

*COASTSIDE COUNTY WATER DISTRICT*

*766 MAIN STREET*

*HALF MOON BAY, CA 94019*

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Tuesday November 9, 2021**

Due to the Covid-19 pandemic, and in accordance with Assembly Bill 361, which modifies California Government Code Section 54953, the Boardroom was not open to the public for the November 9, 2021, Regular Meeting of the Board of Directors of the Coastside County Water District. The Regular Meeting was conducted remotely via teleconference.

The Public was able to 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 Glenn Reynolds called the meeting to order at 7:00 p.m. participating in roll call via Zoom Video Conference: Directors John Muller, Ken Coverdell, Chris Mickelsen and Vice-President Feldman.

Also present: Mary Rogren, General Manager, Patrick Miyaki, Legal Counsel; James Derbin, Superintendent of Operations; Cathleen Brennan, Water Resource Analyst; Gina Brazil, Office Manager, Denise Ford, Administrative Assistant/Recording Secretary, and Nancy Trujillo, Accounting Manager.

Jonathan Sutter, P.E. of EKI Environment & Water, Inc., and John Bass, Senior Open Space Planner of WRA, Inc. were identified as participants in the meeting.

Members of the public: Michelle Dragony

**2) PLEDGE OF ALLEGIANCE**

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

**4) CONSENT CALENDAR**

- A. Approval of disbursements for the month ending October 31, 2021:  
Claims: \$1,625,437.98; Payroll: \$264,183.35 for a total of \$1,889,621.33
- B. Acceptance of Financial Reports
- C. Approval of Minutes of October 12, 2021, 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-October 2021
- G. Monthly Planned Plant or Tank Discharge and New Water Line Flushing Report
- H. Monthly Rainfall Reports

- I. Acceptance of Non-Complex Pipeline Extension Project – 477 3<sup>rd</sup> Avenue – Rita & Stephen Semprevivo
- J. SFPUC Hydrological Report for the Month of September 2021

President Reynolds stated he had reviewed the monthly financial claims and found all to be in order.

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

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

#### 5) MEETINGS ATTENDED/DIRECTOR COMMENTS

Director Muller stated he attended the October 28, 2021, Special Meeting of the Board of Directors along with other Directors.

#### 6) GENERAL BUSINESS

##### **A. Water Line Replacement Under Pilarcitos Creek at Strawflower Village Project – Adoption of the Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program**

Ms. Rogren summarized the water line replacement project. This project is considered one of the District’s highest priorities. An existing pipeline that crosses under Pilarcitos Creek north to south from Strawflower Village Shopping Center to the intersection of Pilarcitos Ave and Oak Ave. is approaching the end of its useful life. A break in this existing water line underneath the creek bed would be difficult to detect and could impair water delivery and water quality, and also could potentially damage the environment.

The project entails installing a pipeline using the horizontal directional drilling method under the creek from the Strawflower Village Shopping Center to Oak Avenue. The 450-foot section crossing under the creek will be nominal 10-inch diameter (8-inch inner diameter) high-density polyethylene pipe (HDPE). The remaining 190 linear feet of 8-inch ductile iron pipe will be installed by open trench construction to connect the 10-inch HDPE to the existing 8-inch ductile iron pipeline that runs behind the Safeway north of the creek and the existing 8-inch cast iron pipe at the intersection of Oak Avenue and Pilarcitos Avenue south of the creek.

Ms. Rogren introduced John Bass, Senior Open Space Planner at WRA, Inc. and Jon Sutter from EKI Environment & Water, Inc. who is the Design Engineer on the project. WRA, Inc. prepared the environmental documents (on behalf of the District as Lead Agency) and evaluated the impacts of the project as mandated by the California Environmental Quality Act (CEQA). Dr. Bass summarized the CEQA process including the steps taken in the preparation of the proposed Initial Study/Mitigated Negative Declaration (IS/MND) and the Mitigation Monitoring and Reporting Program (MMRP).

The District, as lead agency, released the proposed IS/MND for a 60-day public review and comment period that began on August 5, 2021, and ended on October 4, 2021, pursuant to the CEQA Guidelines Section 15105. The District received written comments from the California Coastal Commission and the City of Half Moon Bay Planning Division on the proposed IS/MND. Comments were incorporated in a revised proposed IS/MND and Mitigation Monitoring and Reporting Program (MMRP).

**ON MOTION BY Director Coverdell and seconded by Vice-President Feldman, the Board voted by roll call vote to approve Resolution 2021-07 Adopting an Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP) for the Water Line Replacement Under Pilarcitos Creek at Strawflower Village Project:**

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

**B. Consider and Reaffirm Resolution 2021-06 Making Findings Pursuant to Assembly Bill 361 That the Proclaimed State of Emergency Continues to Impact the Ability to Meet Safely in Person:**

Ms. Rogren summarized Governor Newsom's Executive Order dated back on March 4, 2020, that declared a State of Emergency to exist in California because of the threat of COVID 19. The Executive Order N-29-20 suspended certain provisions of the Ralph M. Brown Act relating to teleconferencing to allow legislative bodies to conduct meetings remotely to help protect the spread of COVID-19 and to protect the health and safety of the public. On June 11, 2021, the Governor issued Executive Order N-08-21 which specified that Executive Order N-29-20 remain in effect through September 30, 2021.

