

**COASTSIDE COUNTY WATER DISTRICT**

**766 MAIN STREET**

**HALF MOON BAY, CA 94019**

**MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING**

**Tuesday, June 13, 2017**

- 1) **ROLL CALL** - President Glenn Reynolds called the meeting to order at 7:00 p.m. Present at roll call: Directors Ken Coverdell, Arnie Glassberg, Chris Mickelsen and Vice-President Bob Feldman.

Also present: David Dickson, General Manager; Mary Rogren, Assistant General Manager; Patrick Miyaki Legal Counsel; Cathleen Brennan, Water Resources Analyst; JoAnne Whelen, Administrative Assistant/Recording Secretary and Gina Brazil, Office Manager.

- 2) **PLEDGE OF ALLEGIANCE**

- 3) **PUBLIC COMMENT** - There were no public comments.

- 4) **SPECIAL ORDER OF BUSINESS - FISCAL YEAR 2017-2018 BUDGET, FISCAL YEAR 2017/2018 TO 2026/27 CAPITAL IMPROVEMENT PROGRAM, RESOLUTION AMENDING THE RATE AND FEE SCHEDULE TO INCREASE WATER RATES, AND RESOLUTION AMENDING THE GENERAL REGULATIONS REGARDING WATER SERVICE**

**Staff Presentations**

- Fiscal Year 2017/18 Operations and Maintenance Budget
- Fiscal Year 2017/2018 to 2026/2027 Capital Improvement Program
- Proposed Amendment of Rate and Fee Schedule to Increase Water Base Charges by 0% and Consumption Quantity Charges up to 5%

Ms. Rogren provided a presentation summarizing the District's budget process, referencing the eight budget-related public meetings that have been conducted since February of 2017, as well as the District's outreach efforts. She reviewed revenue requirements and provided an overview of the District's population served, water sources, treatment plants, storage tanks, and the Crystal Springs Pump Station. Ms. Rogren proceeded with her presentation recapped the District's financial condition, the commitment to invest in infrastructure and the requirements for ongoing rate increases to cover inflationary cost increases.

Next Ms. Rogren reviewed the District’s Capital Improvement Program featuring the infrastructure investments made over the past five years and the future projects the District has planned over the next ten years. She also reviewed the District’s annual revenue requirements, key assumptions behind the financing plan, the cost of service analysis, and the proposed rate increase. Rick Simonson, Vice President with HF&H, also reiterated a brief explanation of the cost of service analysis. Ms. Rogren concluded the presentation by analyzing the impact of the proposed rate increase on District customer’s bills.

### **Open Public Hearing**

President Reynolds opened the Public Hearing regarding the Proposed Amendment of Rate and Fee Schedule to Increase Water Base Charges by 0% and Consumption Quantity Charges up to 5% at 7:40 p.m., inviting members of the audience to address the Board on the subject of the proposed rate increase.

Craig Lavaysse, 701 Arnold Way, Half Moon Bay - Explained the difficulties in paying utility bills for the senior residents living on a limited fixed income.

Galyn Evans, Leslie Gardens Administrator, 701 Arnold Way, Half Moon Bay - Asked the Board to keep the coastside senior residents in mind when they consider increasing the water rates, as many of the local seniors are struggling to pay their utility costs on incomes of approximately \$821.00 per month.

Thomas Pohl, 675 Spindrift Way, Half Moon Bay - Stated that he thought the rate increase was a bit premature until the perceived water usage over the next five years is better known.

Ann Sklute, 701 Arnold Way, Half Moon Bay - Stated that she appreciated the District not increasing the rate on the base charges. She also spoke briefly about a federal based Home Energy Assistance Program (HEAP), offered to assist with utility costs for low income senior residents.

**Close Public Hearing** – President Reynolds closed the Public Hearing at 8:05 p.m.

### **Board Comments / Board Action**

- Adoption of Resolution 2017-01 – A Resolution of the Board of Directors of the Coastside County Water District Amending the Rate and Fee Schedule to Increase Water Rates and Finding that the Amendments are Exempt From the California Environmental Quality Act
- Approval of Fiscal Year 2017-2018 Operation and Maintenance Budget and Capital Improvement Program for Fiscal Year 2017/2018 to 2026/2027

A brief discussion ensued among the Board members regarding the budget process and it was noted that the comments and concerns expressed by the senior residents on fixed incomes were taken very seriously by the Board when considering the rate increase.

**ON MOTION BY Director Glassberg and seconded by Director Mickelsen, the Board voted by roll call vote to adopt Resolution 2017-01 Amending the Rate and Fee Schedule to Increase Water Rates and Finding that the Amendments are Exempt From the California Environmental Quality Act:**

Director Coverdell	Aye
Director Mickelsen	Aye
Director Glassberg	Aye
Vice-President Feldman	Aye
President Reynolds	Aye

**ON MOTION BY Director Coverdell and seconded by Director Glassberg, the Board voted by roll call vote to approve the Fiscal Year 2017/2018 Operations and Maintenance Budget and Fiscal Year 2017/2018 to 2026/2027 Capital Improvement Program:**

Director Coverdell	Aye
Director Mickelsen	Aye
Director Glassberg	Aye
Vice-President Feldman	Aye
President Reynolds	Aye

**5) CONSENT CALENDAR**

- A. Approval of disbursements for the month ending May 31, 2017:  
Claims: \$759,429.08; Payroll: \$90,766.22 for a total of \$850,195.30
- B. Acceptance of Financial Reports
- C. Approval of Minutes of May 9, 2017 Special and Regular Board of Directors Meetings
- 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 – May 2017
- H. Monthly Emergency Main & Service Repairs Report and Water Line Flushing Report
- I. Monthly Rainfall Reports
- J. S.F.P.U.C. Hydrological Report for the month of April 2017

Director Reynolds stated that he had reviewed the monthly financial claims and found all to be in order.

