operations. There was a brief discussion on the unaccounted for water figures, meter replacement programs and automatic meter reading systems.

7) **DISTRICT ENGINEER’S WORK STATUS REPORT**

Mr. Teter referenced his written report and advised the Board that work is progressing on the Short-Term Water Treatment Plant Improvements and Phase 3 of the El Granada Pipeline Replacement Project.

8) **GENERAL MANAGER’S REPORT**

B. Discussion and review of the Annual independent Financial Audit and Management Discussion and Analysis (MDA) letter for the fiscal year ending June 30, 2006 - Presentation by Vikki Rodriguez of Maze & Associates

Mr. Schmidt introduced Ms. Vikki Rodriguez of Maze & Associates, who informed the Board that the audit for the fiscal year ending June 30, 2006 had been completed and reported that Maze & Associates had issued an “unqualified opinion” for the District, which is a “clean opinion”. She congratulated the District and then briefly discussed the results of the internal control review, and reported that they found no material weaknesses and no issues with compliance. She then reviewed their two recommendations for the District, which included formalizing the District’s existing

purchase order practice into a written policy and to perform an annual or bi-annual inventory of the capital assets (possibly utilizing a bar-code system). She also reported that District staff had been very prepared for this audit and that the process went very smoothly.

Director Coverdell thanked Ms. Rodriguez and stated that he was very pleased with the audit results.

Director Larimer referenced the General Manager's staff report, reporting that the District had received the highest, most positive opinion possible, and stated that he would appreciate the audit report being more direct and state the audit results in similar terms. He acknowledged that Maze & Associates may have liability issues, but the report results were very favorable, and he would like to see this stated more clearly and concisely in the report.

Ms. Rodriguez stated that she understood, and that they often hear these concerns expressed from their clients, but that basically their wording is limited by audit standards and that they mainly use "boiler plate" language. Director Larimer also requested clarification on Note 6 – Pension Plan, on pages 24 and 25 of the audit report. Ms. Rodriguez explained that these numbers were based on the CalPERS investments and the market fluctuation.

Mr. Schmidt stated that he would schedule a meeting with John Parsons, CPA, and Ms. Rodriguez to prepare a report providing further information on this issue, which will be presented to the Board.

President Ascher provided some background on the CalPERS terms and some of the history of the "market" over the past several years, explaining that the District has no control over these figures. President Ascher then referenced the audit report, and read the following statements: "In our opinion, the basic financial statements referred to above present fairly in all material respects, the financial position of the Coastside County Water District at June 30, 2006 and 2005 and the results of its operations and cash flows for the years then ended, in conformity with generally accepted accounting principles in the United States of America". He then read from the fiscal year audit report for IBM Corporation, which consisted of almost the exact wording that appeared in the District's audit report.

Director Larimer commended staff in the handling of the District's financial matters, stating that his questions regarding the finances are consistently answered promptly and proficiently. He also complimented staff in the way in which they report the District's business, referencing that the agenda and entire contents of the Board packet are now accessible on the District's website. Director Coverdell agreed with Director Larimer's comments and emphasized that he feels that the District is being well managed by the General Manager, Mr. Schmidt, and his staff and also complimented Jim Teter, District Engineer, and John Parsons, CPA.

President Ascher stated the he feels the Board would echo these comments. On behalf of the staff, Mr. Schmidt thanked the Board.

ON MOTION by Director Larimer and seconded by Director Feldman, the Board voted as follows to accept the results of the Financial Audit and Management Discussion and Analysis letter for the fiscal year ending June 30, 2006:

| | |
|--------------------|-----|
| Director Coverdell | Aye |
| Director Larimer | Aye |
| Director Mickelsen | Aye |
| Director Feldman | Aye |
| President Ascher | Aye |

C. Discussion and possible direction to staff regarding Section 3.02 of the CCWD Personnel Manual regarding Holiday Pay Schedule

Mr. Schmidt distributed an updated retirement benefit analysis and provided a review of the results. He then reviewed the background of the item and referenced his staff report, which outlined the results of his research and report and stated his recommendation that employees who work on District holidays, would be paid double time for all hours worked, with their eight hours of holiday time off to be banked as comp-time. The Board briefly discussed and Mr. Schmidt and Mr. Guistino answered a few questions from the Board about the new proposed policy and how it may potentially affect staffing, and clarified a few issues and details concerning the new proposed policy.

Mr. Condotti suggested that he could bring back this proposed change in the personnel manual in the form of a Resolution at the January Board Meeting.

ON MOTION by Director Mickelsen and seconded by Director Coverdell, the Board voted by roll call vote, to approve a Resolution implementing the proposed policy, changing Section 3.02 of the CCWD Personnel Manual regarding the Holiday Pay Schedule:

| | |
|--------------------|-----|
| Director Coverdell | Aye |
| Director Larimer | Aye |
| Director Mickelsen | Aye |
| Director Feldman | Aye |
| President Ascher | Aye |

D. Update on recruitment for Public Outreach/Program Development/Water Resource Management position

Mr. Schmidt provided an update on the recruitment of this position, reporting that he has five strong candidates scheduled for interviews and he was looking forward to a couple of Board members to participate in the process.

Director Mickelsen complimented Mr. Schmidt and staff for handling this recruitment in-house, saving the District a considerable amount of money in out-sourcing recruitment fees, possibly as much as \$15,000.00 in savings.

E. Status Report of Capital Improvement Projects

Mr. Schmidt reported that he had received a letter from the Army Corp of Engineers stating that they have no jurisdiction of the wetlands crossed by the project alignment, which had been forwarded to U.S. Fish & Wildlife, the California Coastal Commission, and the planners from the City of Half Moon Bay and San Mateo County, which completes this stage of the process. He also provided a brief update on George Burswasser's progress on the variety of his assignments, including the archeology study, erosion control plan, etc.

Director Larimer commented that even though the District has been "playing by the rules" from the beginning of the project, a member of

the City of Half Moon Bay Planning Commission, Kevin Lansing, had taken it upon himself to write letters to the Federal Fish & Wildlife, involving them in this process before they would have normally become involved in the procedure and now it has been determined that there was not a need for it. He stated that he found this very troubling and that this little sojourn was very expensive, involving additional costs in extra, unnecessary studies, answering questions that were raised in anticipation of a nexus, which we now know never existed. He pointed out that this type of activity does not serve the public, when public officials behave this way, generating expenses that everyone in this community has to pay, for no good purpose.

In regards to the Main Street / Highway 92 Project, Mr. Schmidt also recognized and complimented Jon Bruce, Maintenance Worker, for his role in the construction management of this project, which involves a lot work during the nighttime hours. He stated that Mr. Bruce has been performing an excellent job in this area, working well with the contractor and providing daily project reports to District staff. Mr. Guistino, Superintendent of Operations agreed that Mr. Bruce's work in this area has been outstanding.

F. Correspondence: Bay Area Water Supply and Conservation Agency - Technical Advisory Committee Meeting Agenda/ Reports - December 7, 2006

Mr. Schmidt shared his notes and comments from this meeting with the Board.

9) ATTORNEY'S REPORT

A. Analysis of Proposition 84, the "Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006

Mr. Condotti referenced his staff report on this item, providing an overview of Proposition 84 Bond Act of 2006, explaining that his proposition authorizes the state to sell 5.4 billion dollars in general obligation bonds for a variety of water and resources related grant programs. He also reported briefly on the categories of funding and the available funds assigned to each of the categories. Mr. Condotti

concluded his report by stating that it may be worthwhile to follow this program, possibly taking advantage of some of the project funding opportunities.

10) MEETINGS ATTENDED/SCHEDULED – BOARD OF DIRECTORS – INCLUDING COMMITTEES, CUSTOMERS, OTHER AGENCIES, ETC.

Director Mickelsen provided a brief report on the recent Bay Area Water Supply and Conservation Agency (BAWSCA) meeting and advised that he would be attending another contract negotiating meeting in regards to the renewal of the San Francisco Public Utilities Commission contract.

President Ascher reported that he had attended the recent Association of California Water Agencies (ACWA) meeting in Anaheim and has already shared a lot of the valuable information he acquired at the conference with Mr. Schmidt.

11) AGENDA ITEMS AND DIRECTOR COMMENTS

President Ascher thanked all District staff for their responsiveness and assistance to him over the past year as the Board President. He also thanked the Board for their hard work and dedication, which resulted in a very successful year for the District. He highlighted a few of the Boards accomplishments over the past year which included, the progress on the El Granada Pipeline Replacement Project, Phase 3, and the kick-off the Denniston Reservoir Restoration Project.

President Ascher shared some recommendations to the Board and staff for the District's future, with included a suggestion for the Board to develop a long-range, strategic plan; to increase the District's participation in the various agencies, including the Association of California Water Agencies, the Bay Area Water Supply and Conservation Agency, and others, which allow opportunities for valuable networking. He also suggested that the District continue to strengthen its relationships with fellow special districts and our neighboring agencies.

President Ascher concluded the meeting by stating that he had been fortunate to serve on the Board under the previous leadership of Directors John Muller and Chris Mickelsen and he had learned a lot from both of them. He commented that he felt CCWD had a great Board, a great staff, a

positive momentum and an excellent standing in the community, known to other agencies as the “can-do” organization, with a Board that knows how to govern. He also stated that he was convinced that under President Larimer’s leadership, all of these attributes will continue. Director Ascher then congratulated President Larimer, turned the gavel over to him and adjourned the meeting.

- 12) The meeting was adjourned at 9:27 p.m. The next meeting of the Coastside County Water District Board of Directors is scheduled for Tuesday, January 9, 2006 at 7:00 p.m.

Respectfully submitted

Ed Schmidt, General Manager

Jim Larimer, President

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL BOARD WORKSHOP

December 12, 2006 – 6:00 p.m.

- 1) **ROLL CALL:** President Ascher called the meeting to order at 6:03 p.m. Present at roll call were Directors Ken Coverdell, Jim Larimer, Chris Mickelsen, and Bob Feldman.

Also present were Ed Schmidt, General Manager; Anthony Condotti, Legal Counsel; Jim Teter, District Engineer; Joe Guistino, Superintendent of Operations; JoAnne Whelen, Administrative Assistant/Recording Secretary and Gina Brazil, Office Manager. TRC Essex consultants Steve Stielstra and Kevin Janik were also present. Several invited guests and agency representatives were also in attendance.

- 2) **PRESENTATION BY ENVIRONMENTAL CONSULTANT TRC ESSEX ON PROPOSED DENNISTON RESERVOIR RESTORATION PROJECT**

President Ascher welcomed everyone to the workshop and explained that the Coastside County Water District's Board of Directors has taken the initiative to work cooperatively with County, City, State and Federal Agencies to adopt "balanced approaches" to the District's projects. President Ascher expressed the importance of the District's responsibility of stewarding and protecting the essential domestic water supply, which our watersheds provide to coastside residents. He further explained that the District recognizes that others depend on these limited water resources as well, including sensitive aquatic and riparian species, safe beaches and parks, and agricultural irrigation and also have rights to these waters based on State and Federal mandates or vested water rights for their beneficial use.

President Ascher shared that the basis of this philosophy is an expectation that all users will negotiate honestly and fairly, seeking only those resources which "protect" their needs.

President Ascher then provided a brief background of the project, including retaining the services of TRC Essex Environmental to assist the District in developing the path which leads to the continuation of the District's historical use and long-term maintenance of the Denniston Creek Facilities. He also shared the goals of this project, including consideration of the irrigation water needs of the agricultural operator adjacent to this stream and to consider protection and possibly enhancement of the natural attributes of this stream and all associated plant and animal habitats. President Ascher concluded his introduction, stating that the District hopes that TRC Essex and the range of State and Federal Agency partners can help the District achieve these goals.

Mr. Ed Schmidt, Coastside County Water District's General Manager introduced the District's consultants, TRC Essex, expressing the District's appreciation for their interest and expertise in this project. He then provided a brief background of the project, introduced TRC Essex's Project Manager, Kevin Janik and distributed copies of their power point presentation.

Mr. Janik then displayed his power-point presentation and reviewed the material, including background information for the project, the project services TRC is providing, their work involving agency consultation, their background research, the GIS mapping services and general site assessment. Mr. Janik also reported on the stakeholder discussions, and stream flow data, their permitting strategies and discussed the next steps to be scheduled, including work with professional hydrologists to develop a water budget and stream flow monitoring program, as well as scheduling meetings with Peninsula Open Space Trust representatives to discuss the future goals and project parameters.

Mr. Schmidt reported that every year, over the past ten years, CCWD has purchased more and water from the San Francisco Public Utilities Commission and that last June had realized a 20% increase in their water rates. He also reported, that the relatively inexpensive water supply from Denniston has decreased, despite the periodic maintenance of the reservoir. He explained that the last significant maintenance of the project was in 1982, when approximately 20,000 yards of sediment was removed. Due to the changing environmental regulations, financial situation (high SFPUC charges), the CCWD Board and staff recognize the importance in taking a new approach with the project this time. Mr. Schmidt then thanked the TRC Essex staff and invited comments from the general audience.

Leonard Woren – El Granada - Requested a review of how the increase in the reservoir capacity would affect stream flows during the wet and dry seasons,

especially where it crosses Prospect Way in Princeton, right before the creek enters the harbor.

Mr. Janik reported that this had not been determined at this point and that he did not believe that an increased capacity in the reservoir would greatly affect the water flow. Mr. Schmidt agreed with Mr. Janik and conferred with the District Engineer, Mr. Jim Teter, who stated that he was also in agreement with the statement.

Paul Ringgold, Director of Land Stewardship with the Peninsula Open Space Trust Organization: – Inquired about the results of Mr. Janik’s meetings with other agencies, in terms of their suggested mitigation alternatives, and asked whether a report has been written for review on the concepts that are currently being discussed and how it will affect POST.

Mr. Janik addressed this question by explaining that intentionally, they had not proceeded to that level yet with the project, and it had already been determined that the POST representatives should be participating in the project discussions and meetings before any decisions or even a project description can be developed.

Mr. Schmidt took this opportunity to advise that a draft report had been received from TRC Essex, distributed to the Board and that copies are available for distribution the public. He also informed the audience that this item, the Discussion of the Draft Initial Report Findings from TRC Essex on the Denniston Restoration Project, appears later on in the agenda for the regular monthly Board meeting.

John Muller – 923 Miramontes, Half Moon Bay - echoed Mr. Ringgold’s comments, stating that he is in support of finding a way to ensure that the history of agriculture stays on this property. He also stressed the importance of balancing the environment, the operation, and CCWD’s need for water to serve the coastside residents. He also suggested researching “wet-weather banking” as an option.

President Ascher then requested comments from each of the Directors.

Director Coverdell thanked the attendees and stated that he was very excited about the project and felt that the District had demonstrated a very balanced approach to the project by including the many valuable players to work together to protect our limited resources. He also stated that he liked the idea

that it was an inter-agency approach. He also expressed his concern of the expensive SFPUC water rates and the importance and value of our local water sources.

Director Mickelsen noted that Director Coverdell had touched on many important subjects. He reported that he is CCWD's representative to the twenty-nine member agencies that make up the Bay Area Water Supply and Conservation Agency. He stated that the San Francisco Public Utilities Commission is currently involved in a 4.3 billion dollar retro-fit program, which may result in a 300% increase in wholesale water rates. He stressed the importance in the District maintaining some self-sufficiency, such as the Denniston Reservoir, should a natural disaster, such as an earthquake occur, which may affect the pipelines ability to supply water from the San Francisco Public Utilities Commission to the coastside residents. Director Mickelsen also reiterated the importance in maintaining a history of cooperation in sharing the reservoir water with the local farmer and stated that this could be a "win-win" situation where the needs of the farmer, the District, the District's customers and the environment are all respected.

Director Feldman stated that although he did not have a historical perspective to share because he is a new member to the community and the Board, he referenced his experience and background in the Information Technology (IT) field and within his career in IT, customer service was established as the highest goal. He explained that they accomplished this by being proactive and working directly with the customers to determine their needs and expectations and then ensured that those items were delivered. He noted that he is discovering that CCWD operates in much the same way, that CCWD also believes in this philosophy and is very diligent in trying to meet the objectives of the community, as demonstrated with the approach to this project by involving so many others with a goal to ensure that their needs are met as well.

Director Larimer stated that over the past six years that he has served as a member of the CCWD Board, one of the major emphasis and accomplishments has been to replace the District's aging infrastructure. He reminded the Board that CCWD has an obligation to SFPUC to develop and maintain our local sources and stated that he sees this as an opportunity to take a local action to do our part as a community, to be better citizens, regionally and locally. He commented that there are a lot of stakeholders involved in this project, including the agricultural industry and that several of the District's largest customers are industrial agriculture and if the District's costs of water increase, these businesses could be endangered, which also endangers the community. He also stated that he felt that this project allowed another opportunity for the

District and the community, which is to protect the environment. Director Larimer concluded his comments by noting that there are a lot of stakeholders involved in this project and the District has not yet introduced a plan at this point, because no plan has been developed yet. And the purpose of this meeting is to identify the stakeholders and allow them an opportunity and an invitation to come to the District and voice their concerns so that they can be taken into consideration. He also commented that he is very optimistic, and that he felt this was a wonderful opportunity for the District and the community to do something really good and all be very proud of the accomplishment.

President Ascher thanked all of the attendees and agency representatives and stated that he felt that the District had opened a door to a vision, a vision of what can be done to take a stream which has deteriorated over the years and restore it to its former grandeur. He stated that he felt this could be accomplished in such a way that the various interests that need to be protected are protected, that the District's ratepayers benefit and that the landowner, Peninsula Open Space Trust is supported in their mission, and that the agricultural interests are assured as well. President Ascher concluded his statements by saying that he felt that the Coastside County Water District has demonstrated how they conduct its business and how they intend to conduct business in the future, in an open, hospitable manner, seeking input and working with others and at the end of the day, arrive at a point where the common ground among all has been achieved. And once the project is completed it will have been constructed with the certainty that all of the vital interests of all of the stakeholders have been protected. He thanked the attendees once again for their input, comments and questions, all of which were very valuable.

3) **ADJOURNMENT**

President Ascher adjourned the special board workshop at 6:52 p.m.

Respectfully submitted,

Ed Schmidt, General Manager

Jim Larimer, President

COASTSIDE COUNTY WATER DISTRICT
Installed Water Connection Capacity & Water Meters
2006

| Installed Water Connection Capacity | Jan | Feb | Mar | Apr | May | Jun | July | Aug | Sept | Oct | Nov | Dec | Total |
|-------------------------------------|----------|------------|----------|----------|------------|------------|----------|------------|----------|----------|----------|----------|-----------|
| HMB Non-Priority | | | | | | | | | | | | | |
| 5/8" meter | | | | | 1 | | 1 | 3 | 1 | 3 | | 2 | 11 |
| 3/4" meter | | | | | 1.5 | | | 1.5 | | | | 3 | 6 |
| HMB Priority | | | | | | | | | | | | | |
| 5/8" meter | | | | | | | | | | | | | 0 |
| 3/4" meter | | | | | | | | | | | | | 0 |
| 1" meter | | | | | | | | | | | | | 0 |
| County Non-Priority | | | | | | | | | | | | | |
| 5/8" meter | | | 2 | 2 | | | | | | | 1 | | 5 |
| 3/4" meter | 1.5 | | | | | | | | | | | | 1.5 |
| 1" meter | | | | | | 2.5 | | | | | | | 2.5 |
| County Priority | | | | | | | | | | | | | |
| 5/8" meter | | | | | | | | | | 1 | | | 1 |
| 3/4" meter | 1.5 | 1.5 | | | | | | | | | | | 3 |
| 1" meter | | | | | | | | | | | | | 0 |
| Monthly Total | 3 | 1.5 | 2 | 2 | 2.5 | 2.5 | 1 | 4.5 | 1 | 4 | 1 | 5 | 30 |

5/8" meter = 1 connection
3/4" meter = 1.5 connections
1" meter = 2.5 connections

| Installed Water Meters | Jan | Feb | Mar | Apr | May | Jun | July | Aug | Sept | Oct | Nov | Dec | Totals |
|----------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| HMB Non-Priority | | | | | 2 | | 1 | 4 | 1 | 3 | | 3 | 14 |
| HMB Priority | | | | | | | | | | | | | 0 |
| County Non-Priority | 1 | | 2 | 2 | | 1 | | | | | 1 | | 7 |
| County Priority | 1 | 1 | | | | | | | | 1 | | 1 | 4 |
| Monthly Total | 2 | 1 | 2 | 2 | 2 | 1 | 1 | 4 | 1 | 4 | 1 | 4 | 25 |

