

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, September 10, 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 in person in the Board room: Director Ken Coverdell, Director Bob Feldman, and Director John Muller.

Vice President Reynolds stated he was participating remotely (via Zoom by video and audio) pursuant to the "Just Cause" basis under AB2449 because he was caring for an elderly parent. Vice President Reynolds stated there was no one over 18 in the room with him. Mr. Miyaki stated that all the requirements for Vice President Reynolds to participate in the Board meeting remotely under AB2449 have been satisfied.

Also present: Mary Rogren, General Manager, Jeffery Schneider, Asst. General Manager Finance/Admin., Patrick Miyaki, Legal Counsel, Gina Brazil, Office Manager, Darin Sturdivan, Distribution Supervisor, Nancy Trujillo, Accounting Manager and Lisa Sulzinger, Administrative Analyst

Also Participating: Jeffrey Tarantino, Executive Vice President Freyer & Laureta, Inc.

- 2) **PLEDGE OF ALLEGIANCE**
After the Pledge of Allegiance, Director Muller requested a moment of silence as a remembrance on the 23rd anniversary of September 11th.
- 3) **PUBLIC COMMENT** - There were no public comments.
- 4) **CONSENT CALENDAR**
 - A. Approval of disbursements for the month ending August 31, 2024:
Claims: \$ 1,307,329.75; Payroll: \$ 332,081.52 for a total of \$ 1,639,411.21
August 2024 Monthly Financial Claims reviewed and approved by Director Muller
 - B. Acceptance of Financial Reports
 - C. Approval of Minutes of August 13, 2024, Regular Board of Directors Meeting

- D. Approval of Minutes of August 21, 2024, Special Board of Directors Meeting
- E. Installed Water Connection Capacity and Water Meters Report
- F. Total CCWD Production Report
- G. CCWD Monthly Sales by Category Report - August 2024
- H. Leak/Flushing Report - August 2024
- I. Monthly Rainfall Reports

Director Muller noted that during his review before the Board meeting, he questioned two PG&E items on the preliminary claims report. He spoke with staff and the first item had been voided and corrected on the claims presented to the Board. Otherwise, all was in order.

ON MOTION BY Director Coverdell and seconded by President Mickelsen, 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

- President Mickelsen will be attending a BAWSCA Board meeting on September 19.
- Director Muller will be attending the ACWA Region 5 program tour in Watsonville/Pajaro Valley.

6) GENERAL BUSINESS

A. Authorize the General Manager to Enter into an Agreement with Freyer & Laureta, Inc. for Construction Management Services for the Carter Hill Prestressed Concrete Tank and Seismic Upgrades Project

At the July 9 Board of Directors meeting, the Board awarded a contract to DN Tanks, LLC. for the construction of a new 2.1 million gallon Prestressed Concrete DN Tank. Given the complexity of the project, staff recommends contracting with a construction management services firm who will serve as the agent for the District and will enforce the contract documents, provide field observation and manage special inspections, and will serve as a liaison between the District and contractors, subcontractors, engineers and help address issues when identified. Staff interviewed four firms and recommended engaging Freyer & Laureta, Inc. to provide construction management services for the DN Tank project given their past experience with the District serving as construction manager on multiple projects including the recently completed Nunes Water Treatment Plant Improvements Project.

ON MOTION BY Director Coverdell and seconded by President Mickelsen, the Board voted by roll call vote to authorize the General Manager to enter into an agreement with Freyer & Laureta, Inc. for Construction Management Services for the Carter Hill Prestressed Concrete Tank and Seismic Upgrades Project for a not to exceed amount to \$881,700

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

B. Award of Contract to GSW Construction, Inc. for the Nunes Water Treatment Plant Hypochlorite Room Improvements Project

Ms. Rogren summarized that in August 2023, the Board approved the purchase of a redundant sodium hypochlorite generator. The unit was received in April 2024 and now needs to be installed. Staff received only 1 bid from GSW Construction Inc. ("GSW") for \$184,200. Staff met onsite with GSW and Freyer & Laureta, Inc., the design engineer on the project, to consider value engineering ideas. GSW reduced the price to \$155,600 by reducing the scope of the project and changing the contract duration.

