

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

September 8, 2020

On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings telephonically or by other electronic means. Pursuant to the Shelter-in-Place Order issued by the San Mateo County Health Officer on March 16, 2020, as revised on March 31, 2020, the statewide Shelter-in-Place Order issued by the Governor in Executive Order N-33-20 on March 19, 2020, and the CDC's social distancing guidelines which discourage large public gatherings, the Boardroom was not open for the September 8, 2020 Regular Meeting of the Coastside County Water District. The Regular Meeting was conducted remotely via teleconference.

The Public was able to watch and/or participate in the public meeting by joining the meeting 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 Chris Mickelsen called the meeting to order at 7:00 p.m. participating in roll call via Zoom Video Conference: Directors Jim Larimer, Bob Feldman, and Vice-President Glenn Reynolds. Director Ken Coverdell was absent for the entire meeting.

Also participating: Mary Rogren, General Manager, Patrick Miyaki, Legal Counsel; James Derbin, Superintendent of Operations; Gina Brazil, Office Manager, Denise Ford, Administrative Assistant/Recording Secretary, Nancy Trujillo, Accounting Manager and Darin Sturdivan, Distribution Supervisor.

2) PLEDGE OF ALLEGIANCE

3) PUBLIC COMMENT – There were no public comments

4) CONSENT CALENDAR

- A. Approval of disbursements for the month ending August 31, 2020:
Claims: \$1,045,582.17; Payroll: \$174,431.22 for a total of \$1,220,013.39
- B. Acceptance of Financial Reports
- C. Approval of Minutes of August 11, 2020 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-August 2020
- G. Monthly Planned Plant or Tank Discharge and New Water Line Flushing Report

- H. Monthly Rainfall Reports
- I. Notice of Completion – District Shop Sewer Replacement Project
- J. Water Service Connection Transfer Report for August 2020

Vice-President Reynolds reported that he had reviewed the monthly financial claims and found all to be in order.

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

Director Larimer	Aye
Vice-President Reynolds	Aye
Director Feldman	Aye
President Mickelsen	Aye
Director Coverdell	Absent

5) MEETINGS ATTENDED/DIRECTOR COMMENTS

Director Larimer inquired about the ERAF money that was owed to the District. Mary Rogren informed Director Larimer that the District had received the money in early September.

6) GENERAL BUSINESS

A. Fiscal Year 2020/21 and Draft Fiscal Year 2021/22 Operations Budgets; Fiscal Year 2020/21 to 2029/30 Capital Improvement Program (CIP); Draft Fiscal Year 2020/21 to 2024/25 Financial Plan; Proposed Rate Increase for Fiscal Years 2020/21 and 2021/22; Draft Water Financial Plan and Rate Update Study Report

Ms. Rogren briefly discussed the Fiscal Year 2020/21 Operation Budget, Draft Fiscal Year 2021/22 Budget, Fiscal Year 20/21 to 2029/30 Capital Improvement Program, and Draft Water Financial Plan and Rate Update Study Report dated August 3, 2020 prepared by the District’s rate consultant, Raftelis Financial Consultants, Inc. The Draft Water Financial Plan and Rate Update Study Report includes the Financing Plan reflecting the proposed rate increases in consideration of targeted reserve balances and the Cost of Service Analysis prepared in 2018 used to develop cost of service-based water rates in order to comply with the substantive requirements of Proposition 218 as interpreted by the courts, including the April 2015 Appellate Court decision in Capistrano Taxpayers Association, Inc. v. City San Juan Capistrano.

This information has not changed since the last Board meeting in August. Ms. Rogren wanted the public to have access to this information due to the upcoming Public Hearing on October 13, 2020.

B. Fiscal Years 2020-2021 and 2021-2022 Budget Process Timeline

Ms. Rogren briefly reviewed the budget process timeline which summarizes the milestones, activities and schedule from November 2019 to the Public Hearing scheduled to occur on October 13, 2020.

C. Approval of Procurement of Valve Exercising Equipment and Truck Including 1) Purchase of a Ford F-550 Chassis; 2) Purchase of E.H. Wachs Valve Exercising Equipment; 3) Installation of a Customized Flatbed with E. H. Wachs Equipment Installed on the Chassis

Mr. Derbin explained why valve exercising is a vitally important aspect of a preventative maintenance program and emergency preparedness. The District has over 1,300 valves in the distribution system and the District's current valve exerciser trailer, which was purchased in 2007, is nearing the end of its useful life. E.H. Wachs is the premier manufacturer of valve exercising equipment with excellent product support. Staff has researched other valve exercising equipment and found that E.H. Wachs equipment is the only equipment that satisfies the Districts' requirements for this application. Mr. Derbin also explained that E.H. Wachs is the exclusive vendor for E.H. Wachs equipment, and staff is therefore requesting the Board to waive the competitive bidding requirements of Resolution 2016-09. Because of Scelzi Enterprises' specialized skill for manufacturing this type of custom truck body, staff recommends using Scelzi Enterprises to build the special type of flatbed that is required.