TOTAL CCWD PRODUCTION (HCF) ALL SOURCES-2006

| | PILARCITOS | | DENNISTON | | CRYSTAL SPRINGS | SAN VIN. | RAW WATER | UNMETERED | TOTAL | |
|------------------|------------|---------|-----------|-----------|-----------------|-----------|------------------|-----------|------------------|---------------|
| | WELLS | LAKE | WELLS | RESERVOIR | RESERVOIR | RESERVOIR | TOTAL | USAGE | HCF | MG |
| JAN | 12,326 | 18,971 | 0 | 0 | 32,353 | 0 | 63,650 | 214 | 63,436 | 47.45 |
| FEB | 15,294 | 40,989 | 2,139 | 4,893 | 615 | 0 | 63,930 | 53 | 63,877 | 47.78 |
| MAR | 17,727 | 50,013 | 0 | 0 | 321 | 0 | 68,061 | 134 | 67,928 | 50.81 |
| APR | 0 | 103,422 | 0 | 0 | 267 | 0 | 103,690 | 227 | 103,463 | 77.39 |
| MAY | 0 | 83,543 | 3,235 | 15,053 | 0 | 0 | 101,832 | 227 | 101,604 | 76.00 |
| JUN | 0 | 60,882 | 2,005 | 18,730 | 27,139 | 0 | 108,757 | 2,714 | 106,043 | 79.32 |
| JUL | 0 | 0 | 2,259 | 21,858 | 122,701 | 0 | 146,818 | 2,019 | 144,799 | 108.31 |
| AUG | 0 | 0 | 1,390 | 19,799 | 102,340 | 0 | 123,529 | 789 | 122,741 | 91.81 |
| SEPT | 0 | 0 | 2,126 | 21,203 | 104,118 | 0 | 127,447 | 1,016 | 126,430 | 94.57 |
| OCT | 0 | 0 | 1,698 | 20,401 | 86,872 | 0 | 108,971 | 2,072 | 106,898 | 79.96 |
| NOV | 9,586 | 22,995 | 976 | 9,412 | 40,561 | 0 | 83,529 | 160 | 83,369 | 62.36 |
| DEC | 10,160 | 60,388 | 936 | 5,909 | 0 | 0 | 77,393 | 281 | 77,112 | 57.68 |
| TOTAL HCF | 65,094 | 441,203 | 16,765 | 137,259 | 517,286 | 0 | 1,177,607 | 9,906 | 1,167,701 | |
| TOTAL MG | 48.69 | 330.02 | 12.54 | 102.67 | 386.93 | 0.00 | 880.85 | 7.41 | | 873.44 |
| % TOTAL | 5.5% | 37.5% | 1.4% | 11.7% | 43.9% | 0.0% | 100.0% | 0.8% | 99.2% | |

**Coastside County Water District Monthly Sales By Category (HCF)
2006**

| | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEPT | OCT | NOV | DEC | HCF to Date | MG to Date |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|------------------|---------------|
| RESIDENTIAL | 26,648 | 37,849 | 22,883 | 37,829 | 27,954 | 67,438 | 40,524 | 79,653 | 43,351 | 68,097 | 32,646 | 43,755 | 528,627 | 395.41 |
| COMMERCIAL | 8,935 | 1,598 | 7,266 | 1,654 | 8,837 | 2,003 | 9,904 | 2,344 | 11,305 | 2,174 | 9,296 | 1,668 | 66,984 | 50.10 |
| RESTAURANT | 3,075 | 17 | 2,789 | 17 | 3,183 | 39 | 3,700 | 182 | 3,546 | 44 | 2,966 | 8 | 19,566 | 14.64 |
| HOTELS/MOTELS | 6,125 | 151 | 5,568 | 170 | 6,509 | 235 | 7,089 | 286 | 8,373 | 219 | 6,493 | 138 | 41,356 | 30.93 |
| SCHOOLS | 1,121 | 102 | 820 | 91 | 1,448 | 186 | 4,420 | 275 | 6,972 | 213 | 2,806 | 169 | 18,623 | 13.93 |
| MULTI DWELL | 6,746 | 7,910 | 5,912 | 7,364 | 6,642 | 9,137 | 7,981 | 9,372 | 8,277 | 9,072 | 6,423 | 7,359 | 92,195 | 68.96 |
| BEACHES/PARKS | 350 | 17 | 309 | 5 | 525 | 130 | 1,388 | 211 | 1,529 | 213 | 1,003 | 91 | 5,771 | 4.32 |
| FLORAL | 19,797 | 300 | 18,090 | 249 | 32,609 | 327 | 25,746 | 360 | 25,150 | 379 | 21,009 | 393 | 144,409 | 108.02 |
| RECREATIONAL | 144 | 191 | 121 | 229 | 85 | 259 | 103 | 324 | 146 | 274 | 108 | 188 | 2,172 | 1.62 |
| MARINE | 1,844 | 0 | 1,450 | 0 | 767 | 0 | 2,595 | 0 | 2,047 | 0 | 2,017 | 0 | 10,720 | 8.02 |
| IRRIGATION | 2,673 | 551 | 481 | 305 | 248 | 3,037 | 25,160 | 4,183 | 31,539 | 3,084 | 15,440 | 1,770 | 88,471 | 66.18 |
| HCF | 77,458 | 48,686 | 65,689 | 47,913 | 88,807 | 82,791 | 128,610 | 97,190 | 142,235 | 83,769 | 100,207 | 55,539 | 1,018,894 | |
| MG | 57.94 | 36.42 | 49.14 | 35.84 | 66.43 | 61.93 | 96.20 | 72.70 | 106.39 | 62.66 | 74.95 | 41.54 | | 762.13 |

**Coastside County Water District Monthly Sales By Category (HCF)
2005**

| | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEPT | OCT | NOV | DEC | HCF to Date | MG to Date |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|----------------|---------------|---------------|---------------|------------------|---------------|
| RESIDENTIAL | 26,396 | 42,951 | 25,636 | 44,560 | 27,498 | 67,970 | 43,363 | 69,203 | 35,473 | 72,563 | 31,151 | 58,314 | 545,078 | 407.72 |
| COMMERCIAL | 8,368 | 1,938 | 8,379 | 1,948 | 8,672 | 2,258 | 11,634 | 2,340 | 8,933 | 3,855 | 8,654 | 1,964 | 68,943 | 51.57 |
| RESTAURANT | 2,825 | 10 | 2,831 | 17 | 2,685 | 41 | 3,659 | 46 | 2,546 | 683 | 3,525 | 55 | 18,923 | 14.15 |
| HOTELS/MOTELS | 5,172 | 194 | 4,401 | 142 | 5,683 | 200 | 8,076 | 221 | 7,720 | 215 | 6,359 | 152 | 38,535 | 28.82 |
| SCHOOLS | 690 | 89 | 910 | 126 | 1,608 | 342 | 5,305 | 241 | 6,187 | 211 | 3,730 | 117 | 19,556 | 14.63 |
| MULTI DWELL | 5,724 | 8,258 | 6,238 | 7,678 | 6,419 | 8,649 | 8,141 | 8,093 | 7,987 | 8,814 | 6,476 | 8,108 | 90,585 | 67.76 |
| BEACHES/PARKS | 353 | 10 | 343 | 39 | 482 | 106 | 1,319 | 171 | 1,460 | 168 | 898 | 52 | 5,401 | 4.04 |
| FLORAL | 22,674 | 260 | 19,634 | 316 | 27,081 | 248 | 23,497 | 4,502 | 34,090 | 241 | 21,630 | 288 | 154,461 | 115.54 |
| RECREATIONAL | 93 | 290 | 94 | 321 | 91 | 308 | 205 | 322 | 198 | 286 | 159 | 211 | 2,578 | 1.93 |
| MARINE | 1,976 | 0 | 1,518 | 0 | 1,831 | 0 | 2,483 | 1,841 | 2,136 | 0 | 1,703 | 0 | 13,488 | 10.09 |
| IRRIGATION | 581 | 348 | 1,483 | 638 | 616 | 2,522 | 14,064 | 4,300 | 15,171 | 4,028 | 10,878 | 1,306 | 55,935 | 41.84 |
| HCF | 74,852 | 54,348 | 71,467 | 55,785 | 82,666 | 82,644 | 121,746 | 91,280 | 121,901 | 91,064 | 95,163 | 70,567 | 1,013,483 | |
| MG | 55.99 | 40.65 | 53.46 | 41.73 | 61.83 | 61.82 | 91.07 | 68.28 | 91.18 | 68.12 | 71.18 | 52.78 | | 758.09 |

Coastside County Water District December 2006 Leak Report



| Date | Location | City | Pipe Type / Size | Repair Material | Estimated Water Loss | Estimated Cost of Repair |
|-------------|----------------------------|-------------|-------------------------|------------------------|-----------------------------|---------------------------------|
| 6 Dec 06 | 440 Belleville Blvd | HMB | 2" galvanized | 2"x7.5" full circle | 6000 | \$ 875 |
| 11 Dec 06 | 1322 Columbus St. | EG | 2" galvanized | 2" single clamp | 1 * | \$100 |
| 11 Dec 06 | 1322 Columbus St. | EG | 2" galvanized | 2"x7.5" full circle | 4000 | \$375 |
| 20 Dec 06 | 624 Poplar St. | HMB | ¾" plastic service | 2 – ¾" comp fittings | 5500 | \$600 |
| 21 Dec 06 | 430 Alameda | HMB | 1" plastic service | 2 – 1" comp fittings | 3000 | \$725 |
| 27 Dec 06 | The Alameda & Ave Cabrillo | ED | 2" galvanized | 2"x7.5" full circle | 175000 | \$520 |
| | | | | | | |
| | | | | | | |
| | | | | | | |

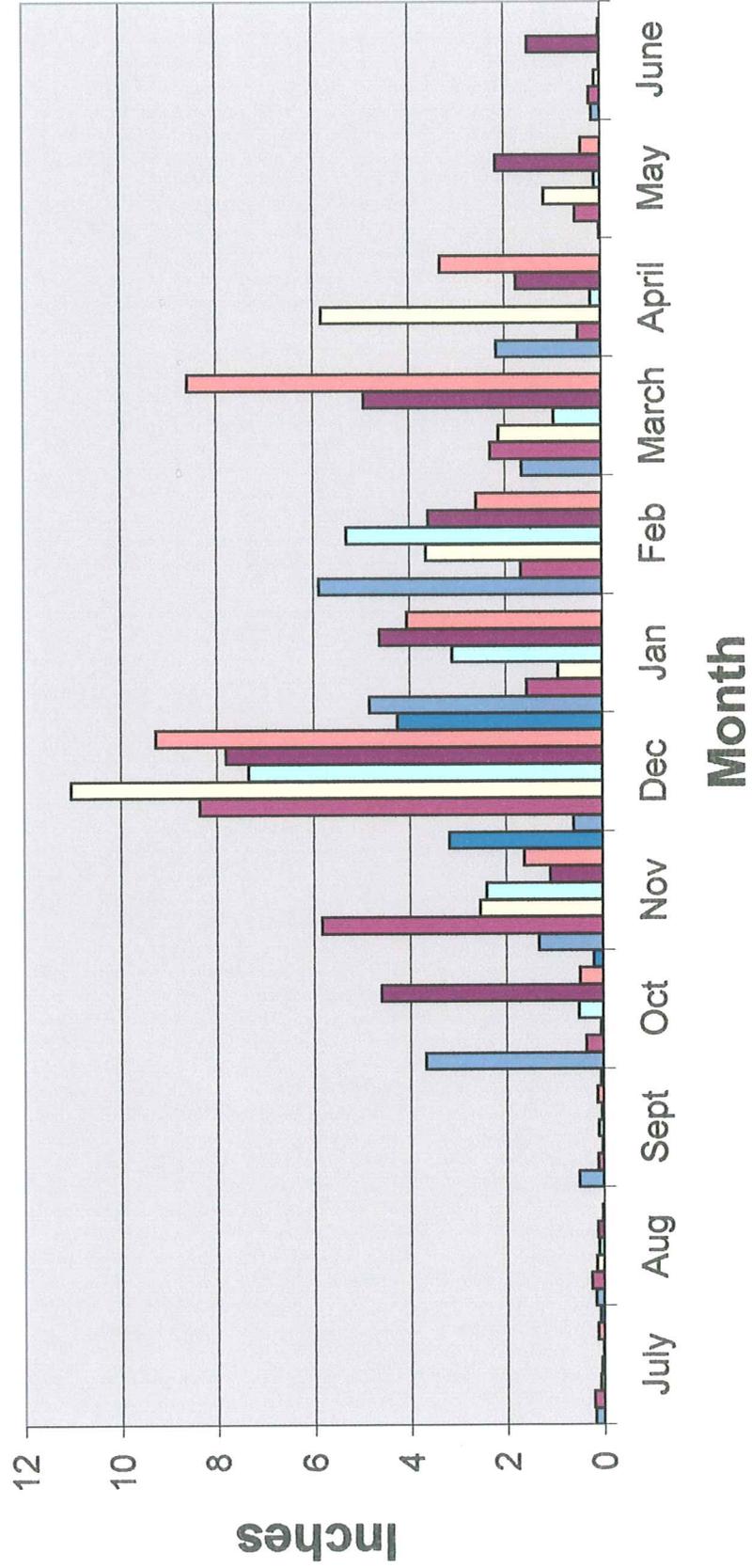
* seepage

Estimated Water Loss – 193501 gallons
Estimated Cost for Repairs - \$ 3195

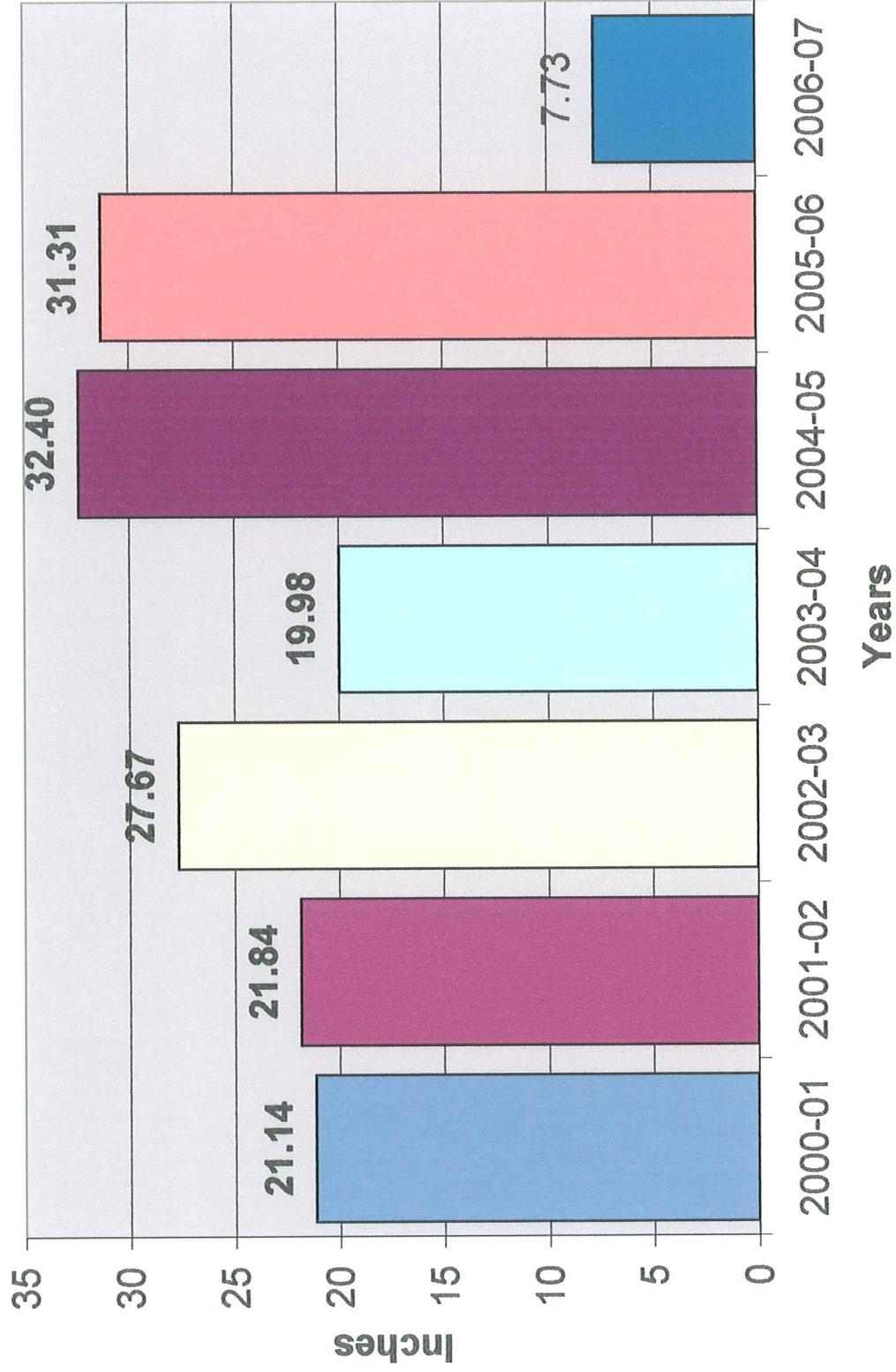
Rainfall by Month

July 2006 - June 2007

■ 2000-01 ■ 2001-02 □ 2002-03 □ 2003-04 □ 2004-05 ■ 2005-06 ■ 2006-07



Rain Totals



MONTHLY CLIMATOLOGICAL SUMMARY for DEC. 2006

NAME: Office CITY: Half Moon Bay STATE: CA ELEV: 80 LAT: 37 38' 00" LONG: 122 25'59"

TEMPERATURE (°F), RAIN (in), WIND SPEED (mph)

| DAY | MEAN TEMP | HIGH | TIME | LOW | TIME | HEAT DEG DAYS | COOL DEG DAYS | RAIN | AVG WIND SPEED | HIGH | TIME | DOM DIR |
|-------|-----------|------|--------|------|--------|---------------|---------------|------|----------------|------|--------|---------|
| 1 | 50.9 | 62.2 | 2:00p | 44.2 | 10:30p | 14.1 | 0.0 | 0.00 | 2.3 | 12.0 | 1:30p | N |
| 2 | 54.8 | 63.9 | 3:00p | 45.2 | 12:30a | 10.2 | 0.0 | 0.00 | 3.6 | 20.0 | 11:30a | N |
| 3 | 56.5 | 63.8 | 2:30p | 51.7 | 8:00a | 8.5 | 0.0 | 0.00 | 6.1 | 24.0 | 9:00a | NNE |
| 4 | 57.1 | 66.2 | 3:00p | 48.8 | 10:00p | 8.0 | 0.0 | 0.00 | 4.1 | 19.0 | 5:00a | N |
| 5 | 56.0 | 67.3 | 3:00p | 48.6 | 11:30p | 9.1 | 0.1 | 0.00 | 2.4 | 15.0 | 11:00a | N |
| 6 | 55.2 | 64.8 | 12:30p | 47.3 | 2:00a | 9.8 | 0.0 | 0.00 | 2.1 | 12.0 | 10:00a | N |
| 7 | 53.2 | 66.3 | 3:30p | 43.9 | 6:00a | 11.8 | 0.0 | 0.00 | 1.3 | 17.0 | 9:30a | ENE |
| 8 | 56.3 | 66.2 | 11:30a | 44.8 | 1:00a | 8.7 | 0.0 | 0.31 | 4.5 | 25.0 | 7:00p | ESE |
| 9 | 57.1 | 63.4 | 2:00p | 53.5 | 12:00m | 7.9 | 0.0 | 0.80 | 3.5 | 27.0 | 3:00p | ESE |
| 10 | 53.1 | 62.1 | 1:00p | 45.4 | 11:30p | 11.9 | 0.0 | 0.25 | 1.4 | 18.0 | 9:00a | SSW |
| 11 | 54.3 | 62.3 | 2:30p | 44.6 | 4:00a | 10.7 | 0.0 | 0.02 | 0.7 | 11.0 | 8:30p | ESE |
| 12 | 59.2 | 61.6 | 3:30p | 57.6 | 10:00p | 5.8 | 0.0 | 0.95 | 1.0 | 16.0 | 4:00a | SE |
| 13 | 59.2 | 63.0 | 2:00p | 56.0 | 7:00a | 5.8 | 0.0 | 0.26 | 0.0 | 2.0 | 1:00a | --- |
| 14 | 59.1 | 65.3 | 11:30a | 54.2 | 8:30p | 5.9 | 0.0 | 0.08 | 0.0 | 0.0 | 12:00a | --- |
| 15 | 53.0 | 57.7 | 12:30p | 47.2 | 11:00p | 12.0 | 0.0 | 0.15 | 0.1 | 16.0 | 4:00a | NNW |
| 16 | 47.1 | 53.9 | 12:30p | 39.5 | 7:00a | 17.9 | 0.0 | 0.00 | 1.1 | 17.0 | 7:00p | NNW |
| 17 | 46.3 | 54.3 | 1:30p | 36.4 | 12:00m | 18.8 | 0.0 | 0.00 | 1.8 | 12.0 | 12:30a | N |
| 18 | 42.1 | 55.2 | 3:00p | 34.4 | 4:30a | 22.9 | 0.0 | 0.01 | 1.6 | 11.0 | 8:00a | N |
| 19 | 42.8 | 53.9 | 3:00p | 34.3 | 5:00a | 22.2 | 0.0 | 0.00 | 0.6 | 9.0 | 10:00p | NNE |
| 20 | 45.9 | 54.9 | 4:00p | 37.1 | 5:00a | 19.1 | 0.0 | 0.00 | 1.1 | 11.0 | 12:00p | NNE |
| 21 | 51.5 | 58.3 | 3:30p | 43.3 | 12:30a | 13.5 | 0.0 | 0.55 | 0.5 | 22.0 | 7:30p | SE |
| 22 | 48.2 | 55.6 | 3:30p | 43.5 | 8:30p | 16.8 | 0.0 | 0.05 | 2.0 | 24.0 | 9:30a | N |
| 23 | 50.2 | 59.4 | 2:30p | 40.2 | 7:30a | 14.8 | 0.0 | 0.00 | 2.7 | 20.0 | 2:00a | NNE |
| 24 | 52.9 | 61.4 | 1:30p | 47.5 | 8:00a | 12.1 | 0.0 | 0.00 | 2.8 | 20.0 | 3:00a | NNE |
| 25 | 53.9 | 66.3 | 1:30p | 45.6 | 5:00a | 11.1 | 0.0 | 0.00 | 0.3 | 9.0 | 12:00m | NNE |
| 26 | 58.9 | 67.3 | 12:30p | 53.6 | 2:30a | 6.2 | 0.0 | 0.76 | 4.3 | 26.0 | 3:00p | SE |
| 27 | 51.9 | 56.1 | 12:30a | 47.3 | 11:00p | 13.1 | 0.0 | 0.03 | 8.2 | 40.0 | 12:00p | NNW |
| 28 | 49.9 | 59.0 | 3:30p | 42.1 | 9:00p | 15.1 | 0.0 | 0.00 | 4.0 | 22.0 | 4:00a | N |
| 29 | 47.3 | 59.7 | 2:30p | 38.1 | 4:00a | 17.7 | 0.0 | 0.00 | 1.7 | 18.0 | 9:30a | N |
| 30 | 48.0 | 57.0 | 3:00p | 40.2 | 4:30a | 17.0 | 0.0 | 0.00 | 0.4 | 10.0 | 3:30p | NNE |
| 31 | 51.6 | 57.3 | 11:30a | 46.3 | 12:00m | 13.4 | 0.0 | 0.02 | 0.4 | 8.0 | 3:30p | NW |
| <hr/> | | | | | | | | | | | | |
| | 52.4 | 67.3 | 5 | 34.3 | 19 | 391.8 | 0.3 | 4.24 | 2.2 | 40.0 | 27 | NNE |

