

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, June 11, 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 7:00 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, Gina Brazil, Office Manager, Cathleen Brennan, Water Resources Analyst, Nancy Trujillo, Accounting Manager, Darin Sturdivan, Distribution Supervisor and Lisa Sulzinger, Administrative Analyst

Also Participating: Steve Ritchie, Assistant General Manager, Water, SFPUC and Alison Kastama, Bay Area Water Supply & Conservation Agency (BAWSCA) and Wholesale Customer Liaison, SFPUC

- 2) **PLEDGE OF ALLEGIANCE**

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

- 4) **CONSENT CALENDAR**

- A. Approval of disbursements for the month ending May 31, 2024:

Claims: \$ 855,012.50; Payroll: \$ 223,746.70 for a total of \$ 1,078,759.20

May 2024 Monthly Financial Claims reviewed and approved by Director Feldman

- B. Acceptance of Financial Reports

- C. Approval of Minutes of May 14, 2024, Regular Board of Directors Meeting

- D. Installed Water Connection Capacity and Water Meters Report

- E. Total CCWD Production Report

- F. CCWD Monthly Sales by Category Report – May 2024

- G. Leak/Flushing Report – May 2024

- H. Monthly Rainfall Reports

- I. Notice of Completion – Myrtle Street and 2nd Avenue Valve Replacement Project

Director Feldman stated he had reviewed the monthly financial claims, and all appeared to be in order.

ON MOTION BY Director Muller and seconded by Vice President Reynolds, the Board voted by roll call vote to approve the Consent Calendar:

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

5) **MEETINGS ATTENDED / DIRECTOR COMMENTS**

6) **GENERAL BUSINESS**

A. Pilarcitos Dam and Reservoir Improvements Project: Project Status - Presentation by San Francisco Public Utilities Commission

Ms. Rogren introduced Mr. Steve Ritchie, Assistant General Manager, Water, San Francisco Public Utilities Commission ("SFPUC") and Ms. Alison Kastama, Bay Area Water Supply & Conservation Agency ("BAWSCA") and Wholesale Customer Liaison, SFPUC. Ms. Rogren began by stating that Pilarcitos Reservoir is a primary SFPUC water source for the District and has been since 1949. Pilarcitos Reservoir was built in 1866, and the California Division of Safety of Dams (DSOD) has been in recent communication with SFPUC about the need for upgrades to Pilarcitos Dam to improve its stability.

Mr. Ritchie provided an overview of the Project Status of the Pilarcitos Dam and Reservoir Improvements Project. Mr. Ritchie shared that SFPUC completed a Conditions and Needs Assessment for Pilarcitos in December 2021. Next, SFPUC completed an Alternatives Analysis Review in December 2023. SFPUC is considering (5) alternatives for reservoir improvements, however the two alternatives considered to be the most viable will be evaluated in the next phase, preparation of a Conceptual Engineering Report to be completed by December 2024. Mr. Ritchie reiterated that the SFPUC considers the District to be a key stakeholder in this project and will be seeking the District's coordination. The Board provided comments to Mr. Ritchie and Ms. Kastama.

B. Authorize Entering into a Professional Services Agreement with Backstrom McCarley Berry & Co., LLC to Provide Municipal Advisory Services for a 2024 Tax-Exempt Financing Transaction

Ms. Rogren summarized the District plans to build a 2.1 million gallon concrete tank at Carter Hill and is seeking \$8 million in financing for the project. In 2018 the District used the services of Backstrom McCarley Berry & Co., LLC (“Backstrom”) and its Managing Director, Brant Smith, for refunding the District’s 2006B Water Revenue bond at 2.85%. In 2022, the District again utilized Backstrom to complete a \$7 Million private placement financing at a 2.23% interest rate. Given Backstrom’s reputation and the District’s experience with Brant Smith, staff recommends utilizing the Municipal Advisory Services of Backstrom in seeking financing for the District’s 2024 Tax-Exempt Financing Transaction.

