

*COASTSIDE COUNTY WATER DISTRICT*

*766 MAIN STREET*

*HALF MOON BAY, CA 94019*

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS**

**Wednesday, August 24, 2022**

Due to the Covid-19 pandemic, and in accordance with Assembly Bill 361, which modifies California Government Code Section 54953, the meeting was conducted by hybrid format offering the option of participating in person, zoom video conference, or by teleconference.

The Public was able to participate in the public meeting by joining the meeting in person or through the Zoom Video Conference link provided. The public was also able to join the meeting by calling a provided teleconference phone number.

- 1) **ROLL CALL** –President Bob Feldman called the meeting to order at 9:00 a.m. Participating in person Vice President John Muller, Directors Chris Mickelsen, Ken Coverdell and Glenn Reynolds.  
  
Also present: Mary Rogren, General Manager; Patrick Miyaki, Legal Counsel; Cathleen Brennan, Water Resources Analyst; Nancy Trujillo, Accounting Manager; and Lisa Sulzinger, Administrative Analyst.  
  
Nancy Phan, Kevin Kostiuk, and Lindsay Roth of Raftelis Financial Consultants Inc. identified as participants in the meeting.
- 2) **PLEDGE OF ALLEGIANCE**
- 3) **PUBLIC COMMENT** - There were no public comments
- 4) **Rate Study Workshop with Raftelis Financial Consultants Inc.**
  - o Review Financial Model
  - o Discussion of potential options for a water rate increase

Ms. Phan and Mr. Kostiuk from Raftelis Financial Consultants, Inc. began their presentation with an overview of the agenda and timeline for the rate study including

the schedule for the development of the financial model, cost of service, rate design and drought rates through to the public hearing and final rate adoption all to be completed by December 2022. Mr. Kostiuik next provided an overview of the Proposition 218 requirements and methodology that will be used for a Cost of Service Analysis (planned to be discussed at the September 13 Board of Directors Meeting.)

The August 24 workshop focused on the development of the District's financial model. Ms. Phan first reviewed the model inputs and inflationary assumptions previously reviewed with the Finance Committee earlier in August.

Ms. Phan next presented three different 5-year financial plan scenarios: Status Quo, All "Paygo", and Debt Financing. Discussion ensued among the Board, the consultants, and staff. Ms. Phan also demonstrated the interactive financial model and modified inputs to the model at the request of Board members to determine the effects of potential water rate increases and debt financing on the District's cash reserves. The Board members discussed various alternatives, including a potential 6% rate increase with a potential \$7 million debt issuance in 2025.

- 5) **ADJOURNMENT** - Special Board Meeting/Workshop Adjourned at 10:57 a.m.



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Robert Feldman, President  
Board of Directors



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Mary Rogren, General Manager  
Secretary to the District