Max >= 90.0: 0
 Max <= 32.0: 0
 Min <= 32.0: 0
 Min <= 0.0: 0

Max Rain: 0.95 ON 12/12/06

Days of Rain: 13 (>.01 in) 8 (>.1 in) 0 (>1 in)

Heat Base: 65.0 Cool Base: 65.0 Method: Integration

San Francisco Public Utilities Commission

Hydrological Conditions Report

For November 2006

J. Chester, B. McGurk, M. Tsang, December 8, 2006

Current System Storage

Current Hetch Hetchy System and Local Bay Area storage conditions are summarized in Table 1.

| Table 1 | | | | | | | |
|-------------------------------|------------------|---------------------|------------------|---------------------|--------------------|---------------------|----------------------------|
| Current Storage | | | | | | | |
| As of December 1, 2006 | | | | | | | |
| Reservoir | Current Storage | | Maximum Storage | | Available Capacity | | Percent of Maximum Storage |
| | Acre-Feet | Millions of Gallons | Acre-Feet | Millions of Gallons | Acre-Feet | Millions of Gallons | |
| Tuolumne System | | | | | | | |
| Hetch Hetchy ^{1/} | 248,816 | | 340,830 | | 92,014 | | 73.0% |
| Cherry ^{2/} | 248,486 | | 268,810 | | 20,324 | | 92.4% |
| Lake Eleanor ^{3/} | 18,247 | | 23,541 | | 5,294 | | 77.5% |
| Water Bank | 569,362 | | 570,000 | | 638 | | 99.9% |
| Tuolumne Storage | 1,084,911 | | 1,203,181 | | 118,270 | | 90.2% |
| Local Bay Area Storage | | | | | | | |
| Calaveras ^{4/} | 37,755 | 12,303 | 96,824 | 31,550 | 59,068 | 19,247 | 39.0 % |
| San Antonio | 39,580 | 12,897 | 50,496 | 16,454 | 10,915 | 3,557 | 78.4 % |
| Crystal Springs | 52,373 | 17,066 | 58,377 | 19,022 | 6,004 | 1,956 | 89.7 % |
| San Andreas | 17,537 | 5,714 | 18,996 | 6,190 | 1,460 | 476 | 92.3 % |
| Pilarcitos | 2,332 | 760 | 3,099 | 1,010 | 768 | 250 | 75.2 % |
| Total Local Storage | 149,577 | 48,740 | 227,792 | 74,226 | 78,215 | 25,486 | 65.7 % |
| Total System | 1,234,488 | | 1,430,973 | | 196,485 | | 86.3 % |

^{1/} Maximum Hetch Hetchy Reservoir storage with drum gates deactivated.

^{2/} Maximum Cherry Reservoir storage with flash-boards out.

^{3/} Maximum Lake Eleanor storage with all stop-logs out.

^{4/} Available capacity does not take into account current DSOD storage restriction.

Hetch Hetchy System Precipitation Index ^{5/}

Current Month: The November precipitation index is 2.42 inches, 58.1% of the average index for the month.

Cumulative Precipitation to Date: Total precipitation index for water year 2007 is 3.48 inches, or 9.8% of the average annual water year, or 58.4% of the season to date precipitation.

^{5/}The precipitation index is computed using six Sierra precipitation stations and is an indicator of the wetness of the basin for the water year to date. The index is computed as the average of the six stations and is expressed in inches and in percent.

Tuolumne Basin Unimpaired Inflow

Unimpaired inflow to SFPUC reservoirs and Tuolumne River at La Grange as of December 1 is summarized below in Table 2. Water available to the City is also shown in Table 2.

| | November 2006 | | | | October 1, 2006 through November 31, 2006 | | | |
|---|---------------|---------------------|----------------------|--------------------|---|---------------------|----------------------|--------------------|
| | Observed Flow | Median ⁶ | Average ⁶ | Percent of Average | Observed Flow | Median ⁶ | Average ⁶ | Percent of Average |
| Inflow to Hetch Hetchy Reservoir | 4,447 | 6,892 | 14,125 | 31.5% | 6,980 | 10,442 | 20,223 | 34.5% |
| Inflow to Cherry Reservoir and Lake Eleanor | 3,743 | 8,406 | 16,105 | 23.2% | 3,743 | 11,742 | 21,242 | 17.6% |
| Tuolumne River at La Grange | 17,279 | 24,262 | 47,023 | 36.7% | 28,207 | 39,873 | 63,955 | 44.1% |
| Water Available to the City | 0 | 0 | 12,929 | 0.0% | 0 | 0 | 14,856 | 0.0% |

⁶ Hydrologic Record: 1919 – 2005.

Hetch Hetchy System Operations

November continued to be dry. The powerdraft from Hetch Hetchy Reservoir was sustained at only the amount required to meet SJPL deliveries. The powerdraft from Cherry Reservoir was kept at the minimum required to meet the City's load. Kirkwood Powerhouse Unit #2 has been shutdown since late June for repairs but will be returned to service by December 15th. The scheduled rewind was postponed to 2007 due to problems with the manufacturing of the new parts.

In November, no water was pumped from Lake Eleanor to Lake Lloyd.

SJPL Diversion

The average rate of the San Joaquin Pipeline diversion during November was 219 mgd.

Local System

The average rate at the Sunol Valley Water Treatment Plant (SVWTP) for the month of November was 9 mgd. The average rate at Harry Tracy Water Treatment Plant during November was 29 mgd. November water demands averaged approximately 188 mgd. Water demand on December 1, 2006 was approximately 186 mgd.

Table 3 - Precipitation totals for November at three local reservoirs

| Reservoir | Month Total (inches) | Percentage of Normal for the Month | Year To Date ⁷ (inches) | Percentage of Normal for the Year to Date ⁷ |
|-----------------|----------------------|------------------------------------|------------------------------------|--|
| Pilarcitos | 4.72 | 93 % | 5.34 | 67 % |
| Crystal Springs | 2.91 | 98 % | 3.35 | 71 % |
| Calaveras | 2.98 | 112 % | 3.15 | 76 % |

⁷ Since 7-1-2006

Figure 1: Water Year 2007 cumulative precipitation received at Hetch Hetchy Reservoir through the end-of-month November. Wet, dry, median and WY 2006 precipitation for the station at Hetch Hetchy are included for comparison purposes.

Precipitation at Hetch Hetchy: Water Year 2007

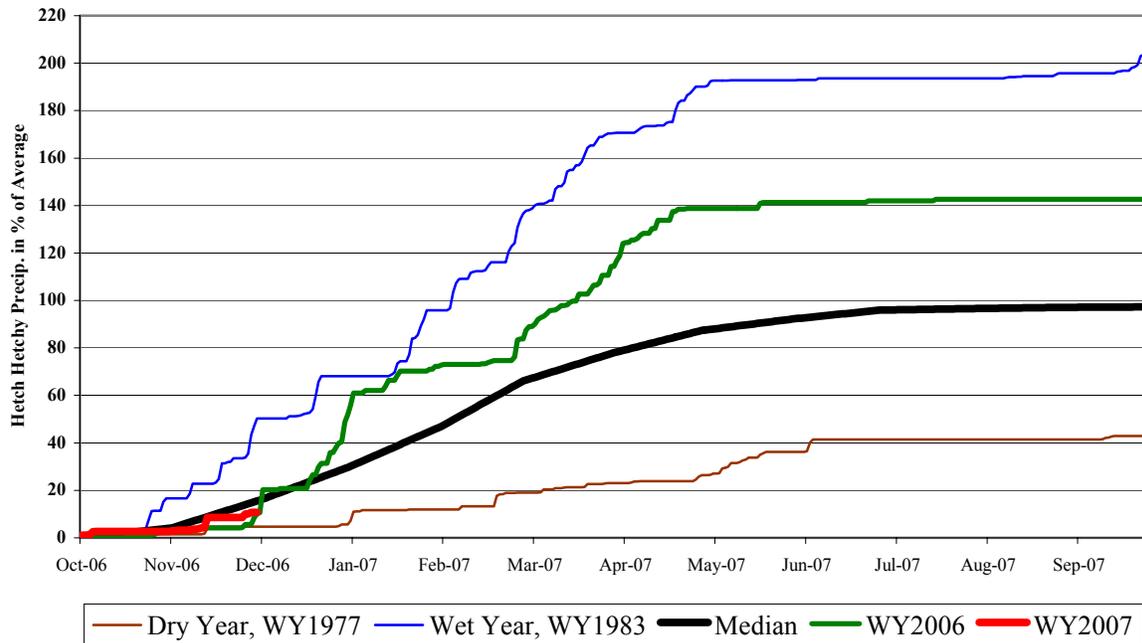
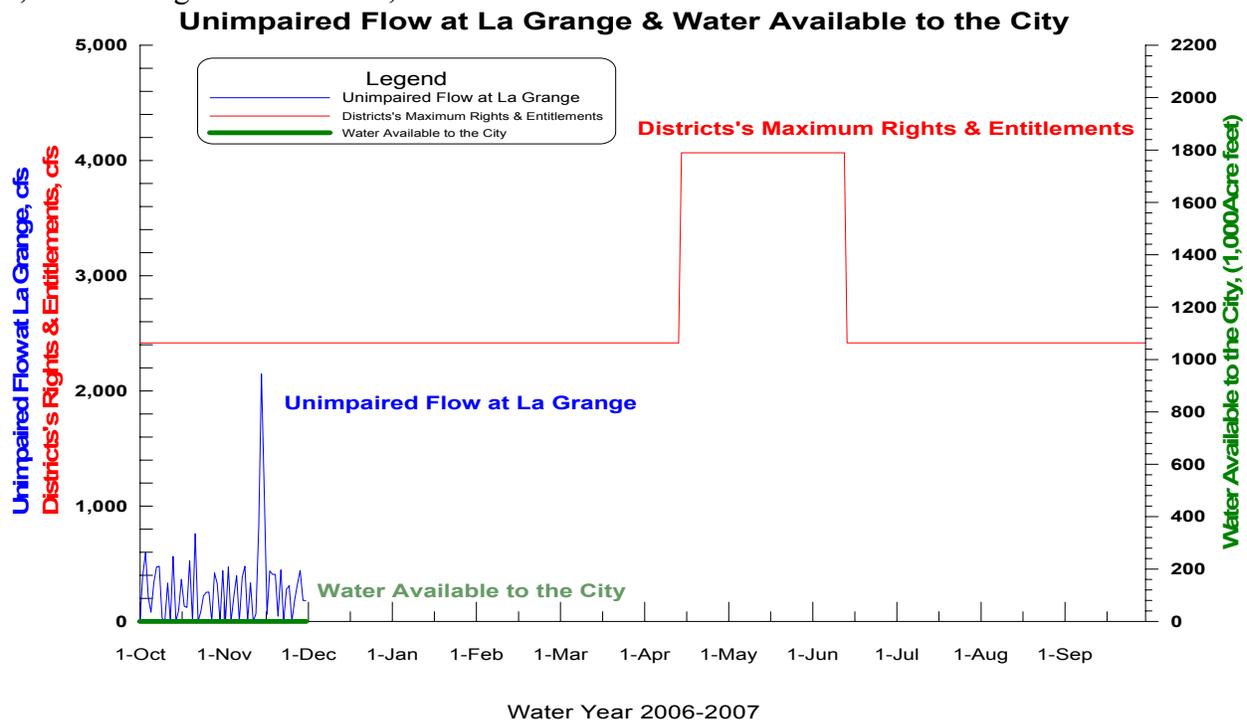


Figure 2: This graph shows the calculated unimpaired flow at La Grange and the allocation of flow between the Districts and the City. Water available to the City for the period from October 1, 2006 through November 30, 2006 is zero acre-feet.



| | | | | |
|----|-----------------|---------------------|-------------------|-------------------|
| cc | HHWP Records | Fong, Mike | Larramendy, Don | Sanguinetti, Dave |
| | Bauer, Leo | Gass, Matt | Levin, Ellen | Tsang, Michael |
| | Carlin, Michael | Hale, Barbara | McGurk, Bruce | |
| | Chester, John | Hannaford, Margaret | Rickson, Norman | |
| | Davis, Cheryl | Jensen, Art | Samii, Camron | |
| | DeGraca, Andrew | Kehoe, Paula | Sandkulla, Nicole | |

STAFF REPORT

To: Ed Schmidt, General Manager

From: Jim Teter, District Engineer

Agenda: January 9, 2007

Report Date: January 3, 2007

Subject: Engineering Projects Received for Review During December, 2006

Recommendation:

None. The agenda item is informational.

Background:

The Board of Directors has requested a monthly report from the District Engineer on proposed new developments which have been forwarded to him for engineering review.

Projects Received:

There were no projects received for review.

Fiscal Impact:

None. All costs of engineering review are paid by the project applicant.

RESOLUTION NO 2006-25

AMENDING THE PERSONNEL MANUAL

COASTSIDE COUNTY WATER DISTRICT

WHEREAS, the Board of Directors of the Coastside County Water District first adopted a written set of guidelines for employee policies in 1969 and has revised and updated such policies from time to time thereafter, most recently by Resolution 2006-22 approved on November 14, 2006; and

WHEREAS, the Board wishes to amend the Personnel Manual as specified herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Coastside County Water District that:

1. Section 2.07B of the Personnel Manual is hereby amended to read as follows:

“B. Holiday Pay. A non-exempt employee who is scheduled to work on an officially observed District holiday listed under Section 3.02 shall be compensated at double time for all hours worked on that holiday up to 8 hours and, in addition, shall receive 8 hours of comp time. Unscheduled work on a holiday shall be compensated pursuant to the District’s overtime policy and not pursuant to this paragraph. Comp time accrued pursuant to this paragraph shall be used within 90 days of accrual on a date approved in advance by the employee’s supervisor in accordance with the operational needs of the District. No more than 8 hours of accrued comp time shall be maintained by an employee pursuant to this paragraph, and unused accrued comp time shall not be compensated Work on a holiday in excess of 8 hours shall be paid at time and one half. When a holiday falls on a weekend, it will be observed either the prior Friday or following Monday. Holidays which fall during a vacation period or when an employee is absent because of illness shall not be charged against the employee's vacation or sick leave balance. When a holiday falls on an employee's scheduled day off, the day shall be added to the employee's vacation balance or compensated for.”

BE IT RESOLVED FURTHER that General Manager is directed to incorporate the foregoing amendments into the Personnel Manual and distribute an updated copy to each District employee.

PASSED AND ADOPTED this 12th day of December, 2006, by the following votes of the Board of Directors:

AYES: Coverdell, Mickelsen, Feldman, Ascher, Larimer

NOES:

ABSENT:

Jim Larimer
President, Board of Directors

ATTEST:

Secretary of the Board of Directors

STAFF REPORT

To: Coastside County Water District Board of Directors
From: Anthony P. Condotti, District Legal Counsel
Agenda: January 9, 2007

Report

Date : January 4, 2007

Subject: APPLICATION TO PRESENT A LATE LIABILITY CLAIM TO
COASTSIDE COUNTY WATER DISTRICT

Recommendation:

That the Board of Directors reject the application to present the following late liability claim and direct staff to provide notice of rejection to Claimant.

| | |
|---|-------------------|
| Claimant: | Allied Insurance |
| Insured Party: | James Rourke |
| Date of Occurrence: | April 5, 2006 |
| Date of Claim: | November 30, 2006 |
| Date of Application to Present Late Claim: | December 21, 2006 |
| Amount of Claim: | \$3,895.32 |

Claimant filed an application to present its late liability claim to the District on December 21, 2006. The claim was initially submitted on November 30, 2006 which was past the six-month limitations period for presenting the claim. The claim arose out of an April 5, 2006 collision between the Claimant's insured's vehicle and a District vehicle which, according to a police report prepared in connection with the incident, was caused by Claimant.

Attachment:

Claimant's December 21, 2006 Application to File Late Liability Claim

Staff Report
Meeting of August 10, 2004
Page 2 of 3



December 21, 2006

RECEIVED

DEC 26 2006

COASTSIDE COUNTY
WATER DISTRICT

Coastside County Water District
Attn: Ed Schmidt
766 Main Street
Half Moon Bay, CA 94019

RE: Application for Leave to Present a Late Claim
Your Claim No.: 07-8311
Date of Loss: 04/05/2006
Our Insured: James Rourke
Our Claim No.: 84M13642

Dear Ed Schmidt:

Per your instructions in the enclosed letter consider this our Application for Leave to Present a Late Claim as required by Government Code.

Our insured, Mr. James Rourke presented a claim with you at the time of the loss and was assigned the claim number listed above. After our insured was unable to resolve his damages with you directly he then presented a claim under his personal auto policy on October 11, 2006. We have issued payments for damages to our insured vehicle for which subrogation rights have been asserted.

Since the original claim was filed by our insured with your office and this subrogation claim results from an impasse in settlement, AMCO Insurance requests that you reconsider our subrogation claim.

Please contact our office if you require any further information, or if you would like to discuss any aspect of this claim.

Sincerely,

Tim Kalvig
Subrogation Recovery Representative
AMCO Insurance Co.
3820 109th St., Dept 2019
Des Moines, IA 50391-2019
800-879-6707 x 3260
800-562-4339 Fax
Email kalvig@Nationwide.com

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Ed Schmidt, General Manager

Agenda: January 9, 2007

Report

Date: January 3, 2007

**Subject: Notice of Completion – Nunes Water Treatment
Plant Influent Control Valve Replacement Project**

Recommendation: The Board of Directors take the following Actions.

- (1) Accept the Nunes Water Treatment Plant Influent Control Valve Replacement Project as complete.
- (2) Authorize the Notice of Completion to be filed with the County of San Mateo.
- (3) Authorize the release of the retention funds when the Notice of Completion has been recorded and returned to the District.

Background:

The District entered into a contract with Anderson Pacific Engineering Construction Company, on April 18, 2006 for the removal of the existing 12-inch diameter influent control valve and installation of a new district-furnished control valve.

The project was completed on December 11, 2006.

Fiscal Impact: None.

Recorded at Request of
and Return To:

Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN:

1. The undersigned is an owner of an interest or estate in the hereafter described real property, the nature of which is: fee.
2. The full name and address of the undersigned is:
COASTSIDE COUNTY WATER DISTRICT
766 MAIN STREET
HALF MOON BAY, CALIFORNIA 94019
3. On the 11th day of December, 2006 there was completed upon the hereinafter described real property a work of improvement as a whole named Nunes Water Treatment Plant Influent Control Valve Replacement Project, consisting of removal of the existing 12-inch diameter influent control valve and installing a new District-furnished control valve.
4. The name of the original contractor for the work of improvement as a whole was:
Anderson Pacific Engineering Construction Company, 1390 Norman Avenue, Santa Clara, CA 95054-2047.
5. The real property herein referred to is situated in the County of San Mateo, State of California, and described as follows:

The work is located within parcels of land owned by the Coastside County Water District on which the Nunes Water Treatment Plant and the Carter Hill water storage tanks are located. The Nunes Water Treatment Plant is located at the end of Lewis Foster Road in the unincorporated community of Half Moon Bay, California in San Mateo County, Assessor Parcel Number 056-320-090.