**ON MOTION BY Director Feldman and seconded by Director Mickelsen, the Board voted by roll call vote to approve the Consent Calendar in its entirety:**

Director Coverdell	Aye
Director Mickelsen	Aye
Director Glassberg	Aye
Vice-President Feldman	Aye
President Reynolds	Aye

6) **MEETINGS ATTENDED / DIRECTOR COMMENTS**

Director Feldman reported on his attendance at the Association of California Water Agencies (ACWA) conference in May. He noted that he was very pleased to see Coastside County Water District's Save Our Water Campaign featured at the ACWA conference during a presentation.

7) **GENERAL BUSINESS**

A. **Approve Salary Schedule with a Cost of Living Adjustment Increase for FY 2017-2018 effective July 1, 2017**

Ms. Rogren advised that the District is still in negotiations with Teamsters Local 586 for the Memorandum of Understanding (MOU) and stated that the union has confirmed their support to have the 3.3% Cost of Living Adjustment increase approved and implemented prior to the conclusion of the negotiations of the MOU. She also noted that CalPERS requires Board approval of the salary schedule.

**ON MOTION BY Director Mickelsen and seconded by President Reynolds, the Board voted by roll call vote to approve the Salary Schedule with a Cost of Living Adjustment increase for FY 2017-2018 effective July 1, 2017:**

Director Coverdell	Aye
Director Mickelsen	Aye
Director Glassberg	Aye
Vice-President Feldman	Aye
President Reynolds	Aye

B. **Resolution in Support of the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements**

Mr. Dickson introduced this item and provided a brief background of the proposal being presented by the State Water Resources Control Board (SWRCB) to improve water quality in the San Francisco Bay Delta by requiring minimum flows in the San Joaquin River. He summarized the Association of California Water Agencies' (ACWA) Policy Statement which emphasizes a collaborative, negotiated approach to solving the Bay-Delta's problems as an alternative to the litigation that will inevitably follow the SWRCB's imposition of unimpaired flow requirements.

**ON MOTION BY Director Feldman and seconded by Director Mickelsen, the Board voted by roll call vote, to approve Resolution 2017-02, a Resolution in Support of the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements:**

Director Coverdell	Aye
Director Mickelsen	Aye
Director Glassberg	Aye
Vice-President Feldman	Aye
President Reynolds	Aye

**C. California Special Districts Association (CSDA) - 2017 Board Election - Bay Area Network, Seat C and Seat A**

Mr. Dickson reminded the Board that as a member of the California Special District's Association, the Board has the opportunity to participate in the CSDA Board Elections process by casting a vote for one of the candidates seeking to represent the Bay Area Network. Brief discussion ensued.

**ON MOTION BY President Reynolds and seconded by Director Coverdell, the Board voted by roll call vote to designate Stanley R. Caldwell and Robert Silano to serve the terms specified for Seat C and Seat A on the CSDA Board of Directors:**

Director Coverdell	Aye
Director Mickelsen	Abstain
Director Glassberg	Abstain
Vice-President Feldman	Aye
President Reynolds	Aye

**8) MONTHLY INFORMATIONAL REPORTS**

- A. Assistant General Manager's Report** - Ms. Rogren reported that Joe Guistino, Superintendent of Operations, has announced his intention to retire on September 30, 2017 and that the District has engaged the services of Koff and Associates to immediately initiate recruitment efforts on behalf of the District for a new Superintendent of Operations.
- B. Superintendent of Operations Report** - Mr. Guistino summarized the monthly project highlights, including the Denniston deliveries and the Denniston Pump Station. He also informed the Board of the newest Treatment/Distribution Operator hired, Travis Menezes, joining the District's team on May 2, 2017.
- C. Water Resources Report** - Ms. Brennan updated the Board on the Pilarcitos Creek Integrated Watershed Management Plan (IWMP) and the District's agreement, along with other agencies, to help subsidize the continued operation of the gauge for Water Year 2017-2019 for the sum of \$11,588.00.

**9) DIRECTOR AGENDA ITEMS – REQUESTS FOR FUTURE BOARD MEETINGS**

Director Coverdell noted that a discussion of future water sources was proposed to be included on the July 2017 Board Meeting Agenda. Mr. Dickson advised that an introduction to the topic would be placed on the July 11, 2017 Board Meeting Agenda, followed by a workshop at a later date if the Board desired.

**10) CLOSED SESSION**

**Conference with Legal Counsel – Anticipated Litigation**

Significant Exposure to Litigation

Pursuant to California Government Code Section §54956.9(d)(2) - One Potential Case

The Closed Session began at 8:56 p.m.

**11) RECONVENE TO OPEN SESSION**

The Board reconvened into Open Session at 9:22 p.m., at which time it was announced that no action was taken in the Closed Session.

**12) ADJOURNMENT – The meeting was adjourned at 9:22 p.m.**

Respectfully submitted,

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David R. Dickson, General Manager  
Secretary to the District

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Glenn Reynolds, President  
Board of Directors