

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

Thursday, February 12, 2009

The meeting was called to order at 7:30 p.m.

1. ROLL CALL:

Directors Present:

Janet Medina
Robert Craig
Thomas Chambers
Perry Bautista
William Lopez

Directors Absent: None.

Staff Present:

General Manager, Darryl Barrow
Attorney, Michael Conneran

Visitors Present:

Paul Kaymark

2. PLEDGE OF ALLEGIANCE: Led by Director Bautista.

3. CONSENT CALENDAR:

Director Chambers moved to approve the consent calendar with correction to the minutes, seconded by Director Medina.

The motion was carried unanimously.

4. PUBLIC COMMENT: None

5. BUSINESS (OLD): None

6. BUSINESS (NEW):

A. Approve 2008 Annual Audit Report.

Paul Kaymark, auditor from Charles Z. Fedak & Company reviewed the 2008 Annual Audit Report with the Board. Mr. Kaymark suggested the Board consider the possibility of increasing reserves and sewer expenses versus revenue.

Director Chambers moved to approve the 2008 Audit Report, seconded by Director Bautista.

The motion was carried unanimously.

B. Review/Approve Revised Capital Improvement for 2008/2009.

General Manager Barrow reported that the Capital Improvement Committee met to discuss ways to reduce the cost of FY 2008/2009 Capital Improvement projects. Mr. Barrow stated that the Generator Replacement Project was \$114,000 over budget primarily due to the noise requirements required by the City of South San Francisco. The Budget Committee recommended postponing the following projects: the Installation of the Generator Transfer Switch Project at Westborough and Skyline Pump Station, the Skyline Tank Site paving, the New Pressure Reducing Valve Station, and the Update of District Maps; thereby reducing the cost \$154,000. The Committee recommended adding Chlorine Analyzer and Scada System Upgrade.

Director Chambers moved to approve the Revised Capital Improvement for FY 2008/2009, seconded by Director Bautista.

The motion was carried unanimously.

C. Review/Approve Proposal for Actuarial Retiree Analysis of Medical Benefits.

Director Bautista moved to approve the proposal for actuarial retiree analysis of medical, seconded by Director Lopez.

The motion was carried 3 to 2 with Directors Chambers and Medina voting nay.

D. Review/Approve Proposal from Telstar Instruments Inc. for Inspection Service for Westborough and Rowntree Generator Project.

Director Chambers moved to approve the proposal from Telstar Instruments Inc. for Inspection Service for Westborough and Rowntree Generator Project, seconded by Director Medina.

The motion was carried unanimously.

7. WRITTEN COMMUNICATION:

A. Letter Dated January 20, 2009, from Pump Repair Regarding \$500 Credit.

General Manager Barrow stated that he had written a letter to Pump Repair requesting a discount for the delay in receiving the new pump the District had purchased. Mr. Barrow reported that Pump Repair offered the District a \$500 credit on the order.

8. ATTORNEY'S REPORT: None

9. GENERAL MANAGER'S REPORT:

A. Compensation for Directors Attending Meetings.

General Manager Barrow asked Attorney Conneran if directors are allowed compensation if they want to attend committee meetings that are not appointed to in order to learn more about the committee.

Attorney Conneran stated that a Board Member can attend the meeting as an observer and not have any involvement. Also, the Board Member not elected to the committee can not be compensated.

B. Gellert Shopping Center Back-Flow Device Testing.

General Manager Barrow reported that the owner of the Gellert Shopping Center was now in compliance; the back-flow devices were tested and the water service is no longer scheduled for shutoff.

10. ITEMS FROM BOARD OF DIRECTORS:

A. Report on G.M. Attendance to City Lights Homeowners Association Meeting.

Director Lopez reported that General Manager Barrow had attended the City Lights Homeowners Associations meeting to discuss the shutdown of water service, water conservation and emergency notification forms. Director Lopez thanked Mr. Barrow for attending the meeting.

11. CLOSED SESSION: None.

12. ADJOURNMENT:

Director Bautista moved to adjourn, seconded by Director Lopez.

The motion was carried unanimously.

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Thursday, February 12, 2009

Time 9:06 p.m.

Secretary

Vice President

Date