COASTSIDE COUNTY WATER DISTRICT

By: _____
Ed Schmidt, General Manager

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Ed Schmidt, General Manager

Agenda: January 9, 2007

Date: January 4, 2006

Subject: General Manager Activities

The following is an accounting of some of the activities I have been involved with for the period of Friday, December 8, 2006 through Thursday, January 4, 2007:

➤ **Held “all employee” meeting on Wednesday, December 20, 2006**

➤ **Met and/or had discussions with the following individuals:**

- Susan Danielson – Project Blueprint
- Tim Frahm – San Mateo County Farm Bureau
- John Parsons, CPA
- Steve Stielstra – TRC Essex
- Kevin Janik – TRC Essex
- Lennie Roberts – Committee for Green Foothills
- Rudi Metzner
- Paul Ringgold – POST
- Marcia Raines – City of Half Moon Bay
- Carolyn Seeley
- Chris Ridgeway, Architect
- Jeff Peck – Big Wave, LLC
- Andy Grubb – Anna Eshoo’s office
- Lewis Rutheford – HMB Review
- Chris Detwiller – POST
- David Lea
- Don McCahon – Bay City Flowers
- Cathleen Brennan
- Ethan Jankowski
- Elena Freeman
- Peggy Ruse
- Quinn Labadie
- Jennifer Stoltz - SFPUC

➤ **Meetings Attended**

- BAWSCA Technical Advisory Committee Meeting – December 7, 2006
- Ev Ascher, Tim Frahm, Kevin Janik – Monday, December 11, 2006
- Aaron Levinson and Jim Larimer – Communication Leasing Services, Inc. – Friday, December 15, 2006
- Lennie Roberts – December 18, 2006
- Montara Water & Sanitary District – Mutual Interest Committee – Monday, December 18, 2006
- Ev Ascher, Jim Larimer, Jeff Peck – Tuesday, December 19, 2006
- Employment interviews for open position – December 21, 2006
- Information Technology Committee meeting with Rudi Metzner re: Hydraulic Model - December 28, 2006

➤ **Upcoming Meetings**

- BAWSCA – Technical Advisory Committee Meeting – January 4, 2007
- SFPUC – Pilarcitos Creek Restoration Workshop – January 10, 2006
- Two meetings of the Human Resource Committee
- One meeting of the Denniston Restoration Committee
- Rate Study Workshop

Coastside County Water District

Employee Meeting – Wednesday, December 20, 2006 – 8:00 a.m.

1. Proposed Denniston Reservoir Restoration Project – *(attachment)*
2. Election of CCWD Board President and Vice-President
3. Recognition of Employee Elias Borba
4. Annual Independent Financial Audit and Management Discussion and Analysis – *(attachment)*
5. Section 3.02 of the CCWD Personnel manual regarding Holiday Pay Schedule - *(attachment)*
6. Update on recruitment of the Public Outreach/Program Development/Water Resources Management Position
7. Status Report on Capital Improvement Projects – *(attachment)*
8. Superintendent of Operations Report *(attachment)*
9. Security – Operation of District Facilities Alarm System
10. Safety
11. Office Manager's Report – including update on Hartford 457 Plan
12. CalPERS Retirement Planning Workshops – *(attachment)*
13. Questions, Comments, Concerns
14. Adjournment

STAFF REPORT

To: Ed Schmidt, General Manager
From: Joe Guistino, Superintendent of Operations
Agenda Date: January 9, 2007

Date: January 4, 2007

Subject: Operational Report – December 2006

Source of Supply- Pilarcitos Lake and Pilarcitos Well 4A were the main source of supply for the month of December. Denniston Reservoir and Denniston Well 9 supplemented this supply up to 7 December, when Denniston WTP was shut down due to high source water turbidity.

Systems Improvement:

Denniston Wells

Well drilling contractors attempted to start the rehab for Denniston Wells 1 and 2 on 18 December but excessive mud at the site prevented their access. With the permission of the farmer, we have laid a bed of rock at the site and they will be on site on 4 January.

Short Term Plant Improvements

Met with District Engineer Jim Teter on 18 December. The following items were addressed:

- Denniston Tank Modifications
 - Plans Complete
 - Bid documents preparation in progress
- Denniston Chemical Feed Systems
 - OSG layout
 - Structural/architectural issues

Denniston 60HP High Lift Pump Intake

Scheduled for January 2007.

District Security

All staff has been trained and the motion detector and passcode pad at all facilities (WTPs and Main Office) have been activated.

Main Street Project

Contractor continued to install water main to about 60 feet south of the Rt. 92 intersection. Pipeline is in service from Lewis Foster Dr to Highway 1 but not tied in to the El Granada pipeline

Facilities Beautification and Enhancement

El Granada Tanks 1, 2 and 3 as well as the Mirmar Tank Site have been cleaned up. New spigots for process samples have been installed at both WTPs.

Nunes Influent Meter

This project is complete and the Nunes Influent Control Valve Project has been closed.

Crystal Springs Telecommunication Failures

The radios and antennae have been replaced, bringing our backup communication system back on line. The primary system will be brought up to standard this Spring. The SCADA computer at this site was also problematic and was replaced on 22 December. There have been no alarms from this site since that time.

Update on Other Activities:

Water Quality Monitoring Program

Sampling program is complete for 2007.

Elias Retires

Long-term employee Elias Borba retired in December. His last day on the job was 26 December. The crews have stepped up to assist me in making his departure as seamless as possible and I hereby give them my recognition for their efforts.

Power Outage

The power outage of 27 December did not significantly impact the District's operation. The emergency generator did not start on it's own. The crew was able to finally get it running.

Emergency Generator

Bid packets were sent to 6 specialty firms as well as posted in bay area newspapers on 15 December. Bids will be opened on Thursday, 4 January at 14:00.

Interagency Cooperation

Worked with the HMBFD to on a few important details:

- Fire Hydrant numbering. We are coordinating efforts to insure that the numbering system for fire hydrants is the same for both agencies.
- Relocation of hydrant on Main Street
- The Fire District is assisting us in flow testing hydrants in El Granada/Princeton as part of the Denniston Tank Modification Project.
- Shoreline Station Fire Flows. Hydrant activity at the Shoreline Station is part of an ongoing training program for new firefighters.

Safety/Training/Inspections

Promotions

Jack Whelen and Jon Bruce have both completed their training at the water treatment plants and are now on the On-Call list. They have been promoted to Maintenance Worker II.

Safety Committee

Monthly meeting was held on 12 December with the following new business:

- The other 2 agencies in the group-SAM and MW&SD will be incorporating ID cards similar to CCWD.
- Will be scheduling a disaster drill and tabletop exercise with the San Mateo Office of Emergency Services this year.

Safety training this month was on Fire Extinguisher Usage and Laboratory Safety.

Department of Health Services

Correspondence

There was no significant correspondence with DHS in the month of December.

Items Requiring Attention

Nunes Underground Diesel Storage Tank

The last inspection uncovered a small but expensive problem with this unit. There is a failure of the tank collar and a deformation of the "top hat", which allows water and pea gravel to enter the sump. Although there is no danger of a diesel leak, we are compelled to fix the problem. Estimates for repair approximate \$15,000. Rather than make the repairs at this time, I am exploring the feasibility of replacing this unit with an above ground unit. Benefits would be elimination of monthly and annual inspection fees as well as avoidance of any potential underground fuel leakage in the future.

4 January 2007

Ms. Thuy Van Nguyen
State of California
Department of Health Services
Drinking Water Field Operations Branch
850 Marina Bay Parkway, Building P, 2nd Floor
Richmond, CA 94804-6403

Reference: December 2006 Monthly Report

Dear Ms. Nguyen:

Enclosed are the following reports for **December**.

Distribution System:

- 20 Total Coliform samples completed and all ABSENT
- Quarterly Disinfection By Products Report – TTHM
- Quarterly Disinfection By Products Report – HAA
- Quarterly Report for Disinfectant Residuals Compliance for Systems Using Chlorine or Chloramines

Nunes Water Treatment Plant:

- Nunes Monthly Summary of Monitoring for SWTR (page 1, 2 and 3)
- Monthly Iron for **December**
- CT Compliance spreadsheet for **December**
- Individual Filter Monitoring Report (1 page)
- Quarterly Report for Disinfection Byproduct Precursors Compliance for Systems Required to Meet the Enhanced Coagulation Requirements

Denniston Water Treatment Plant:

- Denniston Monthly Summary of Monitoring for SWTR (page 1, 2 and 3)
- Monthly Iron, Manganese and Aluminum Report for **December**
- Monthly Iron, Manganese and Aluminum Report for **November**
- CT Compliance spreadsheet for **December**
- Individual Filter Monitoring Report (1 page)

If you have any questions with the reports submitted or would like additional information regarding this matter, please do not hesitate to contact me.

Sincerely,

Joe Guistino
Superintendent of Operations
Coastside County Water District
650 726 4405
jguistino@coastsidewater.org

STAFF REPORT

To: Ed Schmidt, General Manager

From: Jim Teter, District Engineer

Agenda: January 9, 2007

Report Date: January 3, 2007

Date:

Subject: District Engineer Work Status Report

Recommendation:

None. The agenda item is informational.

Background:

The Board of Directors has requested a monthly status report from the District Engineer on his activities.

Work Performed Since Last Board Meeting

Work performed since the last Board of Directors meeting includes:

- Water Treatment Plant Short-Term Improvements. Engineering work is continuing.
 - A. Nunes WTP. Revisions to the draft preliminary plans continued.
 - B. Denniston WTP:
 - 1. Denniston Storage Tank Modifications Project. Teter completed the project plans and specifications, and forwarded 2 copies of these documents to the WTP operating staff (Guistino, Twitchell, and Donovan) for review.
 - 2. Denniston WTP Improvements. The WTP operating staff and Teter are currently finalizing the design concepts for the equipment selection and layout. Teter has begun preparation of the project plans.
- Phase 3 El Granada Pipeline Replacement Project: Work continued on revising the project plans as required by the Caltrans letter of response to the District's

encroachment permit application. The major effort has been in locating qualified consultants available for perform the additional engineering services required for complying with Caltrans' requirements.

- Engineering Advice. Provided the District staff with advice on an as-requested basis on engineering-related topics.

Current Work Assignments:

A description and status report on the District Engineer's current work assignments follows:

1. Preparation of Design Contract Documents for Phases IIIA and IIIB of the El Granada Transmission Pipeline Replacement Project. Current status of the project is as follows:

Engineering design work has been completed on the project drawings except for the changes that may be required by the special study work being performed by EIP and additional work required by Caltrans. Copies of the drawings have been provided to the District for review. The encroachment permit application for work within the Caltrans right of way has been prepared and submitted, and review comments have been received. The review comments from Caltrans require additions to the project plans before the application will be considered complete. Teter is preparing the additional pipeline profile sheets required by Caltrans. The other work for compliance with the Caltrans requirements requires additional field surveying, a geotechnical report including soils borings, and design of the shoring for the construction excavation work. Teter has located the following consultants for performance of that work and is currently obtaining proposals from them (1) surveying: Towill, Inc, (2) geotechnical report including soils borings: Cleary Consultant, Inc., and (3) shoring design: J. M. Turner Engineering, Inc. The encroachment permit applications to the City of Half Moon Bay and County of San Mateo for work within their respective street right of way areas cannot be submitted until the work currently being performed by EIP and the District legal counsel for compliance with the CDP requirements has been submitted and approved.
2. SCADA System Replacement. The District Engineer has begun work on the study for replacement of the existing SCADA (Supervisory Control and Data Acquisition) system. The study will provide recommendations for the new system including cost. This work will be performed in conjunction with the work for the WTP Short-Term Improvements since it requires extensive coordination with the WTP operating staff and the final decisions regarding the short-term improvements.

3. Short-Term Improvements at Nunes & Denniston WTPs. The District Engineer has begun preparation of the plans and specifications for these projects:

Denniston WTP Improvements:

- A. Denniston Storage Tank Modifications Project. A decision has been made to construct the modifications to the Denniston storage tank and the new tank inlet pipeline first. Teter has completed the project plans and specifications, and they have been submitted to the W.T.P. operating staff for review. Next, review by the State Department of Health Services is required. Following all review work, the project will be put out to bid. It is anticipated the bidding process will begin in February 2007.
- B. Denniston Water Treatment Plant Improvements. The WTP operating staff has provided Teter with the basic design concepts for the equipment selection and layout. Teter has begun the project plans.

Nunes WTP Improvements:

Teter is continuing preparation of the Contract Drawings. The draft drawings for the chemical feed pumps and storage tanks for the alum, caustic soda, and sodium hypochlorite systems have been submitted to and reviewed by the WTP operating staff.

Fiscal Impact:

1. El Granada Transmission Pipeline Replacement Project Phases IIIA & IIIB. The current fiscal year Capital Improvement Program contains funding for engineering design work for this project (See the C.I.P. report included elsewhere in the Board meeting packet).
2. SCADA System Replacement. The FY 06/07 Capital Improvement Budget contains \$20,000 for the SCADA system replacement study.
3. Short-Term Water Treatment Plant Improvements. The FY 06/07 Capital Improvement Budget contains funding for this project.

Schedule for El Granada Transmission Pipeline Replacement Project

- | | | |
|----|--|-------------------------|
| A. | El Granada Pipeline Phases 3A & 3B: | |
| | Complete predesign services (surveying & photogrammetry) | February, 2005 |
| | Complete preliminary engineering design | March 3A, June 3B, 2005 |
| | File CDP application for Phase 3A | October, 2005 |

| | |
|---|------------------------------|
| File CDP application for Phase 3B | December, 2005 |
| Obtain CDP's | Sept., 2006 |
| Obtain encroachment permits from the City of Half Moon Bay, Caltrans and San Mateo County | April, 2007 |
| Advertise for Bids | April, 2007 |
| Award Construction Contract | May, 2007 |
| Complete Construction | Nov., 2007 or Spring 2008 |

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Ed Schmidt, General Manager

Agenda: January 9, 2007

Report

Date : January 5, 2007

Subject: Discussion and possible direction to staff regarding request from Cameron Palmer and Y.A. Tittle to transfer a water service connection located at 490 Wavecrest Road to project site located on Main Street

Recommendation:

That the Board of Directors consider the request of Cameron Palmer and Y.A. Tittle, through their agent, architect Douglas L. Snow, to transfer an installed water service connection from property located at 490 Wavecrest Road to the property at 797 Main Street, Half Moon Bay.

Discussion:

Property owners Cameron Palmer and Y.A. Tittle are requesting approval to transfer an existing installed water service connection from the property at 490 Wavecrest Road to 797 Main Street, Half Moon Bay. Currently, Section V of the District's General Regulations prohibits transfers of installed water service connections. The Board of Directors adopted Section V in April 2001, by Resolution No. 2001-08. From the adoption of Resolution No. 855 in 1994 until the adoption of Resolution 2001-08, transfers of installed capacity were permitted. Resolution No. 855 allowed customers with excess installed capacity to reduce the size of the connection and transfer the remaining hydraulic capacity to other property. Resolution 2001-

08 limited transfers of water service capacity based on the transfer provisions embodied in the original Purchase Agreements for the Crystal Springs Project. Since then, two other modifications were made to the transfer policy. Resolution No. 2002-17 was passed in December 2002 and allowed for transfers of water service connections to third-party owned property. The District's current policy, embodied in Resolution No. 2003-19, which was passed in November 2003, (copy attached) changed the terminology for eligible "recipient" property from "confirmation of developability" to "confirmation of potential developability."

Since Mr. Snow is requesting to "uninstall" an already installed one--5/8" PRE-Crystal Springs Project Connection, which is not addressed or allowed under the current transfer policy, he does indeed need to receive Board approval for this exception. According to Mr. Snow, the connection is currently serving a home located at 490 Wavecrest, Half Moon Bay, and the owner wishes to demolish the home and would, therefore, have no further use at this site for the installed connection. The Board previously considered a similar request from Mr. Bob Williamson who had an "excess" one--5/8" Crystal Springs Project Connection installed on his property located at 780 Main Street, Half Moon Bay. He requested to have the installed CSP connection transferred to a third party, and the Board allowed (June 8, 2004) the transfer on the condition that the connection be transferred to developed property being served by a well. This condition was met by Mr. Williamson, and the connection was approved for transfer.

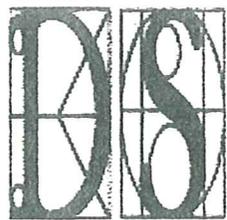
If approved by the Board in concept, the property owner would still be required to process a transfer application in accordance with the District's standard practice.

Attachment:

December 22, 2006 letter from Douglas L. Snow, Architect

cc. Ed Schmidt

Douglas L. Snow, Architect/Artist
272 Main Street
Half Moon Bay, California 94019
Cell Phone: 650.906.4799
douglsnow@sbcglobal.net



Joanna, please copy
Tony & Glenn.
Ed

DECEMBER 22, 2006

TO COASTSIDE WATER DISTRICT
ATTN JOE EUSTINO

REGARDING CAMERON PALMER AND YA TITTLE PROJECT
LOCATED AT 797 MAIN STREET HALF MOON BAY, CA

MR CAMERON IS REQUESTING THAT DUE TO SPECIAL
CIRCUMSTANCES THAT THE BOARD TRANSFER AN ABANDONED
WATER SERVICE LOCATED AT 490 WAVECREST ROAD
TO HIS MAIN STREET PROJECT.

THE SPECIAL CIRCUMSTANCES ARE:

1. PRIORITY SERVICE ARE ALLOWED ONLY FOR VISITOR
SERVING PROJECTS. THIS POLICY DISCOURAGES RESIDENTIAL
USES IN DOWNTOWN HALF MOON BAY, SUCH AS THE PROPOSED
APARTMENTS. THIS REQUEST SUPPORTS DOWNTOWN USE FOR RESIDENTS
FOR A CHANGE.
2. MR CAMERON IS REQUIRED TO ABANDON THE SERVICE
ON WAVECREST, I DO NOT BELIEVE THE BOARD POLICY WAS
DESIGNED TO VACATE A FEACE.
3. MR CAMERON AGREES TO PAY FOR THE REMOVAL
OF THIS IN GROUND SERVICE.

RESPECTFULLY,

DOUGLAS SNOW

RECEIVED

DEC 23 2006

COASTSIDE COUNTY
WATER DISTRICT

RESOLUTION NO. 2003-19

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE COASTSIDE COUNTY WATER DISTRICT
AMENDING SECTION U OF THE DISTRICT'S "GENERAL
REGULATIONS REGARDING WATER SERVICE

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF COASTSIDE
COUNTY WATER DISTRICT AS FOLLOWS:

SECTION 1: Section U "Transfer of Uninstalled Water Service Connection Rights"
of the "General Regulations Regarding Water Service of the Coastsides County Water
District is hereby amended to read as follows:

"U. Transfer of Uninstalled Water Service Connection Rights

1. All water service connection rights that have not been physically
installed are issued for use at specific property described in the application for such
connections and/or in contracts for the purchase of such connections. In all cases, the
transfer of all or a portion of water service connection rights shall comply with all of the
requirements of this section. In no case shall water service connection rights be
transferred until the District has approved the transfer in writing.

2. In order to obtain approval for the transfer of uninstalled water service
connection rights, the owner(s) of the property to which the connection rights are
assigned must submit an application on a form prescribed by the District. Transfer
Application forms will be provided by the District. Complete applications will contain
all of the following information:

a. Identification of the property to which the connection rights
were originally assigned, by Assessor's Parcel Number, lot and block number, and street
address;

b. Identification of the number and size of the existing service connection rights;

c. Identification of the number and size of service connection rights requested for transfer to other property. Service connection rights to be transferred must be in standard sizes of physical connections, e.g., 5/8" (20 gpm), 3/4" (30 gpm), 1" (50 gpm); Transfers of partial capacity (less than 20 gpm) must result in capacity that equates to a standard size connection.

d. Identification of the property to which the service connection rights are to be transferred, by Assessor's Parcel Number, lot and block number, and street address ("transferee property"). If the applicant proposes to transfer service connection rights from more than one transferor property or to more than one transferee property, a separate application must be completed for each physically separate transferor and transferee property;

e. Evidence of the current ownership of both properties, and evidence that all persons having any ownership interest in both properties (1) consent to the transfer of the service connection rights, and (2) acknowledge that the property will no longer be entitled to water service or, as the case may be, will be entitled to fewer connections, once the connection rights are transferred. Also, all parties holding a recorded security interest in the applicant's property or the connection rights must be disclosed and evidence of their approval of the transfer must accompany the application;

f. Documentation from the planning agency of the City of Half Moon Bay or the County of San Mateo, as applicable, establishing that the property to which the service connection rights are proposed to be transferred is potentially developable;

g. An acknowledgment that, if a water distribution pipeline does not serve the new location, the cost of the required pipeline extension will be paid by the applicants;

h. Applicable fees for service connection transfers, and for service connection and meter removal and installation, if applicable;

i. In the case of requests to transfer service connection rights from a parcel that was included in an assessment district formed by the District to finance the construction of the Crystal Springs Water Supply Project, the applicant must provide the following:

(1) Evidence that the assessment levied on the property from which the service connection rights are to be transferred has been paid;

(2) Evidence that the property from which the service connection rights are to be transferred has not previously been included as part of a recorded parcel map or final subdivision map which the District has signed, or for which the District has signed a subdivision agreement, or furnished a will serve commitment letter to a governmental agency, unless all parcels on the map will continue to have the right to a water service connections after the transfer.

j. A document, suitable for recording, and signed by all owners of the property notifying prospective purchasers that, as the case may be, all or a portion of the service connection rights have has been transferred to another property and that the subject property is not entitled to water service through the service connection or, as the case may be, is entitled to reduced capacity, and authorizing the District to record the document.

