

COASTSIDE COUNTY WATER DISTRICT
Minutes of the Regular Meeting of the Board of Directors
766 Main Street, Half Moon Bay, CA 94019
May 14, 2002 – 7:30 p.m.

- 1) ROLL CALL: President Eleanor Wittrup called the meeting to order. Present at roll call were Directors Chris Mickelsen, James Marsh, John Muller, and Jim Larimer. Also present were Ed Schmidt, General Manager; Dave Mier, Superintendent; Anthony Condotti, Legal Counsel; James Teter, Engineer; JoAnne Whelen, Executive Secretary; and Linda Goetz, Recording Secretary. There were approximately five people in the audience.
- 2) PLEDGE OF ALLEGIANCE: Everyone stood for the Pledge of Allegiance.
- 3) PUBLIC ANNOUNCEMENTS:

Kathryn Slater Carter, speaking as President of the Montara Sanitary District, updated the Board on their efforts to secure water for Montara. As part of those efforts, they have prepared a letter to the California Coastal Commission expressing their interest in purchasing any surplus water capacity from CCWD generated through the proposed El Granada pipeline.

- 4) APPROVAL OF THE AGENDA: Director Marsh suggested moving discussion of the Beuth lawsuit to Open Session, and taking action in Closed Session at the end of the agenda. After discussion, including input from counsel, no action was taken on his suggestion, and the following motion was made:

ON MOTION by Director Muller, seconded by Director Mickelsen, the Agenda was unanimously approved as presented.

- 5) **SPECIAL ORDER OF BUSINESS: Recognition of Coastside County Water District Office Manager, Betty Tomberlin, in appreciation of her twenty-nine years of commitment to the success of the Coastside County Water District:** President Wittrup read Resolution #2002-05 honoring Betty, and presented her with a bouquet of flowers and an engraved glass plate. The following action was taken:

ON MOTION by Director Larimer, seconded by Director Marsh, the Board unanimously adopted Resolution No. 2002-05, "Recognition of Coastside County Water District Office Manager, Betty Tomberlin, in appreciation of her twenty-nine years of commitment to the success of the Coastside County Water District."

- 6) CLOSED SESSION:
 - A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Cal. Government Code Section 54956.9) Beuth v. Coastside County Water District – SMSC Case No. 407917: At 7:47 p.m. the Board went into Closed Session. When they returned to Open Session at 9:07 p.m, the Attorney stated that during Closed Session the Board received a report from Counsel advising them of the adverse decision of the Superior Court in the Beuth vs. CCWD

case, invalidating the decision to allocate the 305 newly-discovered non-priority connections. The Board voted 5-0 to direct legal counsel to initiate an appeal of that ruling once a final judgment is issued by the Court in that matter.

RECESS: The Board took a 10 minute recess after Closed Session, and re-opened the meeting to Open Session at approximately 9:20 p.m.

7) CONSENT CALENDAR:

- A. Requesting the Board to review payment of claims for the month ending April 30, 2002 in the amount of \$334,709.74.
- B. Acceptance of Financial Reports.
- C. Minutes of April 9, 2002.
- D. Request for Transfer of Non-Priority Water Service Connection, same owner, Keet Nerhan.
- E. Request for Transfer of Non-Priority Water Service Connection, same owner, Keet Nerhan.
- F. Request for Transfer of Non-Priority Water Service Connection, same owner, Keet Nerhan.
- G. Acceptance of Hacienda Gardens Water System.

The General Manager asked that Item 7-F be removed from the Consent Calendar for discussion separately. After staff answered Director Marsh's questions about specific claims, and Director Mickelsen reported a positive review of the claims, the following action was taken:

ON MOTION by Director Marsh, seconded by Director Mickelsen, all items of the Consent Calendar except Item F, were unanimously approved as presented.

- 7-F Request for Transfer of Non-Priority Water Service Connection, same owner, Keet Nerhan: The General Manager presented the owner's representative's request for approval subject to receipt of the lender's approval letter.

ON MOTION by Director Wittrup, seconded by Director Muller, the Board unanimously approved the transfer of a non-priority water service connection between the same owner, Keet Nerhan, subject to receipt of the lender's approval letter.