ON MOTION BY Director Coverdell and seconded by Director Muller, the Board voted by roll call vote to authorize the General Manager to enter into a contractual agreement with GSW Construction, Inc. for the Nunes Water Treatment Plant Hypochlorite Room Improvements Project for a total cost of \$155,600

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

C. Authorize the General Manager to Enter into Agreements for the Denniston Water Treatment Plant Contact Clarifier Hatch Replacement and Tanks Coating Project including: 1) Waive the District's Procedural Requirements for Sealed Competitive Bids and Authorize Award of Contract to Lefevre Welding Inc. for the Contact Clarifier Hatch Replacement; 2) Authorize Award of Contract to Euro Style Management Inc. for Coating of the Contact Clarifiers and Other Tanks; and 3) Authorize Entering Into a Professional Services Agreement with Freyer & Laureta, Inc. for Engineering Services During Construction

Ms. Rogren summarized that this project involves the replacement of four manway hatches on the existing contact clarifiers at the Denniston Water Treatment Plant.

Staff had observed corrosion on each of the hatches and leaking was occurring. The project will also include coating of the interior of the contact clarifiers where the new hatches will be attached, as well as coating of the exterior. In addition, the project includes coating the exterior of the coagulation tank and (3) filters.

Three parties are required for the implementation of this project:

- 1) Lefevre Welding Inc. for the custom fabrication of the contact clarifier hatches and installation. This work requires the services of a welder who is certified to work on pressurized vessels. Given the specialized nature of the project and required certification, staff requested that the Board waive the competitive bidding requirements of Resolution 2018-19 and contract with Lefevre Welding.
- 2) Staff went out to bid for the coating of the contact clarifiers and other tanks. The District received 2 bids with Euro Style Management Inc. coming in at the lowest bid of \$173,000.
- 3) Freyer and Laureta, Inc. proposed to provide engineering services during construction for \$39,900 which includes the coating inspection services performed by Bay Area Coating Consultants for \$32,780 and \$7,120 for Freyer and Laureta's coordination of the construction project.

ON MOTION BY President Mickelsen and seconded by Director Muller, the Board voted by roll call vote to authorize the General Manager to enter into a agreements for the Denniston Water Treatment Plant Contact Clarifier Hatch Replacement and Tanks Coating project including; 1) Waive the District's procedural requirements in Resolution 2016-09 for sealed competitive bids and authorize an award of contract to Lefevre Welding Inc. for the contact clarifier hatch replacements for \$101,510; 2) Authorize award of contract to Euro Style Management, Inc. for coating of the contact clarifiers and other tanks for \$173,000; and 3) Authorize entering into a professional services agreement with Freyer & Laureta, Inc. for engineering services during construction for \$39,900.

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

D. Waive the District's Procedural Requirements for Sealed Competitive Bids and Authorize the General Manager to Award a Contract to Pump Repair Service Company for Cleaning and Rehabilitating Pilarcitos Canyon Wells

In anticipation of the upcoming well pumping season that begins on November 1, staff plans to clean and rehabilitate three existing wells located in Pilarcitos Canyon. Ms. Rogren requested that the Board waive the District's competitive bidding requirement of Resolution 2016-09 in order to sole source the services of Pump Repair Services to clean and rehabilitate Pilarcitos Canyon Wells 1, 3A and 4A.

ON MOTION BY Director Coverdell and seconded by Director Feldman, the Board voted by roll call vote to waive the District's competitive bidding requirement of Resolution 2016-09 and authorize the General Manager to award a contract to Pump Repair Service Company for the cleaning and rehabilitation of Pilarcitos Canyon Wells #1, #3A and #4A for \$74,441

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

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

Ms. Rogren explained that quantifying the amount of water available for diversion from Denniston Creek and San Vicente Creek is important to the District's efforts to secure its water rights on these streams. Balance Hydrologics, Inc. has been providing the stream gaging, groundwater monitoring and data collection since 2011. Included in the Water Year 2025 proposal are costs for labor and materials for replacement and calibration of aging pressure sensors and levelloggers.