3. Requests for transfers of service connection rights will not be approved in any of the following cases:

a. If the property to which the service connection rights were originally assigned is included in an assessment district formed by the District in connection with the construction of the Crystal Springs Water Supply Project, unless the owners of the property furnish all of the evidence and documents required by Section U.2.i.

b. If the service connection was for a land use classified as a “priority use” by the City of Half Moon Bay or San Mateo County Local Coastal Plan unless the use at the proposed new location also constitutes a priority land use, unless otherwise approved by said agencies.

c. If the transferee property is outside the District’s boundaries.

d. If the transferee property is not developable, as determined by the City of Half Moon Bay or County of San Mateo, as applicable.

4. Requests to transfer service connection rights that comply with this Section shall be approved by the General Manager. An applicant may appeal the General Manager’s decision denying a transfer application to the Board of Directors. All appeals shall be in writing, and shall contain a brief explanation of the basis for the appeal. To be considered, appeals must be received at the District office within ten calendar days of the date that notice of denial is deposited in the United States Mail. In exceptional cases, the Board of Directors may approve a transfer which does not meet the requirements of Section U.3 or which is not accompanied by all of the materials specified in subsection U.2, other than fees required by Subsection U.2.h., which must be provided in all cases.

In such exceptional cases, the application shall be accompanied by evidence that the transfer shall result in a specific public benefit which justifies the transfer and which, as a whole, will result in the preservation of water resources (such as evidence that the transfer will facilitate the preservation of property from which the connection rights will be transferred as permanent open space).

5. Written notice of transfer shall be provided to all agencies that have been furnished with a “will serve” letter issued by the District indicating that water service is available to the original property.”

SECTION 2: Severability: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, such a decision shall not affect the validity of the remaining portions of the Resolution. The Board of Directors of the COASTSIDE COUNTY WATER DISTRICT hereby declares that it would have passed this resolution by section, subsection, clause and phrase thereof, irrespective of the fact that any one or more other sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

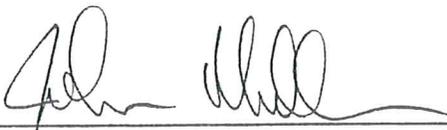
PASSED AND ADOPTED this 18th day of November, 2003 by the following votes of the Board:

AYES: Directors Larimer, Ascher, Coverdell and Muller

NOES:

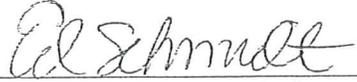
ABSTAIN:

ABSENT: Director Mickelsen



John Muller, President of the Board of Directors
COASTSIDE COUNTY WATER DISTRICT

Attest:



Secretary of the Board of Directors

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Ed Schmidt, General Manager

Agenda: January 9, 2007

Report

Date: January 5, 2007

**Subject: Update on the Denniston Restoration Project,
including a Scope of Work (Draft) for Preparing a
Water Budget and Stream Flow Monitoring**

Recommendation:

Refer the attached proposal to the newly formed Denniston Restoration Committee, (President Larimer and Director Coverdell) for review and recommendation to the full Board of Directors.

Background:

At the December 12, 2006 Board meeting, a Special Board Workshop was held to discuss a concept for restoring the Denniston Reservoir.

At that meeting, Director Ascher expressed the importance of the District's responsibility of stewarding and protecting the essential domestic water supply, which our watersheds provide to coastside residents. He also explained that the District recognizes that others depend on these limited water resources as well, including sensitive aquatic and riparian species, safe beaches and parks, and agricultural irrigation, and also have rights to these waters, based on State and Federal mandates or vested water rights for their beneficial use.

STAFF REPORT

Agenda: January 9, 2007

Subject: Update on the Denniston Restoration Project, including a Scope of Work (Draft) for Preparing a Water Budget and Stream Flow Monitoring

Page Two

Director Ascher also shared the goals of this project, including consideration of the irrigation water needs of the agricultural operator adjacent to this stream and to consider protection and possibly enhancement of the natural attributes of this stream and all associated plant and animal habitats. Director Ascher concluded the introduction to this special workshop, by stating that the District hopes that TRC Essex and the range of State and Federal Agency partners can help the District achieve these goals.

At this workshop, Mr. Kevin Janik, Project Manager, with TRC Essex, reported on the stakeholder discussions, stream flow data, their permitting strategies and discussed the probable next steps to be scheduled, including work with a professional hydrologist to develop a water budget and stream flow monitoring program. Also scheduling meetings with Peninsula Open Space Trust (POST) representatives and the farmer, to discuss the future goals and project parameters.

The Board directed TRC Essex to obtain a scope of work, budget, and time schedule for the project's hydrological assessment (water budget).

Attached is a proposal from Kamman Hydrology and Engineering Inc. (Kamman) to prepare a water budget and creek low flow monitoring program. The total cost for the hydrologist and continued TRC Essex support would be about \$42,300.00.

The Board also directed staff to research District records for stream flow measurements and once obtained, have discussions with POST and Mr. Lea, in an effort to analyze total creek flow and diversions.

District staff has secured some stream flow data, which is presently being analyzed. A meeting of the new Denniston Restoration Committee is being scheduled for later this month. POST representatives and Mr. Lea have been invited to this meeting.

STAFF REPORT

Agenda: January 9, 2007

Subject: Update on the Denniston Restoration Project, including a Scope of Work (Draft) for Preparing a Water Budget and Stream Flow Monitoring

Page Three

Because the proposal arrived just a few days ago, and because of the importance of this project, plus the need for extensive outreach to other stakeholders, I am recommending that this proposal be referred to the new Denniston Restoration Committee for further review and possible presentation to the full Board of Directors at a later date.

Fiscal Impact:

\$42,300.00 for the Scope of Work for TRC Essex and Kamman Hydrology, for the water budget and stream low flow measuring.

RECEIVED

JAN 03 2007

COASTSIDE COUNTY
WATER DISTRICT

CONTRACT MODIFICATION No.1
COASTSIDE COUNTY WATER DISTRICT'S DENNISTON RESERVOIR
RESTORATION PROJECT

CONTRACT No. CCWD001

BACKGROUND

CCWD has contracted TRC Essex to investigate possible restoration and permitting alternatives for Denniston Reservoir. The tasks associated with the initial scope of work have been completed and TRC Essex delivered an Initial Findings Report to CCWD on December 12th, 2006. During the first phase considerable progress was made with various stakeholders as well as local, state and federal agencies. In order to build on the momentum that has been created and to follow up with the "next steps" that are outlined in the Initial Findings Report TRC Essex has developed this contract modification to the existing contract.

SCOPE OF WORK ADDITIONS

Continued Agency and Stakeholder Consultation

TRC Essex will need to continue consultation with the U.S. Fish and Wildlife Service (USFWS), California Dept. of Fish and Game (CDFG), National Oceanic and Atmospheric Administration Fisheries (NOAA) and other agencies to investigate the possibility of creating a federal recovery action project for Denniston Reservoir. Continued consultation with Peninsula Open Space Trust (POST) and the resident farmer in the watershed is expected. TRC Essex will continue to attend meetings with CCWD, POST and other stakeholders.

Management and Coordination with Kamman Hydrology

TRC Essex recommends a subcontract with Kamman Hydrology and Engineering Inc. (Kamman) to develop a water budget and implement a flow monitoring program for Denniston Creek (see Attachment A), under the existing contract.

COSTS

TRC Essex will provide these services on a time and materials basis, not to exceed \$42,300, and as detailed by the spreadsheet in Attachment B.



December 13, 2006

Kevin Janik
Associate
TRC Essex
637 Main Street
Half Moon Bay, CA 94019

Subject: Proposed Scope of Work – Water Budget Development
Denniston Creek Watershed, San Mateo County, CA

Dear Kevin:

Kamman Hydrology & Engineering, Inc. (KHE) is pleased to present this Scope of Work to develop a surface water budget for the Denniston Creek Watershed, San Mateo County, California. It is our understanding that you are assisting the Coastal County Water District (CCWD) in evaluating the impacts on water availability to municipal and agricultural users in response to the recent establishment of minimum instream flow requirements on Denniston Creek. In addition, CCWD would also like to evaluate opportunities to increase on-stream storage through improvements to Denniston Reservoir, which is currently filled with sediment. Per our discussions, you've requested that we provide you with a scope of work and cost estimate to conduct two primary tasks; (1) an initial feasibility study focused on development of a detailed surface water budget; and (2) scope and cost estimate to complete low flow monitoring at selected locations along Denniston Creek. A proposed scope of work and schedule follows. Estimated costs to complete the analysis are broken down by Task on Table 1.

PROPOSED SCOPE OF WORK

Task 1: Water Budget Development and Feasibility Study

Subtask 1.1: Review Background Material

The purpose of this task is to research the historic and existing hydrologic conditions for Denniston Creek and adjacent reference watersheds. We will obtain and review available hydrology, geology, and groundwater studies within the region to better understand and quantify surface and subsurface hydrologic conditions and processes controlling the flow of water to and through the Denniston Creek watershed. We will likely work with TRC Essex and CCWD to obtain the following (but not limited to) information: a) creek flow monitoring data/records; b) municipal water withdrawals; c) agricultural water withdrawals; d) existing and future municipal/agricultural water demands; e) historic rainfall records; f) any agricultural return flow information; and g) detailed information regarding the channel, ponds/reservoirs (esp. Denniston Reservoir geometry and/or stage-volumen relationship); and g) water delivery structures that control/affect the rate/volume of water flowing through Denniston Creek. It is our understanding that flow data for Denniston Creek may be limited, thus we also propose to identify and obtain historical stream flow records for local area creeks displaying similar runoff characteristics to Denniston Creek. These "reference stream" flow records may be correlated to available Denniston Creek flow data in an effort to develop a longer-term flow record representative of Denniston Creek at selected locations. This task also includes time to interview and research the water-use history of the Denniston Creek watershed, post likely through interviews with CCWD staff. The specific objective of this work will focus on quantifying the existing, historic, and future water availability and demands in the watershed. We will also likely request the CCWD for any information regarding water rights and diversion application information not available through the state Department of Water Resources.

Subtask 1.2: Site Reconnaissance

This task includes time and budget to complete an introductory site visit with TRC Essex and CCWD staff to tour the watershed and gain first-hand observations of watershed conditions, landuse, and water operation infrastructure. This site visit will also provide us with the opportunity to learn more about the specific watershed conditions and CCWD operations through interaction with TRC and CCWD staff.

Subtask 1.3: Develop Water Budgets

The objective of this task is to develop a water budget for the basin to, a) evaluate the impacts of instream flow requirements on existing water users and b) evaluate the feasibility for a suite of conceptual Denniston Reservoir enhancement alternatives that could be implemented to improve both water supply and ecological habitat conditions for local area sensitive species. The water budget will likely take the form of a spreadsheet model and will capture seasonal flow changes and associated inundation/habitat areas within Denniston Reservoir. A primary variable in the water budget will be development of unimpaired flow rates at selected creek locations using the information gained under Task 1.1. The water budget model will not “route” flows through the a creek channel network, but will essentially represent a series of flow rates or ponded water volumes at selected locations throughout the watershed. We will identify these specific locations through discussions with TRC Essex and CCWD staff.

Reservoir water level changes will be calculated based on balancing inflow to- and losses (including evaporation/evapotranspiration) from the reservoir. Other water budget variables will be derived from the information obtained during the background review as well as analysis of available local rainfall data (e.g., NOAA, National Weather Service, DWR’s California Data Exchange Center), runoff estimates (USGS and CDEC stream flow), and evaporation measurements (e.g., CIMIS, NOAA). We will evaluate the need to integrate groundwater exchange as we learn more about the basin.

The water budget model will be developed to represent existing conditions. In addition to this water budget, we will work closely with TRC Essex staff to define three Denniston Reservoir restoration scenarios (i.e. varying lake configurations and sizes) for evaluation. The water budget developed for existing conditions and each restoration scenario will include median and dry water year-type scenarios in order to evaluate how creek flow rates, reservoir water levels/volumes and associated ecological habitats fare under “normal” and dry-year conditions. If a multi-year unimpaired flow record is successfully generated as part of this study, an alternate water budget analyses will be incorporated by simulating long-term chronological periods that include multi-year droughts and wet periods.

Subtask 1.4: Reporting

All data, observations, descriptions of water budget scenarios, analytical methods, water budget results, discussions of findings, and recommendations regarding the hydrologic feasibility for restoration of Denniston Reservoir will be presented in a comprehensive report. The report will incorporate results into text, summary tables, figures, and maps, as necessary. The report will contain sections that: (1) quantify changes in water availability; (2) identify data gaps/weaknesses encountered during analyses along with a discussion that describes and qualifies any uncertainty associated with water budget and other hydrologic analyses performed; and (3) identify recommendations for any future feasibility and/or design analyses.

TASK 2: Low Flow Monitoring

In anticipation of a possible data gap in available flow data, the following task outlines a scope of work to complete one season of baseflow monitoring at various locations within the Denniston Creek watershed. This monitoring effort includes completing a series of field visits to measure baseflow rates at between 6 to 8 locations within the watershed. We propose completing flow measurements on a monthly basis during the post-rainy season (flow recession) period of May through October to quantify the seasonal stream baseflow rates. During each visit, we propose completing detailed flow measurements and general

water quality (temperature, pH, specific conductance, and dissolved oxygen) measurements at six locations. For purposes of this proposal, we assume six one-day monitoring events. This task also includes the installation of two flow recorders at strategic locations in order to continuously monitor flow rates. These instruments will be strategically located in order to continuously monitor changes in flow rates in reaches of creek that may be sensitive to water withdrawals. These data, along with diversion records obtained from CCWD, will be useful in quantifying natural- and human-induced changes in baseflow rates over the monitoring period. This task also includes time to process field and recorder flow measurement data sheets, handle/analyze data, and prepare a technical memorandum summarizing the methods and results of the baseflow monitoring effort.

SCHEDULE

Work can be initiated immediately upon authorization. We anticipate Task 1 can be implemented in a 4-month time-frame pending availability of Denniston Creek flow data from CCWD. A faster turn-around is possible if needed. Task 1 may be delayed if it is determined that the data from Task 2 is needed for water budget development. Task 2 would be initiated in May of 2007 and completed in October 2007.

Thank you for this opportunity to provide you with our hydrology consulting services. If you have any questions or concerns, please call me.

Sincerely,



Greg Kamman
Principal Hydrologist

Attachments: Table 1 – Cost Estimate

TABLE 1: COST ESTIMATE

Denniston Creek Hydrology Investigations

| | KHE | | | | | | Admin. Assistant | TASK SUBTOTAL |
|---|-------------------------------|----------------------------------|-------------------------------|--------------------------------------|----------------------------|------------------------------|------------------|--------------------------|
| | Principal Engineer \$165.0 | Principal Hydrologist \$165.0 | Associate Engineer \$140.0 | Associate Geomorphologist \$130.0 | Field Technician \$75.0 | CAD/GIS Technician \$75.0 | | |
| Task 1: Water Budget Development/Feasibility Study | 0 | 42 | 82 | 0 | 0 | 6 | 0 | \$18,860 |
| 1.1 Review Background Material | | 8 | 24 | | | | | |
| 1.2 Site Reconnaissance | | 6 | 6 | | | | | |
| 1.3 Develop Water Budgets | | 16 | 32 | | | | | |
| 1.4 Reporting | | 12 | 20 | | | 6 | | |
| | | | | | | | | LABOR SUBTOTAL |
| | | | | | | | | \$18,860 |
| DIRECT EXPENSES | | | | | | | | \$53 |
| Milage (1 site visit @ 120 miles round trip) | | | | | | | | \$50 |
| REIMBURSABLE EXPENSES | | | | | | | | \$5 |
| Report reproduction | | | | | | | | \$5 |
| 10% markup on reimbursable costs | | | | | | | | \$5 |
| | | | | | | | | EXPENSES SUBTOTAL |
| | | | | | | | | \$55 |
| | | | | | | | | TOTAL |
| | | | | | | | | \$18,915 |

| | KHE | | | | | | Admin. Assistant | TASK SUBTOTAL |
|--|-------------------------------|----------------------------------|-------------------------------|--------------------------------------|----------------------------|------------------------------|------------------|--------------------------|
| | Principal Engineer \$165.0 | Principal Hydrologist \$165.0 | Associate Engineer \$140.0 | Associate Geomorphologist \$130.0 | Field Technician \$75.0 | CAD/GIS Technician \$75.0 | | |
| Task 2: Low Flow Monitoring | 0 | 36 | 0 | 108 | 0 | 0 | 0 | \$19,980 |
| Field Work | | 12 | | 60 | | | | |
| Data Handling and Reporting | | 24 | | 48 | | | | |
| | | 36 | 0 | 108 | 0 | 0 | 0 | LABOR SUBTOTAL |
| | | | | | | | | \$19,980 |
| DIRECT EXPENSES | | | | | | | | \$320 |
| Milage (6 site visits @ 120 miles round trip) | | | | | | | | \$600 |
| Streamflow measurement equipment (6 visits @ \$100/day) | | | | | | | | \$1,800 |
| Continuous Water Level Recorders (\$900 ea.) staff plates (2 @ \$100/ea.) | | | | | | | | \$200 |
| REIMBURSABLE EXPENSES | | | | | | | | \$100 |
| Field supplies | | | | | | | | \$50 |
| Report reproduction | | | | | | | | \$15 |
| 10% markup on reimbursable costs | | | | | | | | \$15 |
| | | | | | | | | EXPENSES SUBTOTAL |
| | | | | | | | | \$3,085 |
| | | | | | | | | TOTAL |
| | | | | | | | | \$23,065 |

| | January | February | March | Hours | Rate | \$ |
|--|-----------|----------|----------|-------|--------|-----------|
| TRC ESSEX PROFESSIONAL HOURS/FEES | | | | | | |
| Task 1: Agency and Stakeholder Consultation | | | | | | |
| Managing Director | 2 | 2 | 2 | 6 | 170.00 | 1,020.00 |
| Project Director | - | - | - | - | 155.00 | - |
| Senior Associate | - | - | - | - | 125.00 | - |
| Lead Planner | - | - | - | - | 105.00 | - |
| Associate | 32 | 32 | 32 | 96 | 90.00 | 8,640.00 |
| Research Assistant | - | - | - | - | 75.00 | - |
| Administrative | - | - | - | - | 55.00 | - |
| GIS Specialist II | - | - | - | - | 90.00 | - |
| GIS Specialist I | - | - | - | - | 75.00 | - |
| Environmental Compliance Supervisor | - | - | - | - | 100.00 | - |
| Lead Environmental Inspector | - | - | - | - | 90.00 | - |
| Environmental Inspector II | - | - | - | - | 85.00 | - |
| Environmental Inspector I | - | - | - | - | 70.00 | - |
| Subtotal Fees: | 3,220.00 | 3,220.00 | 3,220.00 | 102 | - | 9,680.00 |
| Task 2: Management and Coordination with Kamman Hydrology | | | | | | |
| Managing Director | 1 | 1 | 1 | 3 | 170.00 | 510.00 |
| Project Director | - | - | - | - | 155.00 | - |
| Senior Associate | - | - | - | - | 125.00 | - |
| Lead Planner | - | - | - | - | 105.00 | - |
| Associate | 32 | 20 | 20 | 72 | 90.00 | 6,480.00 |
| Research Assistant | - | - | - | - | 75.00 | - |
| Administrative | - | - | - | - | 55.00 | - |
| GIS Specialist II | - | - | - | - | 90.00 | - |
| GIS Specialist I | - | - | - | - | 75.00 | - |
| Environmental Compliance Supervisor | - | - | - | - | 100.00 | - |
| Lead Environmental Inspector | - | - | - | - | 90.00 | - |
| Environmental Inspector II | - | - | - | - | 85.00 | - |
| Environmental Inspector I | - | - | - | - | 70.00 | - |
| Subtotal Fees: | 3,050.00 | 1,970.00 | 1,970.00 | 75 | - | 6,990.00 |
| TOTAL TRC ESSEX HOURS | | | | | | |
| Managing Director | 3 | 3 | 3 | 9 | - | 1,530.00 |
| Project Director | - | - | - | - | - | - |
| Senior Associate | - | - | - | - | - | - |
| Lead Planner | - | - | - | - | - | - |
| Associate | 64 | 52 | 52 | 168 | - | 15,120.00 |
| Research Assistant | - | - | - | - | - | - |
| Administrative | - | - | - | - | - | - |
| GIS Specialist II | - | - | - | - | - | - |
| GIS Specialist I | - | - | - | - | - | - |
| Environmental Compliance Supervisor | - | - | - | - | - | - |
| Lead Environmental Inspector | - | - | - | - | - | - |
| Environmental Inspector II | - | - | - | - | - | - |
| Environmental Inspector I | 67 | 55 | 55 | 177 | - | 16,650.00 |
| Subtotal: | 6,270.00 | 5,190.00 | 5,190.00 | - | - | 16,650.00 |
| TRC ESSEX FEES | | | | | | |
| TRC ESSEX OTHER DIRECT COSTS | | | | | | |
| SUBCONTRACTOR (Kamman Hydrology) | 25,371.50 | - | - | - | - | 25,371.50 |
| TRAVEL | 100.00 | 100.00 | - | - | - | 200.00 |
| FIELD PER DIEM | - | - | - | - | - | - |
| FIELD EQUIPMENT/SUPPLIES | - | - | - | - | - | - |
| SUPPLIES | 25.00 | 25.00 | 25.00 | - | - | 75.00 |
| COPY/PRINTING | - | - | - | - | - | - |
| UPS/FEDERAL EXPRESS | - | - | - | - | - | - |
| TOTAL ODCs | 25,496.50 | 125.00 | 25.00 | - | - | 25,646.50 |
| GRAND TOTAL | 31,766.50 | 5,315.00 | 5,215.00 | - | - | 42,296.50 |

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Ed Schmidt, General Manager

Agenda: January 9, 2007

Report

Date: January 4, 2007

**Subject: Award of Contract for Emergency Generator
Replacement Project**

Recommendation

Award contract for replacement of emergency generator to California Generator Service for their bid price of \$55,000.