8) REPORT OF THE GENERAL MANAGER:

- A. Proposal from EIP Associates to Prepare a California Environmental Quality Act Initial Study for the Carter Hill West Pipeline Replacement Project: The General Manager informed the Board that staff agrees that the existing Negative Declaration is outdated and a new initial study should be prepared. He recommended EIP Associates for the study, and

Mr. George Burwasser of EIP presented his qualifications to the Board and answered questions. In response to Director Larimer's concern about the possibility of a potential contentious situation within the community, Mr. Burwasser explained his approach to laying out the issues and how processes can be implemented that set the stage for community involvement and potential conflict resolution. He also explained the timelines and steps to be taken if a full EIR is considered necessary.

ON MOTION by Director Muller, seconded by Director Mickelsen, the Board unanimously authorized staff to prepare a contract with E.I.P. Associates for development of a California Environmental Quality Act (CEQA) Initial Study, for the Carter Hill West Pipeline Replacement Project.

- B. Discussion and possible adoption of Resolution 2002-04 amending the General Manager's spending authority: The General Manager presented a resolution to change his spending authority from \$2,500 to \$15,000 as previously directed by the Board.

ON MOTION by Director Marsh, seconded by Director Mickelsen, the Board unanimously adopted Resolution 2002-04, "Amending Policies and Procedures for Award of Contracts" by roll call vote.

- C. Discussion and possible adoption of Proposed FY 2003 Operating Budget for Coastside County Water District: The General Manager presented the proposed FY 2003 Operating Budget exclusive of the financial impact of salaries and benefits, which are still being evaluated by the Human Resource Committee as part of the current comparison study. During discussion the following items were identified as requiring staff action: removing hydrant fee as an income item in the operating budget; analyzing the cost and pricing of services to the public performed by District personnel; preparation of a monthly cost tracking report for legal and engineering costs; increasing the staff training budget; and the possible establishment of a tuition reimbursement policy. The Operating Budget will be on the May 28th agenda with the CIP budget, and again on the regular meeting agenda in June for possible approval.
- D. General Manager Activities: The General Manager referred the Board to his written report and expanded on his recent conversation with Peter Imhoff of the California Coastal Commission, who he says is inclined toward an August hearing in San Luis Obispo. Mr. Imhoff also indicated that mid-June is appropriate timeframe for the California Coastal Commission staff to receive the LCP analysis.
- E. Correspondence: (1) Letter to local agencies (Montara Sanitary District, Granada Sanitary District, Sewer Authority Mid-Coastside, HMB Fire Protection District) regarding possibility of producing a joint-agency newsletter; (2) Letter from San Francisco Public Utilities Commission to

Bay Area Water Users Association members dated April 24, 2002 regarding Blue Ribbon Committee to Review Analysis of Proposal to Improve Reliability of Water, Sewer System: (1) The General Manager indicated that the other Districts are not interested in a joint agency newsletter. Discussion ensued regarding a newsletter and other forms of outreach to the public, to include the Hispanic community. (2) The General Manager stated that he and Director Muller would be attending the meeting called by the new General Manager of the SFPUC to analyze their proposed Capital Improvement Project plans.

Director Muller had to leave the meeting at 10:55.

9) AGENDA ITEMS REQUESTED BY BOARD MEMBERS;

- A. Discussion and possible direction to staff regarding Master Plan Development (placed on the agenda at the request of President Wittrup.) President Wittrup suggested that this item be deferred to the next meeting due to the lateness of the meeting.

10) ATTORNEY'S REPORT:

- A. Water Service Agreement – Magnolia Associates, L.L.C: The Attorney presented the Agreement and asked that the Board consider approval. After explanation of the number of connections involved and the terms of the agreement, the following action was taken:

ON MOTION by Director Larimer, seconded by Director Mickelsen, the Board approved entering into the Water Services Agreement dated May 14, 2002 between Coastside County Water District and Magnolia Associates, L.L.C. for development of 20 single family residences to be known as Magnolia Park in Half Moon Bay. Director Muller was absent.

- B. Report on status of El Granada Transmission Pipeline Analysis to be presented to California Coastal Commission (CCC Appeal Nos. A-2-SMC-99-63, A-1-HMB-99-20): The Attorney advised that the draft report should be available at the May 28th Special Meeting of the Board of Directors.

11) ENGINEER'S REPORT: The Engineer presented his written report as informational, and responded to Board questions. During discussion it was agreed that the General Manager should continue his efforts to acquire a digital and camcorder for recording projects and training personnel, etc. The Engineer was also asked to provide engineering costs for listed projects in his reports.

