

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

Tuesday, April 30, 2024

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 Mickelsen called the meeting to order at 3:06 p.m. Present at roll call: Vice President Reynolds, Director Ken Coverdell, Director Bob Feldman, and Director John Muller.

Also present: Mary Rogren, General Manager, Jeffery Schneider, Asst. General Manager Finance/Admin., Patrick Miyaki, Legal Counsel; Cathleen Brennan, Water Resources Analyst, Gina Brazil, Office Manager Nancy Trujillo, Accounting Manager and Lisa Sulzinger, Administrative Analyst

Also Participating: Sanjay Gaur, Project Manager and Nancy Phan, Project Analyst from Water Resources Economics, LLC

- 2) **PLEDGE OF ALLEGIANCE**
- 3) **PUBLIC COMMENT** - There were no public comments.
- 4) **Rate Study Workshop with Water Resources Economics, LLC**
 - o Review Preliminary Draft Financial Model and Preliminary Draft Cost of Service Analysis

Ms. Rogren introduced Mr. Gaur and Ms. Phan from Water Resources Economics, LLC ("WRE"). Mr. Gaur began the presentation with an overview of the agenda. He reviewed the Rate Study Process - Policy Framework, Financial Plan, Cost-of-Service analysis, Rate Design and Documentation.

Mr. Gaur then provided an overview of Proposition 218 requirements and stated that retail water agencies typically conduct a “Cost-of-Service Analysis” at least once every 5 years. The District’s last Cost-of-Service Analysis was in 2018. Mr. Gaur then reviewed various Financial Plan scenarios. A discussion ensued among the Board, WRE consultants, and staff after each scenario.

Mr. Gaur and Ms. Phan demonstrated the interactive draft 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 discussed and provided input on various alternatives, including a three year rate increase schedule, a potential 8% rate increase based on the preliminary cost of service analysis, and a potential \$8 million debt issuance in 2025, with potential fire service rate adjustments as set forth in the presentation.

Mr. Gaur also discussed the differences between a Financial Plan and a Cost-of-Service Analysis. Given the preliminary draft Cost-of-Service Analysis, Mr. Gaur reviewed the preliminary water rates that showed the preliminary monthly base charges, usage charges and fire charges for residential, multi-dwelling and commercial accounts.

Mr. Gaur discussed with the Board the next steps including development of water shortage rates.

5) CLOSED SESSION

A) Conference with Real Property Negotiators

Pursuant to California Government Code Section 54956.8

1. Property: Acquisition of multiple permanent and temporary easements along Highway 92, Half Moon Bay, CA [APN 056 341 -180, 190, 200, 210, 230, 056-331-110, 056-331-120 and 130]
Agency Negotiators: Mary Rogren, General Manager
Negotiating Parties: Mary Alice Cozzolino, Surviving Co-Trustees of the James and Alice Cozzolino 1998 Family Trust
Under Negotiation: Price and Terms of Payment
2. Property: Acquisition of multiple permanent and temporary easements along Highway 92, Half Moon Bay, CA [APN 056-341-220]
Agency Negotiators: Mary Rogren, General Manager
Negotiating Parties: James Salvatore Cozzolino, a married man, as his sole and separate property, and Linda Jean Cozzolino, a single woman, as tenants-in-common
Under Negotiation: Price and Terms of Payment
3. Property: Acquisition of multiple permanent and temporary easements along Highway 92, Half Moon Bay, CA [APN 056-341-080, 150]
Agency Negotiators: Mary Rogren, General Manager

Negotiating Parties: Robert Gerald Canadas, as to an undivided ¼ interest and Gerald Robert Canadas, as to an undivided ¼; interest; Marilyn Carol Canadas, as Trustee of The Marilyn Canadas Trust, dated November 1, 2021, as to an undivided ¼ interest and Theresa Rose Schmieder, as Trustee of The Theresa Canadas Trust, dated November 1, 2021, as to an undivided ¼ Interest
Under Negotiation: Price and Terms of Payment

4. Property: Acquisition of multiple permanent and temporary easements along Highway 92, Half Moon Bay, CA [APN 056-331-020]
Agency Negotiators: Mary Rogren, General Manager
Negotiating Parties: Henry R. Pastorino, Trustee of the Henry R. Pastorino Revocable Trust, dated July 6, 2022
Under Negotiation: Price and Terms of Payment

6) **RECONVENE TO OPEN SESSION** - at 5:55 p.m.

Public Report of closed session action - Mr. Miyaki reported:

Closed session items 1 & 2, Direction was given to the Real Property Negotiator.

Closed session item 3, Real property negotiations have concluded, and the parties have entered into an agreement for the acquisition of the easements.

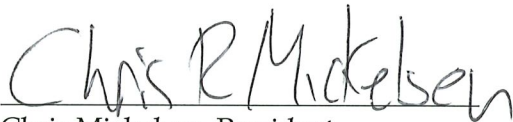
Closed session item 4, Real property negotiations have concluded, and the parties have entered into an agreement for the acquisition of the easements.

7) **ADJOURNMENT** - Special Board Meeting/Workshop Adjourned at 5:58 p.m.

Respectfully submitted,



Mary Rogren, General Manager
Secretary to the District



Chris Mickelsen, President
Board of Directors