Background

The generator at the District Center is near the end of its useful life. Staff has reported that it is having starting on during a power failure and there is concern that it could fail at a critical time. The corporation yard emergency power generator is a critical component of our Emergency Preparedness Plan. In times of power outages, the generator supplies power to the telemetry panel, automatic dialer, shop equipment and computers at the District Center.

The generator did not start during the power failure on the week of 26 December and required the assistance of field staff to make it operational.

Fiscal Impact

We have gone out to bid twice this year and both times received only one bid. We received a bid for \$55,000 at the September bid opening and a bid for \$102,000 at the January 4th bid opening. The first bidder, California Generator Service, agreed to honor their first bid as is. Forty five thousand dollars for its replacement has been carried over from the FY 05-06 budget and there is sufficient money in our capitol budget to make up the difference.

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Ed Schmidt, General Manager

Agenda: January 9, 2007

Report

Date: January 5, 2007

**Subject: Update on recruitment for Public Outreach /
Program Development / Water Resource
Management position**

Recommendation:

None, for Board information purposes only.

Background:

At the October 10, 2006 Board meeting, the Board approved the filling of the vacant position of Water Conservation Coordinator and approved several changes to the position description. We started the recruitment immediately. Advertisements were placed at the following sites:

- District website
- HMB Review
- California Urban Water Conservation Council (CUWCC)
- American Water Works Association (AWWA)
- Water Environment Federation

STAFF REPORT

Agenda: January 9, 2007

Subject: Update on recruitment for Public Outreach / Program Development / Water Resource Management position

Page Two

- Water Jobs
- California Water Environment Association
- Stanford University
- Cornell University
- SFSU
- SJSU
- U C Berkeley
- U C Santa Cruz

The recruitment was closed on December 7, 2006 and Director Feldman and I interviewed five (5) applicants on Thursday, December 21, 2006. Director Feldman and I agreed on the top candidate and a person who is number 2.

Each applicant was asked questions on the following: their education and job experience, what prompted their interest in CCWD, the status of their present job, career goals, grant writing and grant administration, water conservation and demand management, newsletter preparation, public speaking experience, conservation workshop preparation, Excel and report writing skills, computer modeling, and others.

These top two (2) candidates are being invited for a second interview, this time with the Personnel Committee members, (Directors Ascher and Feldman), and me. Those interviews will be held on Friday, January 12, 2007. After that I will commence with a background check and the final candidate will complete a physical exam before a job offer is tendered.

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Ed Schmidt, General Manager

Agenda: January 9, 2007

Report

Date: January 5, 2007

Subject: Discussion and possible direction to staff regarding the project associated costs of the U.S. Fish & Wildlife Service component, for the El Granada Pipeline Coastal Development Permit

Recommendation:

None, for Board information purposes only.

Background:

I have been asked by President Larimer to provide a cost estimate of staff and consultant charges associated with time spent on U.S. Fish & Wildlife Service's involvement for our El Granada Pipeline Coastal Development Permit. That involvement was recommended by Coast Range Biological as part of the City of Half Moon Bay Planning Commission's conditions of approval on August 24, 2006.

Attached is a report from George Burwasser (EIP Associates, a Division of PBS&J), Project Manager of Environmental Services for our El Granada Pipeline permit application process.

His estimated cost for this early effort is \$31,984.93. His report and spread sheet are attached. Other costs are Jim Teter (CCWD Engineer), approximately \$1,000.00, Tony Condotti (District Legal Counsel) approximately \$390.00, and me, approximately \$500.00, for a total fiscal impact of \$33,874.93.



To: Ed Schmidt, General Manager
Coastside County Water District
776 Main Street
Half Moon Bay CA 94019

From: George J. Burwasser, Project Manager, EIP Associates

Date: 20 December 2006

Project: El Granada Pipeline Replacement Project – PBSJ Project # D41236.00

Subject: United States Fish and Wildlife Service – Project-related Costs

Ed;

The basis for involvement of the United States Fish and Wildlife Service (the Service) is the City's incorporation, verbatim, of the mitigation measures from the May 2006 report by Coast Range Biological, LLC (the Assessment) as part of the Planning Commission's conditions of project approval (August 24, 2006). Conditions 29(c) and 29(e) specify the Service as an agency to be consulted for guidance in the event California red-legged frogs are observed in the vicinity of the project during preconstruction surveys [29(c)] or San Francisco garter snakes are observed in the vicinity of the project during construction within 500 feet of suitable San Francisco garter snake habitat [29(e)].

The EIP/PBS&J July 17, 2006 review of the Assessment noted that most of the areas that might have provided California red-legged frog habitat actually were described in the Assessment as unsuitable. Our review noted that the two areas considered suitable, Frenchman's Creek and Naples Creek, would not be disturbed because no work would occur within them – the pipe would be installed by jack-&-bore from outside the sensitive areas – and extensive preconstruction surveys seemed unnecessary. Our review noted that monitoring for the San Francisco garter snake was appropriate where suitable habitat existed (Frenchman's Creek and Kehoe Ditch), but that much of the habitat described in the Assessment was unsuitable and that monitoring in those areas seemed excessive.

Because surveys and monitoring occur during the construction phase of the project, all that should be needed during the design phase would be to identify the suitable habitat areas for both species and prepare protocols for the surveys and monitoring, if either or both proved necessary. Even under Conditions 29(c) and 29(e), the Service would be involved only if members of the species actually were observed in the vicinity of the project.

The following accounting represents the cost of work performed by EIP/PBS&J at the District's request in response to the City's requiring early involvement of the Service. To the best of my ability, I have included only the portion of those tasks that would not have been necessary otherwise. With the exception of the initial survey for wetland plant species to ensure pipeline installation would not disrupt wetlands, all our work related to the field conference with the Service, preparation and submittal of the Wetland Delineation for the Corps of Engineers, preparation of the



Coastal Act Wetland Maps for the City and the Service, preparation of extensive surveying and monitoring protocols, and contacts with the Service and the California Coastal Commission stem from that requirement. The calculated cost is \$31,984.93. The attached list provides an outline of why and when those costs were incurred.

Please do not hesitate to contact me if further detail or explanation is needed.

Thank you.

George

George J. Burwasser, PG
Project Manager
PBS&J California Science and Planning Division

**EL GRANADA PIPELINE REPLACEMENT PROJECT
EIP/PBS COSTS RELATED TO EARLY INVOLVEMENT OF
THE UNITED STATES FISH AND WILDLIFE SERVICE**

| EMPLOYEE INITIALS - TASK DESCRIPTION | BILLING DATE | COST |
|--|---------------------|-------------|
| GB - set-up noise monitoring program for butterfly habitat | 8/20/2006 | \$ 995.00 |
| CB - wetland field work | | \$ 475.00 |
| DE - wetland field work | | \$ 312.50 |
| DE - Wetland Delineation report | | \$ 812.50 |
| GB - meet with City at District office for mitigation discussion; set-up Wetland Delineation | | \$ 1,812.00 |
| GB - wetland field work; report outline; GIS consultation | | \$ 1,890.00 |
| PP - GIS/graphics | | \$ 315.00 |
| Direct costs: rental cars, gas, equipment charges, postage | | \$ 285.31 |
| PP - wetland/setback graphics | 8/27/2006 | \$ 262.50 |
| GB - wetland/setback graphics; comments from CCC & USFWS; noise conditions program | | \$ 2,371.38 |
| GH - noise monitoring; comments from CCC & USFWS | | \$ 1,820.00 |
| DE - comments from CCC & USFWS | | \$ 1,812.50 |
| JH - comments from CCC & USFWS | | \$ 340.50 |
| Direct costs: rental cars, gas, equipment charges, postage | | \$ 47.32 |
| GB - Wetland Delineation text & figures | 8/31/2006 | \$ 1,755.00 |
| DE - Wetland Delineation text & figures | | \$ 375.00 |
| PP - Wetland Delineation GIS | 9/3/2006 | \$ 210.00 |
| GB - set-up field visit for USFWS, HMB, SM Co, CCWD; LCP wetland text, figures, GIS | 9/10/2006 | \$ 1,771.55 |
| GB - map preparation; agency field visit | 9/17/2006 | \$ 1,282.50 |
| PP - map preparation | | \$ 210.00 |
| DE - agency field visit | | \$ 875.00 |
| Direct costs: rental cars, gas, equipment charges, postage | | \$ 68.28 |
| GB - revise agency site visit notes including calls & emails to/from USFWS, HMB, SM Co, CCC, CCWD | 9/24/2006 | \$ 947.50 |
| DE - revise agency site visit notes: calls & emails to/from USFWS, HMB, SM Co | | \$ 437.50 |
| PP - revise agency site visit notes: GIS | | \$ 105.50 |
| JH - revise agency site visit notes: scans, formatting | | \$ 85.50 |

**EL GRANADA PIPELINE REPLACEMENT PROJECT
EIP/PBS COSTS RELATED TO EARLY INVOLVEMENT OF
THE UNITED STATES FISH AND WILDLIFE SERVICE**

| | | | |
|--|------------|----|-----------|
| GB - draft Wetland Delineation text & graphics | 9/30/2006 | \$ | 945.00 |
| PP - draft Wetland Delineation graphics | | \$ | 105.00 |
| GB - Wetland Delineation review/revision; send copies to District, Corps, HMB, SM Co, CCC, USFWS; start LCP wetland mapping | 10/8/2006 | \$ | 810.00 |
| DE - start LCP wetland mapping | | \$ | 187.50 |
| PP - LCP wetland mapping GIS | | \$ | 157.50 |
| GB - USFWS documentation; LCP wetland mapping | 10/15/2006 | \$ | 1,316.25 |
| PP - LCP wetland mapping GIS | | \$ | 367.50 |
| DE - LCP wetland mapping | 10/22/2006 | \$ | 1,687.50 |
| GB - LCP wetland mapping graphics | | \$ | 62.50 |
| PP - LCP wetland mapping GIS | | \$ | 105.00 |
| GB - complete; print, & deliver LCP wetland mapping report to District, Corps, HMB, SM Co, CCC, USFWS | 10/29/2006 | \$ | 1,417.50 |
| DE - ditto | | \$ | 62.50 |
| VT - ditto | | \$ | 150.00 |
| JH - ditto | | \$ | 212.50 |
| GB - biological conditions compliance plans | 11/19/2006 | \$ | 388.13 |
| DE - ditto | | \$ | 1,187.50 |
| PP - compliance plans GIS | | \$ | 210.00 |
| GH - noise conditions compliance plans (butterflies) | 11/30/2006 | \$ | 280.00 |
| VT - ditto | | \$ | 22.50 |
| Direct costs: rental cars, gas, equipment charges, postage | | \$ | 23.08 |
| DE - discuss Wetland Delineation with Corps | 12/10/2006 | \$ | 280.13 |
| GB - process Corps disclaimer letter | 12/17/2006 | \$ | 270.00 |
| DE - process Corps disclaimer letter | | \$ | 62.50 |
| TOTAL | | \$ | 31,984.93 |

**EL GRANADA PIPELINE REPLACEMENT PROJECT
EIP/PBS COSTS RELATED TO EARLY INVOLVEMENT OF
THE UNITED STATES FISH AND WILDLIFE SERVICE**

TEAM MEMBERS

CB = Chris Bronny, Botanist
GB = George Burwasser, Project Manager
DE = Demian Ebert, Fisheries and Wildland Biologist
JH = Jackie Ha, Production Chief
GH = Geoff Hornek, Acoustical Specialist
PP = Paul Pribor, GIS Specialist
VT = Kevin Tran, Word Processor Operator

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Ed Schmidt, General Manager

Agenda: January 9, 2007

Report

Date: January 5, 2007

Subject: Status Report on the Current Major Capital Improvement Projects

Main Street / Highway 92 Pipeline Replacement Project

Construction started on Wednesday, November 1st. All work is performed between 9:00 p.m. and 5:00 a.m. At a recent project meeting, CCWD was advised that to date 1,250' of 16" ductile iron pipeline has been installed in the ground (North Main Street). 490' of that pipeline (from Lewis Foster Drive to Highway 1) has been pressure tested and passed the bacti sampling process. The Contractor has continued to install water main to about sixty feet south of the Highway 92 Intersection. Pipeline is in service from Lewis Foster Drive to Highway 1, but not yet tied in to the El Granada Pipeline.

Water Treatment Plant (WTP) Short-Term Improvements

Nunes Water Treatment Plant

District Engineer is continuing preparation of the Contract Drawings. The draft drawings for the chemical feed pumps and storage tanks for the alum, caustic soda, and sodium hypochlorite systems have been submitted to and reviewed by the WTP operating staff.

Denniston Water Treatment Plant:

1. Denniston Storage Tank Modifications Project.

A decision has been made to construct the modifications to the Denniston storage tank and the new tank inlet pipeline first. The District Engineer has completed the project plans and specifications, and they have been submitted to the WTP operating staff (Guistino, Twitchell, and Donovan) for review. Next, review by the State Department of Health Services is required. Following all review work, the project will be put out to bid. It is anticipated the bidding process will begin in February 2007.

2. Denniston WTP Improvements. The WTP operating staff and District Engineer are currently finalizing the design concepts for the equipment selection and layout. The District Engineer has begun the project plans.

Carter Hill East Pipeline Replacement Project

This project was awarded to Stoloski & Gonzales, Inc. for \$140,360.00 at the November Board of Directors meeting. The District and Contractor are currently in the process of executing the project contract. The Contractor has ninety (90) days to complete the project once they get their "Notice to Proceed".

Phase 3 - El Granada Pipeline Replacement Project
El Granada Pipeline Replacement Project Phase 3
City and County Portions

Work is continuing on revising the project plans, as required by the Caltrans letter of response to the District's encroachment permit application. The major effort has been in locating qualified consultants available to perform the additional engineering services required for complying with the Caltrans requirements.

Engineering design work has been completed on the project drawings except for the changes that may be required by the special study work being performed by EIP and additional work required by Caltrans. Copies of the drawings have been provided to the District for review. The encroachment permit application for work within the Caltrans right-of-way has been prepared and submitted, and review comments have been received. The review comments from Caltrans require additions to the project plans before the application will be considered complete. The District Engineer is preparing the additional pipeline profile sheets required by Caltrans. The other work for compliance with the Caltrans requirements requires additional field surveying, a geotechnical report including soils borings, and design of the shoring for the construction excavation work. The District Engineer has located the following consultants for performance of that work and is currently obtaining proposals from them (1) surveying: Towill, Inc, (2) geotechnical report including soils borings: Cleary Consultant, Inc., and (3) shoring design: J. M. Turner Engineering, Inc. The encroachment permit applications to the City of Half Moon Bay and County of San Mateo for work within their respective street right-of-way areas cannot be submitted until the work currently being performed by EIP and the District legal counsel for compliance with the CDP requirements has been submitted and approved.

Staff Report

Agenda: January 9, 2007

Subject: Status Report on the Current Major Capital Improvement Projects

Page Four

Fiscal Impact:

Funding for the Phase 3 El Granada Pipeline Replacement Project is included in the 2006/07 Capital Improvement Program budget.

WSIP QTR. UPDATE

This document is a work in progress for use by BAWSCA. It presents the answers received from the SFPUC at a 12/21/06 meeting to the questions outlined below (which were sent in advance). Some issues have not yet been resolved to our satisfaction and will continue to be pursued by BAWSCA.

WSIP Quarterly Update – 1st Quarter FY 06-07 BAWSCA Comments & SFPUC Answers

General Comments

1. Phase level schedules have already slipped or are in danger of slipping on many projects. The SFPUC seems overly optimistic as to the significance of these lags. In particular, the Quarterly Report cover letter statement that “the overall program is still on schedule and is still on budget when bench marked against the program adopted by the Commission in November 2005” fails to acknowledge the known fact that the final delivery dates or budgets for some project have already changed and therefore require future Commission action. For example:
 - SWWTP Treated Water Reservoirs - **6 month delay** in finish date to accommodate combining project elements (EIR, perhaps some construction) with Additional 40 MGD TW Supply.
 - Pipeline Repair & Readiness - **15 month delay** in finish date to accommodate Phase B (pipe rolling facility) work.
 - Installation of SCADA - **6 month delay** in finish date to allow time for Operations study.
 - New Crystal Springs Bypass Tunnel - **15 month delay** in finish date for completion of EIR (13 months) and incorporating Operations' comments into design (2 months).
 - Lawrence Livermore Supply - Budget forecast to **exceed "approved" by \$15,000.**
 - SJPL System - **\$130 M potential cost increase** reported in draft AAR.
 - New Irvington Tunnel - Budget forecast to **exceed "approved" by \$26,000.**
 - Seismic Upgrades of BDPL 3 & 4 at Hayward Fault - Budget forecast to **exceed "approved" by approx. \$1M.**

SFPUC Answer: *Mr. Elwin, Deputy Program Director, stated that phase level schedule slippage is not of significance and that the overall program is “on track” with “some exceptions”. He clarified that the “current forecast” schedule and costs reported on the project status reports are intended to be as realistic as possible and inclusive of pending changes that have not been formally acted upon. In this way, the forecast can serve as a flag. [BAWSCA Note: At the meeting, BAWSCA noted that the SFPUC’s Quarterly Reports tend to be retrospective in nature, only reporting the status of a project to-date. BAWSCA encouraged SFPUC to be more prospective in reporting, to discuss strategies for recovering when a project is slipping, and to incorporate a dashboard concept in the Quarterly Reports.]*

2. The report fails to highlight the known potential for additional information to arise from ongoing condition assessments and Quality Management Program reviews which have the potential to impact project scope and budget. In many cases, the project scopes are not yet well defined and reliable enough for the level of planning that project is in. For example:

- BDPL 3 & 4 Crossovers - There is a VE review of this project scheduled for December. Typically some of the VE recommendations result in schedule/budget changes.
- Crystal Springs #2 – The Draft Conceptual Engineering Report completed October 2006 did not include a number of studies and condition assessments necessary for a complete document at the CER phase. For example, the report recommends additional hydraulic analysis, condition assessments, and review of strategies by operations staff.

SFPUC Answer: *The project status reports should be referred to as the source of ongoing project scope refinement information.*

3. Phase level budgets have been forecast to overrun on several projects. Many of these overruns are expected to be covered by reducing the budgets for subsequent phases. For example, on the New Crystal Springs Bypass Tunnel Project, the forecast spending for the Planning and Environmental phases is said to exceed "approved" budget while Design and Construction have been forecast to under spend "approved" budget such that total projected expenditures equal "approved" budget. Reasons for such reallocation are not always discussed in the project status reports, but should be.

SFPUC Answer: *Most of the overall project contingency has been allocated to the construction phase. In general, the reduction of construction phase budgets to cover earlier phase overruns represents spending down of the budgeted project contingency. Changes in phase costs, including the use of contingency funds, requires approval of WSIP Deputy Director and is tracked by Project PM. BAWSCA requested a systematic approach be instituted to track and report draws on budgeted project contingency by project, region, and overall program. SFPUC (through the Controls Group) is initiating this effort but will not be complete for several months.*

4. SFPUC Commission consideration of formal changes to scope, schedule and budgets has been delayed from December 2005 to at least late February 2006. This places the project teams in the position of work against unofficial/unadopted scopes, schedules and budgets and at an increased risk of doing work that may eventually be superseded by Commission actions. For example, for the New Irvington Tunnel Project, additional environmental field studies have been authorized on revised tunnel alignment. This alignment appears to be still under discussion and may not represent the final decision of the Commission. The delay in Commission action also affects the periodic re-baselining needed for an accurate project control system.

SFPUC Answer: *The planned Commission review of WSIP changes has been delayed until the integrated schedule work is completed (staff report expected in February 2007). Thereafter, they will resume the periodic review by the Commission (2 per year) and notification to the State (once per year). [BAWSCA Note: BAWSCA has asked that PUC brief BAWSCA on this Integrated Schedule before the Integrated Schedule is finalized and adopted.]*

5. Delay in project phases as well as the final completion date keeps customers at continued risk to impacts of a large seismic event without the benefits of incremental system improvements. A recent study completed by UC Davis is projecting a major quake in northern California within the next 22 months. The model developed by the University has been used to predict over 20 seismic events including the recent Indonesian Quake. [Article attached.]

SFPUC Answer: *SFPUC noted our comment but a specific response was not provided.*

6. Key activities are still being incorporated into the project control system that may further impact schedules (e.g., ROW acquisition, permitting activities, integrated shutdown sequences, and environmental phase activities). These should be monitored using the “Key Milestone Status – Rolling Six Quarters” summary for each project.

SFPUC Answer: *SFPUC noted our comment and stated that this information will be shown once loading of activities into project control system is complete.*

Section 1.0 – Program Highlights

1. Section 1, Page 2 – The text describes how the “Late” planned value curve is based on reducing the “Early” planned value line by 10 percent (p. 2-5, section 2.4, definition of BCWS). As the exact amount of schedule float is available from the project control system database, why isn’t the “late” curve plotted using the aggregated float data?