ON MOTION BY President Mickelsen and seconded by Vice President Reynolds, the Board voted by roll call vote to authorize the General Manager to enter into a professional services agreement with Backstrom McCarley Berry & Co., LLC to provide Municipal Advisory Services for a 2024 tax-exempt financing transaction for a not-to-exceed fee of \$42,000 (or \$30,000 if private placement financing is chosen) with payment contingent on the successful closing of the financing

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

C. Approval of Fiscal Year 2024-2025 Operations and Maintenance Budget and Fiscal Year 2024/2025 to Fiscal Year 2033/2034 Capital Improvement Program

Mr. Schneider summarized that staff has met many times with both the Finance and Facilities committees beginning in February, 2024, and has presented drafts of the Fiscal Year 2024-2025 Operations and Maintenance (O&M) Budget and Fiscal Year 2024/2025 to Fiscal Year 2033/2034 Capital Improvement Program (CIP) to the full Board at the March 12, 2024 Regular Board Meeting, the April 30, 2024 Special Board Meeting, and the May 14, 2024 Regular Board Meeting. Mr. Schneider noted that there were minor changes to the O&M budget since the May 14 meeting, and no changes to the CIP.

ON MOTION BY Vice President Reynolds and seconded by Director Feldman, the Board voted by roll call vote to approve the Fiscal Year 2024-2025 Operations and Maintenance Budget and Fiscal Year 2024/2025 to Fiscal Year 2033/2034 Capital Improvement Program

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

D. Approval of Resolution 2024-01 of the Coastside County Water District Calling for an Election to be held on Tuesday, November 5, 2024 for the Election of three (3) Members of the Governing Board Representing Zone 1, Zone 3, and Zone 4

Ms. Rogren summarized the required election tasks, including the adoption of Resolution 2024-01. The regular District election will be held on November 5, 2024. Three zones are up for a 4-year term and are currently held by Vice President Reynolds (Zone 1), Director Coverdell (Zone 3) and Director Muller (Zone 4). Under state law, the District must submit a formal request to the County Elections Department to perform all services required to conduct the District's election.

ON MOTION BY Vice President Reynolds and seconded by Director Coverdell, the Board voted by roll call vote to approve Resolution 2024-01 of the Coastside County Water District Calling for an Election to be held Tuesday, November 5, 2024 for the Election of three (3) Members of the Governing Board Representing Zone 1, Zone 3, and Zone 4

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

E. Approval of Salary Schedule with a Cost-of-Living Adjustment for FY2024-2025, effective July 1, 2024

Mr. Schneider presented an updated Salary Schedule to be effective July 1, 2024. The salary update includes a 2.93% cost-of-living adjustment based upon the change in the Consumer Price Index-Urban Wage Earners and Clerical Workers - San Francisco-Oakland-San Jose, CA. from February to February. He further explained that it is a requirement of CalPERS that the District's Board of Directors approve the Salary Schedule.

ON MOTION BY Director Coverdell and seconded by Vice President Reynolds the Board voted by roll call vote to approve the salary schedule with a cost-of-living adjustment of 2.93% for FY2024-2025 effective July 1, 2024.

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

F. Approval of Change Order #4 for Nunes Water Treatment Plant Upgrades Project

Ms. Rogren stated that at the May 2024 Board of Directors Meeting, staff indicated that there would be a final Change Order to be submitted in June for \$41,096.22.

ON MOTION BY Vice President Reynolds and seconded by Director Muller the Board voted by roll call vote to authorize the General Manager to approve Change Order #4 with Ranger Pipelines, Inc. for \$41,096.22 as part of the Nunes Water Treatment Plant Upgrades Project.

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

G. Nunes Water Treatment Plant Upgrades Project Update # 34

Ms. Rogren reported that Ranger Pipelines has demobilized and cleaned up the site and is addressing remaining punch list items and warranty work. Freyer and Laureta, Inc. will provide a final wrap-up report for the July 9, Board of Directors Meeting. The Board of Directors complimented staff and contractors for a smooth, seamless project and for keeping the change orders down.

7) MONTHLY INFORMATIONAL REPORTS

A. General Manager's Report

- Ms. Rogren announced that Sue Turgeon will be retiring on July 12, 2024 after 18 years of service with the District.
- Ms. Rogren participated in a CRISP (Coastal Resilience Infrastructure Strategic Plan) meeting with over 30 stakeholders from various coastal agencies in San Mateo County.

B. Superintendent of Operations Report

Ms. Rogren summarized the Operation Highlights for the month of May 2024 and shared a video of the Primus pipeline liner installation at Highway 1 and Magellan.

8) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

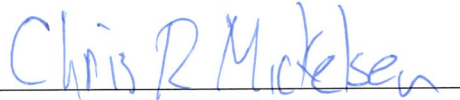
It was suggested that Board member compensation and District strategic planning be discussed at a future Board meeting

9) ADJOURNMENT - Board Meeting Adjourned at 8:41 p.m.

Respectfully submitted,



Mary Rogren, General Manager
Secretary to the District



Chris Mickelsen, President
Board of Directors