ON MOTION BY Director Feldman and seconded by Vice-President Reynolds, the Board voted by roll call to authorize the General Manager to 1) Purchase a Ford F-550 Chassis from James Ford in the amount of \$48,705.85; 2) Waive the requirement in the District's Policies and Procedures for Award of Contracts (Resolution 2016-09) to solicit competitive bids and authorize the General Manager to proceed with sole-source procurement of E.H. Wachs valve exercise equipment to be installed on the F-550 Chassis for \$103,345.08; 3) Procure installation services by Scelzi Enterprises to build a custom flatbed and install E.H. Wachs equipment for a not to exceed amount of \$75,361.37:

Director Larimer	Aye
Vice-President Reynolds	Aye
Director Feldman	Aye
President Mickelsen	Aye
Director Coverdell	Absent

D. Approval of Procurement of an Emergency Portable Diesel Pump for Pilarcitos Dam

Mr. Derbin summarized the necessity to purchase an emergency portable diesel pump for Pilarcitos Dam. Pilarcitos Dam is of the Districts' primary raw water sources that is gravity flow. In the event of a power outage or major equipment malfunction, the District relies heavily on the Pilarcitos water source to be able to run the Nunes Water Treatment Plant. District staff suggests placing a portable pump at the dam to pump water over the spillway in an emergency should water levels in Pilarcitos Dam fall below the spillway. Staff has worked closely with San Francisco Utilities Commission (SFPUC) staff to arrive at this agreed upon emergency solution in lieu of installing an emergency generator at Crystal Springs Pump Station.

ON MOTION BY Vice-President Reynolds and seconded by President Mickelsen, the Board voted by roll call vote to authorize the General Manager to procure an emergency portable diesel pump and associated equipment from Herc Rentals for a not to exceed amount of \$85,875:

Director Larimer	Aye
Vice-President Reynolds	Aye
Director Feldman	Aye
President Mickelsen	Aye
Director Coverdell	Absent

E. Professional Services Agreement with Balance Hydrologics for Denniston/San Vicente Stream Gaging, Groundwater Monitoring, and Data Analysis

Ms. Rogren introduced this item by stating that the District has been utilizing the services of Balance Hydrologics since Water Year 2011 for stream gaging, monitoring and analysis services for Denniston and San Vicente Creeks. Quantifying the amount of water available for diversion from Denniston and San Vicente Creeks is vitally important to the Districts' efforts to secure its water rights on those streams.

ON MOTION BY Vice-President Reynolds and seconded by Director Larimer, the Board voted by roll call to authorize the General Manager to enter into a Professional Service Agreement with Balance Hydrologics, Inc. for Water Year 2021 steam gaging, groundwater monitoring, and data analysis for the Denniston Creek and San Vincente Creek watersheds for an estimated time-and-materials cost of \$98,162:

Director Larimer	Aye
Vice-President Reynolds	Aye
Director Feldman	Aye
President Mickelsen	Aye
Director Coverdell	Absent

F. Hanson Bridgett Billing Rates – Proposed Increase

Mr. Miyaki, the Districts' legal counsel, explained that in 2017, the District approved a three-year rate schedule for Hanson Bridgett legal services effective to June 30, 2020. Mr. Miyaki presented an updated three-year schedule for the Board's approval. The first scheduled rate increase will be effective starting January 1, 2021. Mr. Miyaki said that this request for the proposed increased billing rates was postponed from earlier this year due to COVID.

ON MOTION BY Vice-President Reynolds and seconded by President Mickelsen, the Board voted by roll call to approve proposed increases to Hanson Bridgett Billing Rates:

Director Larimer	Aye
Vice-President Reynolds	Aye
Director Feldman	Aye
President Mickelsen	Aye
Director Coverdell	Absent

7) MONTHLY INFORMATION REPORTS

A. General Manager's Report

Ms. Rogren reviewed the status of the City of Half Moon Bay's Draft Land Use Plan (LUP). City staff has been working on updating the plan over the last few years with the goal of finalizing the update by October 2020. District staff and Counsel have spent many hours reviewing the latest Draft LUP and District staff have met with City staff on three occasions to submit comments. The City planning staff will present the Draft LUP Update to City Council on September 30, 2020.

B. Superintendent of Operations Report

Mr. Derbin reviewed the operations highlights for the month of August 2020. Mr. Derbin highlighted that due to all the recent wildfires, staff coordinated with San Francisco Public Utility Commission (SFPUC) staff in establishing defensible space fire breaks around the Cahill and Crystal Springs Pump Station sites.

8) DIRECTOR AGENDA ITEMS-REQUESTS FOR FUTURE BOARD MEETINGS

Director Larimer requested two future agenda items. The first item concerns the Districts' water connections and the rules and regulations governing those connections. Director Larimer would like the guidelines for what defines a water connection to be published on the Districts' website. The second item involves looking into short-term loan options (based on the historically low interest rates) to fund the Districts' Capital Improvement Projects (CIP), and to consider moving up the scheduled spending on large CIP projects to take advantage of the savings between the low interest rates and the high construction inflation rates.

9) ADJOURNMENT-The Board Meeting was adjourned at 8:07 p.m.

Respectfully submitted,

Mary Rogren, General Manager
Secretary to the District

Chris Mickelsen, President
Board of Directors