SFPUC Answer: *The project control system cannot automatically compile the schedule float data for multiple projects (it is not a straightforward mathematical exercise). The 10 percent offset of the “Early” planned value line is the industry standard for generating the “Late” planned value curve. Abdi agreed to continue to work with Ibbs to discuss this issue. Abdi and Ibbs will also review the means by which % complete on projects is evaluated*

2. Section 1, Page 3 – The “lack of sufficient staffing within the SFPUC and MEA” is noted as contributing to the schedule lag from planned. Several of the individual projects cite this as a reason for potential delay. Is there a way to tally any outstanding staffing deficiencies and the plan to address them?

SFPUC Answer: *No such tally is planned. Recruitment efforts are ongoing.*

3. Section 1, Page 4 – The discussion of achievements does not highlight any AB 1823 compliance activities during the reporting period. It would be beneficial to readers to note things like submission of the annual report to the State and actions related to formal consideration of program changes.

SFPUC Answer: *Comment noted and staff agreed that this would be beneficial and will be included in future reports.*

4. Section 1, Page 8 – The Program Summary table shows some of the phase Baseline Finish dates have changed from the prior Quarterly Report (June 2006):

- Project planning shows a **6 month delay in Baseline Finish** from Jan.2, 2014 to June 30, 2014
- Design shows a **2 month delay in Baseline Finish** from Jan. 2, 1014 to Feb. 24, 2014
- Construction shows **3 month delay in Baseline Finish** from June 30, 2014 to September 2014

For the overall Regional Total, while the Baseline Finish has not been changed, a 1 month delay between the Baseline Finish (Sept. 30, 2014) and the Finish (Oct. 28, 2014) is shown.

It should be unacceptable for any Baseline Finish date to change from document to document without any explanation. In addition, explanatory text should be provided for the 1 month delay in overall project completion that includes an explanation for how so many phase finish dates can be changed, why the overall schedule is delayed by 1 month, and the relationship between the phase delays and the overall project delay.

SFPUC Answer: *The “Finish” date is automatically derived from the forecast completion of the Program Management work, which is tied to the individual completion dates of the WSIP projects and does not reflect any program delays. The Commission adopted individual project completion dates but not phase completion dates. Some project work plans have been updated and optimized over the past quarter which has resulted in minor changes in phase finish dates. [BAWSCA Note: Phase changes should not be blindly accepted as inconsequential – a slipping phase date can in fact be a harbinger for a slipping project completion date. SFPUC states confidence that such phase schedule slips can be made up during the next phase. This confidence has not been proven to BAWSCA.]*

Specific Comments on Projects

Table 1 contains comments on the regional summaries and the project status reports (Section 3.0 through 8.0 of the report).

TABLE 1 – COMMENTS ON PROJECT STATUS REPORTS

| Page | Reference | Comment |
|------|--|---|
| 3-1 | San Joaquin Regional Program Overview | It is noteworthy that the Environmental Review Phase has dramatically leaped from an actual 7.0% to 19.3% in one quarter. This sudden increase is reflected in the figure on page 3-4 that the actual progress suddenly shot upwards from the “late” program line to the “early” line. The discussions in the PSRs for this region do not explain this sudden increase in progress. On the other hand, the PSRs acknowledge that detailed project descriptions are not yet available, inclement weather has adversely impacted the ability of some environmental field survey |

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| | | <p>teams, and there are staffing issues for the environmental planning function. For example, the San Joaquin Pipeline System Cost and Schedule Variances states "The project team had anticipated completing a cost-loaded schedule for EIR and permitting last quarter, although the approved schedule for this activity is to complete by 12/06." There are many other instances indicating delays in the environmental program throughout the specific project status reports. More explanation is needed to fully understand the sudden increase in this number.</p> |
| | <p><i>SFPUC Answer:</i></p> | <p><i>Two reasons were given for the large increase (7.0% to 19.3%) in completion of environmental phase work. First, the baseline schedule for this phase was adjusted to reflect two new scopes of work for consultants. Also, the previous report (June 2006) understated the actual accruals for completed work done for condition assessment.</i></p> |
| <p>3-5</p> | <p>San Joaquin Program Summary</p> | <p>The "BL Finish" date is reported as 30-Sep-2014, but was reported as 30-Jun-2014 in the previous quarterly report. How can a baseline figure be changed without formal Commission action?</p> |
| | <p><i>SFPUC Answer:</i></p> | <p><i>The noted change in the "BL Finish" date was a data entry error.</i></p> |
| <p>3-6</p> | <p>Lawrence Livermore Supply</p> | <p>The Cost and Schedule Variance section indicates that "At this early stage in the project the team has estimated the additional cost of \$518,000 in Capital Cost can be funded from the current baseline Construction Funds therefore it has not been reflected in the budget forecast column." This appears inconsistent with the budget forecast table which shows the total project forecast cost of \$4,250,000 already exceeding the approved budget by \$15,000. Please explain current budget over-runs and how that relates to the additional \$518K needed.</p> |
| | <p><i>SFPUC Answer:</i></p> | <p><i>The text is correct. The cost table incorrectly shows a forecast budget overrun of \$15,000. There is a \$15,000 cost overrun in the planning phase, but it is expected to be offset by savings in later phases. The additional \$518K in capital cost is projected to be funded from within the current baseline Construction Funds.</i></p> |
| <p>3-8</p> | <p>San Joaquin Pipeline System</p> | <p>(a) The recently completed draft AAR indicates a \$130 million increase in total costs for this project. Is this a recent finding that has occurred since the 9/30/06 quarter end date? (b) The June '06 status report mentioned the potential obstacle of not having as-needed contracts in-place.</p> |

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| | | <p>The Sept '06 report makes no mention of this. Has the problem gone away or was this an oversight? What is the status of having as-needed contracts in place for the San Joaquin project?</p> |
| | <p><i>SFPUC Answer:</i></p> | <p>(a) <i>The \$130 M increase in total costs was not available from the AAR at the time the current quarterly report was prepared.</i></p> <p>(b) <i>The need for as-needed contracts, reported on in the last quarterly report, is no longer an issue as the contracts have been put in place.</i></p> |
| <p>3-10</p> | <p>SJPL Rehabilitation</p> | <p>(a) The rolling six quarter milestone activities have been changed since the last report, thus no information is given in the "last forecast" column. It appears that the planned completion of Phase III is not going to be done by 4/30/07. Is this a correct interpretation?</p> <p>(b) The "approved budget" cost figures in the table on page 3-11 for the various phases have changed without explanation. For example, the Construction and Closeout has jumped up \$1.5 million, however the AAR is not as yet completed. What is the reason for increasing/decreasing various phase level budgets?</p> |
| | <p><i>SFPUC Answer:</i></p> | <p>(a) <i>It is correct to note that the completion of Phase III is delayed. This is a result of switching to a full design-bid process for larger dollar amounts for the condition assessment work rather than the job order contract method which can only authorize small amounts of work at a time.</i></p> <p>(b) <i>The noted reallocations in phase budgets reflect the change in the condition assessment strategy after the AAR was completed – a reduction from \$2.5 M for coatings/linings to \$1.0 M and putting \$1.5 M in the construction phase for field work.</i></p> |
| <p>3-14</p> | <p>Tesla Portal Disinfection</p> | <p>(a) The report indicates a cost increase of nearly \$5,000,000 to incorporate various additional treatment process items into the combined Tesla Portal, UV disinfection project. It appears that these costs are not reflected in the cost summaries. There are statements that it may be funded using the contingencies of both projects. How much decreased contingency would occur if this were to occur? Is this new contingency consistent with the program management plan and WSIP goals?</p> <p>(b) What has happened to Thomas Shaft disinfection improvements? Wasn't a pH reduction facility</p> |

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| | | supposed to go at Thomas Shaft? Is the plan to have two pH reduction facilities, one at Tesla and one at Thomas Shaft? |
| | <i>SFPUC Answer:</i> | <p>(a) <i>Specific information about the available contingency from the Advanced Disinfection is not available at this time. However, it is known that there is a 40% contingency allowance in that project that should easily cover the \$5 M additional costs. The forecast schedule is not expected to change as there is a regulatory compliance deadline.</i></p> <p>(b) <i>It was clarified that the Lawrence Livermore project will fund the back-up pH adjustment facilities at Thomas Shaft.</i></p> |
| 4-4 | Sunol Valley Region Earned Value | The "Earned Value" line is essentially at the "BCWS Late" value. Also, the slope of this line is significantly flatter than the slope of the "Planned Value" envelope. What is planned to bring things back on track since progress appears to be lagging? |
| | <i>SFPUC Answer:</i> | <p><i>The earned value line slope is flatter than it should be because the accruals were not properly done. Two major invoices were understated. Using revised expenditure data shows the earned value close to the planned value at this point in time. The updated accruals will be incorporated in the next quarterly report. Also, the progress curve reflects the old schedule and most projects in the region need re-baselining to incorporate revised approaches. [BAWSCA Note: Re-baselining means that both the early and late BCWS curves will be flattened. That in turn will affect the EV curve (potential flattening). After this re-baselining BAWSCA will closely inspect the % complete reported for this region.]</i></p> |
| 4-6 | Alameda Creek Fishery Enhancement Project Status: Suspended | Are there any plans to perform this work? What has to happen for the project to be restarted? What is the status of the funding allocated for this activity? The basic PSR format should be prepared on this project as there is expected activity within the next 6 quarters. |

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| | <i>SFPUC Answer:</i> | <i>This project is to become active in January 2007 when the WSIP budget request is approved. A new approach, without a rubber dam, is being considered. A new CER is needed. The 3rd quarter report should begin reporting on project activity.</i> |
| 4-8 | Standby Power Facilities | The Sept '06 status report makes no mention of Parsons reviewing the possibility of pre-purchasing generators or accelerating design on this project. These two items were referenced in a separate memo to the Commission dated Nov 6, 2006. Will pertinent information about this approach be mentioned in the next quarterly report? |
| | <i>SFPUC Answer:</i> | <i>The noted new concepts for this project were raised after this quarterly report was in preparation. The outcome of the finalized report on these approaches will be reported in the next quarterly report.</i> |
| 4-10 | New Irvington Tunnel | The PSR does not mention an amendment to the Jones and Stokes agreement that went before the Commission on July 25, 2006, where more money was requested to perform additional field work due to a change in the tunnel alignment. Apparently, previously completed field work was based on the old alignment and new field work and environmental work is required. Does this amendment have schedule or budget implications? The current forecast budget already exceeds the approved budget by \$26,000. Please explain where this work lies (scope and budget) within what has been reported in Quarterly Report. |
| | <i>SFPUC Answer:</i> | <i>Minor cost overruns are easily covered by the available project contingency. The Jones & Stokes contract amendment was to cover work that was nearly complete by the time the amendment was approved. The environmental phase budget has sufficient contingency to cover the amendment.</i> |
| 4-15 | Pipeline Repair & Readiness Improvements | (a) The report states that a draft pipeline repair prioritization plan was completed. BAWSCA would like a copy of this draft plan to review. What is the timeline for finalizing this draft plan? (b) This project is critical to the near term Emergency Response and Recovery Program in the event of a seismic event until the WSIP is completed. There are general comments on schedule delays and added cost, and the need for re-baselining. What can be done to keep this project on track as the WSIP re-baselining has been delayed? Will the cost estimate be revised as well for the pipe rolling machines which |

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| | | were not part of the original scope/budget but are now? |
| | <i>SFPUC Answer:</i> | <p>(a) A copy of the final prioritization plan will be sent to BAWSCA in early January 2007.</p> <p>(b) The budget will be maintained at its current level. If the planned amount of pipe rolling machines cannot be purchased, fewer will be included.</p> |
| 4-18 | Calaveras Dam | <p>(a) BAWSCA would like to review a copy of the draft technical memo regarding fishery studies that was indicated as being completed during the quarter.</p> <p>(b) The project description for CUW37403, San Antonio Back-up Pipeline, talks about a pipeline from Alameda East portal to the base of San Antonio Reservoir (Turner Dam) to allow turbid HH water to be dumped into (presumably) San Antonio creek on an emergency basis. It also states that this water would be dechlorinated. The project description in the Appendix states that this back-up pipeline goes from the San Antonio Pump Station to San Antonio Reservoir. (There is no mention of water being diverted into the creek.) Where is the water being dechlorinated? Would the pipeline allow bad HH water to go into the creek (at the base of the dam) or flow into the reservoir? In other words does the pipeline serve a dual purpose? If so, under what circumstances would you divert to the creek rather than the reservoir? Doesn't all water going to San Andreas have to be pumped from SAPS?</p> <p>(c) The original estimate for the back-up pipeline under Phase III was \$7.3M. The project now requires another \$25M, suggesting that Phase III will now cost \$32M. What accounts for the original estimate being so far off?</p> |
| | <i>SFPUC Answer:</i> | <p>(a) The fishery studies report is under review. A final report will be sent to BAWSCA in February.</p> <p>(b) Clarified that the back-up pipeline goes to the creek from Siphon No. 3, <u>through</u> the pump station. This is a HH water disposal line.</p> <p>(c) The pipeline scope is not new and has always been associated with this project however the original budget was initially allocated to SAPS project. This adjustment correctly lines up the scope with the budget with no change in the schedule.</p> |
| 4-22 | Additional 40 mgd Treated Water Supply | The discussion on the major issues and potential obstacles is confusing. In one instance the report states |

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| | | <p>“They have also determined that an accelerated approach can be taken so that this combined work will be completed by 2008, significantly earlier than previously projected.” Later in this paragraph it states “Combining the EIRs will cause a 6 month delay to TWR. Because of construction linkages a delay will result in the Additional 40 mgd project.” Is it correct to assume that a delay in the final project completion date is being indicated by this statement?</p> |
| | <p><i>SFPUC Answer:</i></p> | <p><i>With the proposed combining of the two projects, the construction will be from July 2009 through June 2012. The Original Finish for the Additional 40 MGD project is July 2013 and the Original Finish for the SVWTP Treated Water Reservoirs is Dec. 2010. Combining the projects allows for both projects to be completed within the original individual project finish dates A new project description (Dec. 15, 2006) was provided to BAWSCA and will be reflected in the next Quarterly Report.</i></p> |
| <p>4-24</p> | <p>SVWTP Treated Water Reservoirs</p> | <p>The project description (scope) has been changed due to the value engineering analysis. Design was already past 65% complete. The Steering Committee ordered a new 35% design on this project but it is not clear whether the redesign is being done primarily to accommodate the change in tank configuration, improvements to Calaveras Road, or both. Please explain. Can the extra work be done within the existing budget?</p> |
| | <p><i>SFPUC Answer:</i></p> | <p><i>The reset to a 35% design level was driven by the need to address the VE findings, not the road improvements. If the project is combined as suggested, the combined existing budgets can accommodate the redesign costs.</i></p> |
| <p>4-26</p> | <p>San Antonio Pump Station Upgrade</p> | <p>The budget for this project is being reduced by \$25M (60%) and being diverted to Calaveras dam for Phase III. Is the remaining \$17M sufficient for the alternatives being considered in the CER?</p> |
| | <p><i>SFPUC Answer:</i></p> | <p><i>Yes the \$17 M is sufficient. The \$25M that has been moved to the Calaveras Reservoir Project is for a scope of work that was always associated with the Calaveras Reservoir Project.</i></p> |
| <p>5-6</p> | <p>Seismic Upgrade of BDPL’s 3&4 @ Hayward Fault</p> | <p>(a) What are the implications to the reliability of the BDPLs of the sink hole that has occurred at the site of the ACCMA sound wall? Have these pipelines been compromised? Will investigation and resolution of this condition result in delay of Phase B? (b) The total forecast cost of the project has gone up by nearly \$1 million. Will this project be re-baselined?</p> |

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| | <i>SFPUC Answer:</i> | <p>(a) <i>Per a recent meeting, there are no project implications arising from addressing the sinkhole near the facilities. It will be grouted and follow-up monitoring done to detect any settlement. No delay to Phase B anticipated.</i></p> <p>(b) <i>The Phase A construction is going very well. There was a cost overrun, but the combined Phase A and B budgets should be sufficient to cover. The original breakdown of budgets between Phase A and B was somewhat arbitrary (recall that the project was originally a single project and budget) and it is not surprising to PM that some shifting is needed between the phase budgets.</i></p> |
| 5-12 | SCADA – Phase II | When will a Draft CER for the Security System subproject be available for review by BAWSCA? |
| | <i>SFPUC Answer:</i> | <i>SFPUC incorporating security elements into individual projects and will use the budget in this project for “stand-alone” security elements. The CER work will be considered done with reliance on past reports and the security work plans currently being developed for each WSIP project. SFPUC has determined that this work is classified and will not be distributed on a larger basis however BAWSCA has been invited to review documents at SFPUC offices.</i> |
| 5-14 | Bay Division Reliability Upgrade | <p>(a) The forecast completion date has slipped about one month. Will this project be re-baselined or will measures be sought to bring it back on track?</p> <p>(b) The discussion of pipeline issues states that the ROW reimbursement to Fremont involving this project will be “very high”. How much of the total budget is set-aside for ROW issues? Any idea how much extra, if any, may be required?</p> |
| | <i>SFPUC Answer:</i> | <p>(a) <i>No plans to re-baseline the project and expect to recover the 1 month delay in the environmental phase.</i></p> <p>(b) <i>The ROW budget of \$5 M is a placeholder amount for new acquisition only. A draft policy will be considered by the Commission in early 2007 and as part of this, the Commission <u>may</u> consider reimbursing to restore disturbed areas within the existing ROW. A rough estimate from aerial maps (parks, streets, driveways) shows \$12 M to \$16 M of potential disturbed areas.</i></p> |
| 5-18 | BDPL 3&4 – Crossovers | At the November PM meeting it was indicated that a value engineering review was scheduled for this project in December. The report does not reflect this activity in the |

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| | | "Expected Accomplishments" text. Was the need for a VE review added for a particular reason? |
| | <i>SFPUC Answer:</i> | <i>The VE was completed last week. The recommendations are now being finalized. Cost reduction measures are being suggested. Needing a facility shutdown over 2 seasons is the most likely scenario.</i> |
| 5-20 | SFPUC/EBMUD Intertie | It is noted that many of the projected 1 st quarter expectations for completed work were not realized for this project. Is it falling behind? The final completion date does not reflect any further delays than previously anticipated. |
| | <i>SFPUC Answer:</i> | <i>Substantial completion is expected in March 2007. More time will be needed for project closeout activities.</i> |
| 6-4 | Peninsula Regional Program Overview | The figure indicates sizeable improvement on the actual rate of progress as compared to the slope of the actual cost line during the previous quarter. Please provide clarification on the key items that account for the accelerated progress in this sub-region. |
| | <i>SFPUC Answer:</i> | <i>The main achievements during the quarter that improved the rate of progress are: (a) Adit Leak Repairs – 5 months ahead of schedule with bids due 1/25/07. (b) Capuchino Valve Lot – 5 months ahead of schedule with NTP in late June 2007. (c) Cross Connection Controls – 20 sites caught up from delays in the previous quarter. (d) Baden/San Pedro Valve Lots – Added resources to bring AAR and CER back on schedule.</i> |
| 6-6 | Lower Crystal Springs Dam Improvements | Progress on this project is linked to SM County's bridge replacement, which must take place before the dam improvements. Has the County completed its design for replacing the bridge? If so, will it be able to go to bid as soon as the environmental portion is solved? |
| | <i>SFPUC Answer:</i> | <i>SM County has an existing 90% (final) design for the bridge prepared based on the old PMF criteria and configuration. Should be relatively quick to update once design phase begins. County has hired Karen Swain to keep environmental issues with San Mateo County moving. SFPUC will move the Red-legged frog habitat as part of this project's cost. SMC has not provided SFPUC with a final schedule and plan for their bridge project. Plan to meet with SMC staff in January to facilitate. SMC's project has some challenges, including identifying source of project funds and bringing a new project manager up to speed. BAWSCA board members from</i> |

| Page | Reference | Comment |
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| | | <i>that area may be able to facilitate communications with county supervisors.</i> |
| 6-8 | New Crystal Springs Bypass Tunnel | <p>(a) The Planning and Environmental phases are forecast to exceed their "Approved Budget". Design and Construction phase budget forecasts have been reduced. The net result is a forecast total budget equal to the total approved budget. This adjustment appears to be the result of mathematically balancing the project budget without a rigorous analysis of expected design & construction costs.</p> <p>(b) The Environmental phase reports 47.3 % complete which seems inconsistent with a project that had not yet issued a NOP.</p> |
| | <i>SFPUC Answer:</i> | <p>(a) <i>Contingency amounts from the construction phase have been used to fund cost overruns in the planning and environmental phases.</i></p> <p>(b) <i>The reported 47.3 percent complete in the environmental phase is relative to the old baseline (without a full EIR). The schedule and budget need to be re-baselined to reflect the new scope.</i></p> |
| 6-10 | Adit Leak Repair – Crystal Springs/Calaveras | The project description cites repairs to the outlet towers at Crystal Springs, San Antonio, and Calaveras reservoirs. San Antonio is not mentioned in the original WSIP scope or in the project description in Appendix 10.1. Is this an oversight? If the San Antonio outlet tower is now included in the project, is the budget still sufficient? |
| | <i>SFPUC Answer:</i> | <i>Repair at the San Antonio outlet tower has been added to this project (a sump pump) via the official change order project. The additional cost is easily covered by the available project budget.</i> |
| 6-12 | Pulgas Balancing Reservoir Rehabilitation | It is noted that the Sunol Valley Treated Water Reservoir project is linked with the Pulgas Reservoir project. It is unclear why this linkage is important in explaining the 5 month lag in design and construction completion of subproject CUW36103. There may be construction shutdown issues to coordinate, but the reason for delay in design is not stated. |
| | <i>SFPUC Answer:</i> | <i>The project schedule is no longer believed to be directly linked with the Sunol Valley WTP Reservoir project now that the latter project has been downsized from what was contemplated a few years ago. This issue is being revised as part of the schedule integration work to be completed in February 2007.</i> |
| 6-22 | Harry Tracy WTP Long-Term | The "Approved Finish" date for the planning phase has |

| Page | Reference | Comment |
|------|---|--|
| | Improvements | been extended by 7 months. The text should explain the reasons for the change beyond eliminating the variance between the "Approved Finish" and "Current Forecast" dates. |
| | <i>SFPUC Answer:</i> | <i>The changed "Approved Finish" date shown in this Quarterly Report for this project was a data entry error. However, the formal change control process has been initiated to make the indicated schedule change to the planning phase "approved finish" date and should be reflected in the next Quarterly Report.</i> |
| 6-26 | Crystal Springs/San Andreas Transmission Upgrade | It was noted that the Final AAR has been delayed 4 months since it has taken more time to perform the condition assessments. Has the CER been able to progress on schedule with this delay? |
| | <i>SFPUC Answer:</i> | <i>The CER has been able to proceed concurrently with the delayed AAR. Will finish the CER in January 2007 assuming the "worst case" alternative (replacement of more pipe). Will plan to do an updated CER after the environmental phase. This is necessary because the environmental work has to be completed before certain geotechnical studies can be performed. The CER will have a risk matrix to show project elements subject to change from results of future geotechnical studies.</i> |
| 7-12 | Sunset Reservoir Upgrades – North Basin | The Nov '05 adopted budget for Project 358 (Sunset Reservoir North, Phases A&B) was \$62M. Recent SFPUC agenda memos show a revised project budget of \$75.8M for both phases. The Sept '06 quarterly report recognizes cost overruns for this project but only shows a revised budget of \$66.9M, making up the shortfall with a \$5M transfer from University Mound. Which revised estimated total, \$75.8M or \$66.9M, will be brought before the Commission for approval? If it's the lower amount, how does one explain the higher number stated in the SFPUC agenda memos? |
| | <i>SFPUC Answer:</i> | <i>The current budget of \$66.9 M is inclusive of all previous budget commitments.</i> |
| 8-5 | Miscellaneous Program Summary | The "Finish" date is forecast at 28-Oct-2014, 1 month later than the "BL Finish". As the project PSRs in this category do not show this as their forecast finish, is it correct to assume that this is the forecast finish date for the Program Management work? |
| | <i>SFPUC Answer:</i> | <i>Yes, the "Finish" date is automatically derived from the forecast completion of the Program Management work, which is tied to the individual completion dates of the WSIP projects.</i> |