- A. Engineering Projects Received in April, 2002: None.
- B. Engineering Projects in Progress: The Engineer referred to his written report which listed the following current work assignments: 1)

Disinfection Profiling for the State Department of Health; 2) Report of Estimated Cost of Water Produced from Proposed Lower Pilarcitos Creek Groundwater Project, 3) Paving and Drainage Improvements at the Alves Tank site; 4) El Granada Storage Tank 3 Site Improvements; 5) Preparation of Design Contract Documents of the El Granada Transmission Pipeline Replacement Project; and 6) Preparation of Design Contract Documents for the Carter Hill West Pipeline Replacement Project. At the request of Director Marsh, future reports will include project cost estimates

- C. Update and/or report on the approved schedules for water pipeline segments recently modeled by Water Resource Associates (El Granada, Carter Hill West and Main Street): The Engineer presented his written report, and explained that the projected schedules are dependent on first completing the Carter Hill Project as scheduled.
- 12) OPERATIONS REPORT: Superintendent Mier presented Items A through D without comment.
- A. Water Service Connections Installed, Priority and Non-Priority: Two non-priority water connections were installed in April-- one Half Moon Bay and one San Mateo County.
- B. Capital Improvement Program Progress: \$90,152 was expended in April, \$85,049 of which was for maintenance at the Crystal Springs Pump Station.
- C. Water Sample Report, Local Production, Water Purchases, Leaks, etc: Water production totaled 66.62 million gallons; all from local sources. Sales were 44.14 million gallons. The highest peak hour was between 9-10 am at 5,110 gpm, and the highest peak 24 hour was 4/1/02 at 2,238 gpm. Rainfall for the month of April was 0.47 inches, for a total of 21.1 since July 2001.
- D. Carter Hill West Pipeline Pressure Readings: Pressures were well above the minimum recommended psi.
- E. Award of Contract for the Alameda Pipeline Project: The Superintendent presented a list of bidders, noting that the low bidder was disqualified as being non-responsive. He recommended the next lowest bidder, S.G. Barber Construction, Inc. of Belmont. He also produced a letter from the California Coastal Commission to San Mateo County informing them that due to the cost of the project, it is considered a major public works project and therefore appeal able to the Commission. The Superintendent reported that San Mateo County has responded by saying they will put out an amended notice, making the bid acceptable after May 28th. He then recommended Board approval contingent upon the release of the CDP.

ON MOTION by Director Marsh, seconded by Director Mickelsen, the Board approved award of contract for the Alameda Pipeline Replacement Project to S.G. Barber Construction, Inc. in the amount of \$350,070, contingent upon the California Coastal Commission's release of a Coastal Development Permit. Director Muller was absent.

- F. Approval of purchase of materials for the Alameda Pipeline Project: The Superintendent presented the low bid for materials and recommended approval. The Board took the following action:

ON MOTION by Director Mickelsen, seconded by Director Marsh, the Board unanimously authorized purchase of materials for the Alameda Pipeline Replacement Project from Roberts & Brune Company in the amount of \$16,017.10. Director Muller was absent.

13) MEETINGS ATTENDED/SCHEDULED:

- A. BAWUA Committee for Regional Water Supply Reliability – Representative: Director Mickelsen: Director Mickelsen was unable to attend.
- B. ACWA 2002 Spring Conference, May 8-10, 2002 – Monterey, CA, attended by Director Marsh: Director Marsh referred to his written report and emphasized the relevance of the Proposition 218 discussion. He recommended specific topics for research, including the latent powers of the District relative to its authority to make changes, further discussion of funding sources, and definitions of aquifers.

14) CITIZENS COMMENTS: None.

15) AGENDA ITEMS AND DIRECTOR COMMENTS:

- A. Items for the next agenda will include the Operating and CIP budgets, the Master Plan discussion, the staff's analysis to be presented to the California Coastal Commission, the amount of time allowed for public comment during meetings, and the availability of District stationery to Directors. Director Wittrup suggested inviting the Fire Chief at some future meeting for a presentation on fire flow issues.
- B. Director Larimer said he was unable to attend the next regular meeting and requested changing the date. Alternate dates and times were discussed and will be finalized at the next meeting, if possible.
- C. The General Manager will arrange for Fire Chief Asher to attend the June 11th meeting, if possible.
- D. Director Marsh requested the topic of the Pilarcitos wells be agendized for the July meeting.

- 16) ADJOURN: Upon motion by Director Marsh, seconded by Director Mickelsen, the meeting adjourned at 11:30 p.m. The next meeting of the Board of Directors will be a Special Meeting on May 28, 2002 at 7:30 p.m.

Respectfully submitted,

Ed Schmidt, General Manager

APPROVED:

Eleanor Witttrup, President