ON MOTION BY Director Muller and seconded by Director Coverdell, the Board voted by roll call vote to authorize the General Manager to enter into a professional services agreement with Balance Hydrologics, Inc. for Water Year 2025 stream gaging, groundwater monitoring, and data analysis for the Denniston Creek and San Vicente Creek watersheds for an estimated time-and-materials cost of \$124,689

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

F. Receive the "Recycled Water Feasibility Study" Prepared by Waterworks Engineers, LLC

Ms. Rogren summarized the Recycled Water Feasibility Study prepared by Waterworks Engineers, LLC ("Waterworks"). The scope of the study focused on evaluating a range of alternatives to diversify the District's water supply portfolio including 1) non-potable reuse; 2) indirect potable reuse; 3) direct potable reuse; and 4) projects with environmental benefits. A key component of the study was the development of a hydrogeologic report prepared by Roux Associates, Inc. which concluded that indirect potable reuse for groundwater recharge is likely not viable given the hydrogeologic conditions in the Half Moon Bay Groundwater Basin. Waterworks offered that pursuing direct potable reuse in the distant future could be

the most promising for the District given the recent changes in the State Water Resource Control Board’s direct potable reuse regulations. Waterworks also suggested that to make recycled water a reality on the Coastside will require collaboration with local stakeholders (including the Sewer Authority Mid-Coast and member agencies) as well as broader stakeholders including SFPUC, BAWSCA, County of San Mateo, and state and federal agencies.

G. Authorize the General Manager to Enter into an Agreement with D.A. Davidson & Co. for Underwriting Services Related to the Financing of the District’s Carter Hill Prestressed Concrete Tank and Seismic Upgrades Project

The District’s Financial Advisor, Brant Smith, issued an RFP for underwriting services in July, 2024 related to the financing of the District’s Carter Hill Prestressed Concrete Tank and Seismic Upgrade Project. Mr. Smith received proposals from four underwriting firms, and Mr. Smith ranked D.A. Davidson & Co. as the highest qualified proposer.

ON MOTION BY Director Coverdell and seconded by Director Muller, the Board voted by roll call vote to authorize the General Manager to enter into an agreement with D.A. Davidson & Co. for underwriting services related to the financing of the District’s Carter Hill Prestressed Concrete Tank and Seismic Project in the amount of \$41,608, which assumes a PAR amount of \$8,000,000.

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

7) MONTHLY INFORMATIONAL REPORTS

A. General Manager

Ms. Rogren reported that the District had received a status update from SFPUC noting that the siphon replacement at Pilarcitos Reservoir was nearly complete. Mr. Sturdivan was able to see the new siphons firsthand and was pleased with the progress. These siphons enable the District to continue to take water from the reservoir as the reservoir level drops.

B. Operations Report

Mr. Sturdivan summarized the Operation Highlights for the month of August 2024.

8) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

There were no requests for future agenda items from the Board members.

9) **CLOSED SESSION**

A) Conference with Legal Counsel – Existing Litigation

Pursuant to California Government Code Section 54956.9(d)(1)

Name of Case: Coastside County Water District v. Mary Alice Cozzolino, Trustee of the James and Alice Cozzolino Trust, et al., Case No. 24-civ-05456.

B) Conference with Legal Counsel – Existing Litigation

Pursuant to California Government Code Section 54956.9(d)(1)

Name of Case: Coastside County Water District v. James Salvatore Cozzolino, a Married Man as His Sole and Separate Property, and Linda Jean Cozzolino, a Single Woman, as Tenants in Common, et al., Case No.24-civ-05502.

10) **RECONVENE TO OPEN SESSION** - at 8:40 p.m.

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

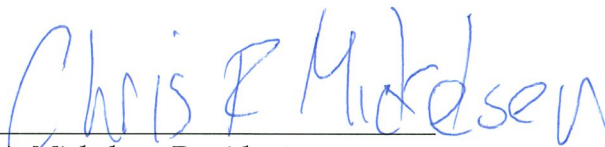
In both closed session items, the Board, by 5 to 0 vote, took action, but those actions do not need to be disclosed at this time.

11) **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