Section 10.0 – Appendices

Appendix 10.1 – 2005 WSIP Project Scopes

1. The adopted scopes from the WSIP are presented in this appendix. As noted in the comments in the last review, it would be useful to the reader to have a notation indicating significant scope deviations that are under consideration (as described in the project status reports in the preceding sections). Also, it would be helpful to have a notation if the project has been divided into major subprojects and/or been combined with another project. These enhancements would make this appendix consistent with the cost and schedule appendices in summarizing current information on a given project.

SFPUC Answer: *Comment noted. Future versions of the Quarterly Report will have updated project scopes to reflected approved project scope changes. Individual Project Status Reports will continue to contain information on a developing basis, including changes that are still in development and not yet adopted or finalized.*

2. The Watershed Management and Land Acquisition project still needs a description. The report should at least include the general project description contained in the adopted WSIP.

SFPUC Answer: *The project description is presented in Section 1, Page 5.*

Appendix 10.3 – Schedule

1. The chart shows all the projects in the adopted WSIP except for the Alameda Creek Fishery Enhancement project. This project was shown in the Summary Level Schedule and the Phase Level Schedule in the previous quarterly report. Why was it omitted, as noted in the footnote?

SFPUC Answer: *It will be added when project status reporting resumes for this project (3rd Quarter FY 06-07 Report).*

2. Table 2 shows final completion dates as forecast on the project status reports. Five projects are projected to be delivered early (average time approximately 5 months) as compared to three projects in the last quarter. Seven projects are projected to be delivered late (average time approximately 7 months) as compared to four projects in the last quarter. A program change notification to the State will be necessary if the Commission adopts any of the late dates as a revision to the program.

SFPUC Answer: *SFPUC noted our comment.*

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Anthony P. Condotti, District Legal Counsel

Agenda: January 9, 2007

Report

Date : January 5, 2007

Subject: Local Government Omnibus Act of 2007

Recommendation:

Information item.

Discussion:

The Association of California Water Agencies recently circulated a request from Peter Detwiler, the Senate Local Government Committee senior consultant, seeking comments on proposed language for the Local Government Omnibus Act of 2007. This is an annual process whereby the Legislature undertakes minor non-controversial amendments to laws affecting public agencies. This year's Omnibus bill would make 13 separate statutory changes as detailed in the attached summary issued by the Senate Local Government Committee.

It appears that only one of the proposed amendments would have a foreseeable impact on CCWD or most other water agencies. That is the proposed amendment to California Government Code Section 1780 pertaining to the process for filling vacancies on special district boards. The current statute had created considerable confusion and the proposed amendment is an attempt to clarify which, in my view, may not be an improvement.

Staff Report
Meeting of January 9, 2007
Page 2 of 2

Attachments:

- Summary of 2007 Omnibus Bill
- Proposed amendment to Govt. Code §1780

Senate Local Government Committee
The Local Government Omnibus Act of 2007

Summary. The “Local Government Omnibus Act of 2007” proposes 13 relatively minor, non-controversial changes to the laws affecting local agencies’ powers and duties. The proposed bill will take effect on January 1, 2008.

Problem. Each year local officials discover problems with the state statutes that affect counties, cities, special districts, and redevelopment agencies, as well as the laws on land use planning and development. These minor problems do not warrant separate (and expensive) bills. According to the Legislative Analyst, in 2001-02 the cost of producing a bill was \$17,890.

The Senate Local Government Committee responds by combining several of these minor topics into an annual “omnibus bill.” For example, the Committee’s 2006 omnibus bill was SB 1196 which contained 27 noncontroversial statutory changes, avoiding over \$465,000 in legislative costs (Chapter 643, Statutes of 2006). Although this practice may violate a strict interpretation of the single-subject and germaneness rules expressed in *Harbor v. Deukmejian* (1987) 43 Cal. 3d 1078, it is an expeditious and relatively inexpensive way to respond to multiple requests.

Specifics. The Senate Local Government Committee will author the “Local Government Omnibus Act of 2007,” which proposes 13 changes to the state laws affecting local agencies’ powers and duties:

1. **Municipal library trustees’ meetings.** A city can set up a public library managed by a five-member board of trustees that holds monthly meetings (Education Code §18914). Three trustees can call a special meeting if all of the trustees get written notices three hours before the meeting (Education Code §18915). The Ralph M. Brown Act requires that all local governments’ meetings must be “open and public” (Government Code §54950, et seq.). A city attorney notes that the municipal library statute on special meetings is inconsistent with the Brown Act’s requirements for 24-hour notice before any special meeting (Government Code §54956). To avoid confusion, she wants the Legislature to clarify that city library boards of trustees must follow the Brown Act (Heather C. McLaughlin, Benicia City Attorney, 707/746-4216; P. Anthony Thomas, League of California Cities, 916/658-8279). The **proposed bill** requires city library boards of trustees to follow the Brown Act. [See §2 of the bill.]

2. **Special district directors.** Most special districts have elected governing boards whose members serve staggered, four-year terms. When a vacancy occurs because of resignation or death, a district’s remaining board members can fill the vacancy either by appointing a replacement or by calling an election. The person elected to fill the vacancy fills the balance of the unexpired term. For persons appointed to fill vacancies, different rules apply. If the vacancy occurs in the first half of the four-year term, the appointee serves until the next general district election, and then the voters elect a replacement for the remainder of the term. If the vacancy occurs in the second half of the four-year term, the appointee serves until the next general district election, and then the voters elect someone to a full four-year term (Government Code §1780). An appeals court recently confirmed this interpretation, but acknowledged that the statutory language is ambiguous (*Robson v. Upper San Gabriel Valley Municipal Water District* (2006) 142 Cal.App.4th

877). The Senate Local Government Committee's staff wants to codify the *Robson* decision and remove any statutory ambiguities (Peter Detwiler, Senate Local Government Committee, 916/651-4115). The **proposed bill** clarifies the ambiguities in the statute that explains how long appointees fill vacancies on special districts' governing boards. The **proposed law** also declares the Legislature's intent to codify the *Robson* decision. [§3 & §15]

3. County bonds for military bases. Ninety years ago, as the United States mobilized for World War I, the Legislature authorized counties to issue general obligation bonds to help the Secretary of War acquire private property for military bases (SB 1152, Luce, 1917). After World War II, the Legislature moved this uncodified statute into the Government Code (Government Code §25420, et seq., added by SB 1117, Cunningham & Busch, 1947). In the 21st Century, it is unlikely that county supervisors will seek 2/3-voter approval to buy more land for military bases. On the contrary, the Pentagon and Congress have been closing military bases, including three dozen military installations in California. The Senate Local Government Committee's staff believes that this statute is obsolete and should be repealed (Peter Detwiler, Senate Local Government Committee, 916/651-4115). The **proposed bill** repeals the authorization for counties to issue bonds to buy private property for military bases. [§4]

4. Williamson Act clarification. The Williamson Act allows landowners to sign contracts with counties and cities to enforceably restrict land uses to agriculture and open space (Government Code §51200, et seq.). In return, the landowners received preferential property tax assessments and the local governments receive state subventions. The Subdivision Map Act controls how counties and cities review and approve the creation of lots from large parcels (Government Code §66410, et seq.). The Map Act doesn't apply to lot line adjustments under certain circumstances (Government Code §66412 [d]). The Williamson Act contains a special procedure that allows a county (or a city) and the landowner to facilitate lot line adjustments by mutually agreeing to rescind existing Williamson Act contracts and enter new contracts, if the local officials make seven findings. This statute sunsets on January 1, 2009 (Government Code §51257, added by AB 1240, Costa, 1997; amended by SB 1835, Johnston, 1998; SB 985, Johnston, 1999; SB 1864, Costa, 2002; AB 1492, Laird, 2003). However, some counties require these statutory findings only when they involve contiguous landowners. The Farm Bureau wants legislators to clarify the statute so that county supervisors and city council must make the findings for all lot line adjustments that affect Williamson Act contracted land (John Gamper, California Farm Bureau Federation, 916/446-4647). The **proposed bill** clarifies that local officials must make the statutorily required findings whenever they approve lot line adjustments that affect Williamson Act contracted land. [§5]

5. CSD Law clean-up. The Community Services District Law governs CSDs' powers (Government Code §61000, et seq., added by SB 135, Kehoe, 2005). When a CSD disposes of surplus land, it must follow the same procedures that other local agencies follow (Government Code §61062 [b]). An attorney who advises local officials notes that the cross-reference to the surplus land statute is wrong and he wants legislators to correct the error (Scott Porter, Burke Williams & Sorensen, 213/236-2719). The **proposed bill** corrects the erroneous cross-reference to the standard surplus land disposition statute in the Community Services District Law. [§6]

6. General plan amendment clean-up. Counties and cities can't amend their general plans more than four times a year, with exceptions. One exception is a general plan amendment that is needed to accommodate a large scale urban development (Government Code §65358 [d][3]). The Legislature passed the Large Scale Urban Development Act in 1982 (SB 1425, Ayala, 1982), but repealed it in 2000 when legislators learned that no one had ever used the statute (SB 1350, Senate Local Government Committee, 2000). A planner wants the Legislature to repeal this obsolete reference (Terry Roberts, Governor's Office of Planning and Research, 916/324-6666). The **proposed bill** deletes the obsolete reference to the former Large Scale Urban Development Act in the statute that limits amendments to local general plans. [§7]

7. Subdivisions and surveyors. The Subdivision Map Act controls how counties and cities review and approve the creation of lots from large parcels (Government Code §66410, et seq.). Final subdivision maps require the county surveyor (or the city engineer or city surveyor if the subdivision is within a city) to sign a certificate or statement regarding the maps' validity (Government Code §66442). Some counties and cities require their surveyors to issue "certificates" for final maps instead of issuing statements. A surveyors' group worries that requiring public surveyors or engineers to "certify" final maps creates liability problems. They want the Legislature to delete the references to "certificates" and "certify" (Katey O'Malley, Consulting Engineers and Land Surveyors of California, 916/441-7991). The **proposed bill** deletes the requirement for local public surveyors and engineers to issue certificates for final subdivision maps; instead they would issue statements regarding final maps. [§8]

8. Subdivision dedications. The Subdivision Map Act controls how counties and cities review and approve the creation of lots from large parcels (Government Code §66410, et seq.). As a condition of approving subdivisions, counties and cities often require subdividers to dedicate property for drainage, public utilities, bicycle paths, transit facilities, solar energy easements, parks, roads, alleys, coastal and water access, schools, and other public purposes (Government Code §66475-§66478). Some dedications are in fee, others are easements. A surveyors' group wants the Legislature to standardize the language that appears on subdivision maps so that it will be clear whether the dedication is in fee or whether the dedication is an easement (Katey O'Malley, Consulting Engineers and Land Surveyors of California, 916/441-7991). The **proposed amendment** adds a new section to the Subdivision Map Act, specifying the language on parcel maps and final maps regarding the dedication of property in fee or as easements. [§9]

9. Subdivision modifications. The Subdivision Map Act controls how counties and cities review and approve the creation of lots from large parcels (Government Code §66410, et seq.). Counties and cities can modify recorded final subdivision maps if local officials make specified findings at a noticed public hearing. The legislative body must limit the hearing to the proposed modification (Government Code §66472.1). In reality, local planning commissions conduct most subdivision hearings, although their decisions can be appealed to the county boards of supervisors or city councils. A land use attorney wants the Legislature to substitute the broader term "local agency" (Bill Abbott, Abbott & Kindermann, 916/456-9595). The **proposed bill** substitutes "local agency" for "legislative body" in the Map Act's provisions for modifying recorded subdivision maps. [§10]

10. Redevelopment clean-up. The Community Redevelopment Law provides the authority for local officials to eradicate blight, using property tax increment revenues and other extraordinary powers (Health & Safety Code §33000, et seq.). State law describes the physical and economic conditions that cause blight (Health & Safety Code §33031, as amended by SB 1206, Kehoe, 2006). The 2006 amendments created a typographical error which a redevelopment attorney wants legislators to correct (Brent Hawkins, McDonough Holland & Allen LLP, 916/444-3900). The **proposed bill** corrects a typographical error in the statutory “blight” definition. [§11]

11. Sacramento Metropolitan Air Quality Management District’s board of directors. At a minimum, the Sacramento County Board of Supervisors governs the Sacramento Metropolitan Air Quality Management District (AQMD). However, Sacramento County and its cities can determine the composition of the AQMD’s board, based on a local agreement. (Health & Safety Code §40980, as amended by SB 1196, Senate Local Government Committee, 2006). Currently, the AQMD has a 14-member board that consists of:

- Five Sacramento County supervisors.
- Four Sacramento City councilmembers.
- Four members selected by each of the city councils of Citrus Heights, Elk Grove, Folsom, and Rancho Cordova.
- One member selected by the city selection committee to represent the cities of Galt and Isleton.

AQMD officials say that their board sometimes has trouble achieving a quorum and they want the Legislature to allow the cities to appoint alternate members (Chris Morfas, Sacramento Metropolitan AQMD, 916/874-2876). The **proposed bill** allows the city councils and the city selection committee to appoint alternates to their members of the Sacramento Metropolitan AQMD’s board of directors. [§12]

12. Property tax allocation clean-up. State law spells out the procedures that county officials must follow when allocating property tax revenues (Revenue & Taxation Code §95, et seq.). Because county officials must adjust these allocations when city and special districts’ boundaries change, the statute defines “jurisdictional change” by listing the types of boundary changes (Revenue & Taxation Code §95 [e]). The statutory cross-references are obsolete, often referring to code sections that the Legislature repealed in 1985 and 2000. The Senate Local Government Committee’s staff wants legislators to correct these cross-references (Peter Detwiler, Senate Local Government Committee, 916/651-4115). The **proposed bill** corrects the statutory cross-references in the definition of “jurisdictional change.” [§13]

13. Assessment and tax notice clean-up. State law spells out the procedures that local officials must follow for giving notices of special assessments, special taxes, and foreclosures (Streets & Highways Code §3100, et seq.). When filing maps of Community Facilities Districts that can pay for cleaning-up hazardous substances under the Mello-Roos Act, local officials must include a specific declaration (Streets & Highways Code §3110). An attorney who advises builders notes that this statute contains the wrong cross-reference to the Mello-Roos Act and he wants the Legislature to correct that error (Bryan Wenter, Morgan Miller Blair, 925/979-3315). The **proposed bill** corrects the statutory cross-reference to the Mello-Roos Act in the requirements for giving notice of community facilities districts. The **proposed bill** also revised the notice dates from the 20th Century to the 21st Century. [§14]

14. **Legislative intent.** The **proposed bill** expresses the Legislature's intent to cut costs by combining several noncontroversial items relating to local government into a single bill. [§1]

PROPOSED AMENDMENTS TO GOVT. CODE §1780

SEC. 3. Section 1780 of the Government Code is amended to read:

1780. (a) Notwithstanding any other provision of law, a vacancy in any elective office on the governing board of a special district, other than those specified in Section 1781, shall be filled ~~as provided in~~ pursuant to this section.

(b) The district shall notify the county elections official of the vacancy no later than 15 days ~~following~~ after either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later.

(c) The remaining members of the district board ~~members~~ may fill the vacancy either by appointment pursuant to subdivision (d) or by calling an election pursuant to subdivision (e).

~~(d) The person appointed shall hold office until the next general district election that is scheduled 130 or more days after the date the district board is notified of the vacancy, and thereafter until the person elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall fill the balance of the unexpired term. If the term of office is due to expire following the next general district election and that election is scheduled 130 or more days after the date the county elections official is notified of the vacancy, the person appointed to the vacancy shall fill the balance of the unexpired term of his or her predecessor.~~

(1) Appointments The remaining members of the district board shall make the appointment pursuant to this subdivision shall be made within a period of 60 days immediately subsequent to after either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, ~~and a notice of the vacancy shall be posted later.~~ The district shall post a notice of the vacancy in three or more conspicuous places in the district at least 15 days before the appointment is made. district board makes the appointment. The district shall notify the county elections official shall be notified of the appointment no later than 15 days after the appointment.

(2) If the vacancy occurs in the first half of a term of office, then the person appointed to fill the vacancy shall hold office until the next general election that is scheduled 130 or more days after the date the district board is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified.

(3) If the vacancy occurs in the second half of a term of office, then the person appointed to fill the vacancy shall fill the balance of the unexpired term of office.

(e)(1) In lieu of making an appointment, the remaining members of the district board may within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, call an election to fill the vacancy.

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the district board calls the election.

(b) (f)(1) If the vacancy is not filled by the district board as specified by appointment, or if the district board has not called for an election within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy,

whichever is later, then the city council of the city in which the district is wholly located, or if the district is not wholly located within a city, the board of supervisors of the county representing the larger portion of the district area in which the election to fill the vacancy will be held, may appoint a person to fill the vacancy within 90 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, or the city council or ~~county~~ board of supervisors may order the district to call an election to fill the vacancy. ~~The election~~

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the city council or board of supervisors calls the election.

~~(e) (g)(1)~~ (1) If within 90 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, the remaining members of the district board or the appropriate board of supervisors or city council have not filled the vacancy and no election has been called for, then the district board shall call an election to fill the vacancy.

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the district board calls the election.

~~(2) If (h)(1)~~ Notwithstanding any other provision of this section, if the number of remaining members of the district board falls below a quorum, then at the request of the district secretary, or a remaining member of the district board member, the appropriate board of supervisors or the city council may waive the 60-day period provided in subdivision (a) and appoint immediately shall promptly appoint a person to fill the vacancy as provided in subdivision (a), or may call an election to fill the vacancy.

(2) The board of supervisors or the city council shall only fill enough vacancies by appointment or by election to provide the district board with a quorum.

(3) If the vacancy occurs in the first half of a term of office, then the person appointed to fill the vacancy shall hold office until the next general election that is scheduled 130 or more days after the date the district board is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified.

(4) If the vacancy occurs in the second half of a term of office, then the person appointed to fill the vacancy shall fill the balance of the unexpired term of office.

(5) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is held 130 or more days after the date the city council or board of supervisors calls the election.

~~The board of supervisors or the city council shall only fill enough vacancies to provide the board with a quorum.~~

~~(d) Persons appointed to fill a vacancy shall hold office until the next general district election that is scheduled 130 or more days after the date the county elections official is notified of the vacancy and thereafter until the person elected at that election to fill the vacancy has been qualified, but persons elected to fill a vacancy shall hold office for the unexpired balance of the term of office.~~