On September 16, 2021, the Governor signed Assembly Bill (AB361) into law to allow legislative bodies to continue to meet remotely during a proclaimed State of Emergency after September 30, 2021. On October 8, 2021, the Board adopted Resolution 2021-06. Per AB361, the Board will need to consider and reaffirm the findings of Resolution 2021-06 monthly proclaiming that the State of Emergency continues to impact the ability of members to meet safely in person, and state or local officials continue to impose or recommend measures to promote social distancing.

ON MOTION BY Director Muller and seconded by Vice-President Feldman, the Board voted by roll call vote to reaffirm, by motion, Resolution 2021-06, Making Findings Pursuant to Assembly Bill 361 that the Proclaimed State of Emergency Continues to Impact the Ability to Meet Safely in Person:

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

**C. Water Shortage Advisory and Public Outreach Update**

Ms. Brennan provided a summary of the water shortage and public outreach. Steve Ritchie, Assistant General Manager, Water from the San Francisco Public Utilities Commission (SFPUC) announced on November 4<sup>th</sup> that the recent storms in October 2021 have improved SFPUC's total storage and triggered lifting the curtailments on the Tuolumne River watershed. With the curtailments lifted, SFPUC may access its Water Bank making more water supplies available to the Regional Water System. Also, with the October precipitation the total demand on the Regional Water System has declined. Ms. Brennan reported, however, that SFPUC staff plans on bringing to the Commission on November 23, 2021 a declaration of a Water Shortage Emergency.

Ms. Brennan reported that key outreach activities in October 2021 included advertisements in the Coastside Magazine and Half Moon Bay Review and either emailing or mailing to 1200 single family residential customers regarding irrigation or high-water use.

**D. 1) Review Draft Shortage Contingency Stage Rate Study and Proposed Amendment to the District's Rate and Fee Schedule to Add Water Shortage Contingency Stage Rates Consistent with the 2020 Water Shortage Contingency Plan and SFPUC Pass-Through Wholesale Water Shortage Rates or Surcharges; and  
2) Schedule a Public Hearing on Proposed Amendment to the District's Rate and Fee Schedule to Add Water Shortage Contingency Stage Rates and SFPUC Pass-through Wholesale Water Shortage Rates or Surcharges and Authorize Issuance of a Notice of Public Hearing**

Ms. Rogren summarized the 2020 Water Shortage Contingency Plan that was approved by the Board at the June 8, 2021, Director's meeting. The plan provides for water shortage stage levels and recommended actions and procedures that the Board could implement during any water shortage, including drought, natural or other disasters, and catastrophic infrastructure failures.

On September 14, 2021, at the regularly scheduled Board of Directors meeting, Sanjay Gaur and Nancy Phan from Raftelis Financial Consultants, LLC (Raftelis) led a discussion with the Board explaining the purpose of water shortage contingency stage rates and the possible option for adding such rates to the Districts' Rate and Fee Schedule. Given Proposition 218 requirements, water shortage contingency stage rates are designed to recover lost revenue due to the reduction in water use and to incorporate the potential changes to the District water supply sources and their corresponding costs. The purpose of water shortage contingency stage rates is strictly financial to enable the District to maintain financial stability at various stages of water shortages as defined by the District 2020 Water Shortage Contingency Plan.

Ms. Rogren reviewed the draft Water Shortage Contingency Stage Rate Study Report ("Report") dated October 29, 2021 prepared by Raftelis with the Board. The Report outlines the methodology and calculations for the proposed water shortage contingency stage rates which are based upon the District's "Water Financial Plan and Rate Update Report" dated August 3, 2020 also prepared by Raftelis.

If enacted, the water shortage contingency stage rates would be added to the District's Rate and Fee Schedule, however two additional actions by the Board of Directors would be required before the rates could be implemented: 1) First, a Water Shortage Contingency Stage is declared by the Board; and 2) the Board votes to implement the water shortage contingency stage rates. The Board has the option not to implement the rates or to implement at a lower rate; use reserves to make up for lost revenue; defer capital projects to reduce expenditures; or utilize a combination of actions.

In order to comply with the requirements of Proposition 218, the recommended Board action would be to schedule a public hearing on January 11, 2022 and authorize issuance of notice of a public hearing on January 11, 2022 to amend the District's Rate and Fee Schedule to include water shortage contingency stage rates and a SFPUC pass-through wholesale water shortage rates or surcharges, if imposed by SFPUC in water shortage.

The Board reviewed and discussed the draft Shortage Contingency Stage Rate Study dated October 29, 2021, prepared by Raftelis Financial Consultants, LLC. and the accompanying proposed amendment to the District's Rate and Fee Schedule to add water shortage contingency rates that are consistent with the District's 2020 Water Shortage Contingency Plan and to add SFPUC pass-through wholesale water shortage rates or surcharges.

- E. ON MOTION BY Director Coverdell and seconded by Director Muller, the Board voted by roll call vote to schedule a public hearing on January 11, 2022, at the regular Board of Directors meeting starting at 7:00 p.m. to consider the proposed amendment to the District's Rate and Fee Schedule to include water shortage contingency stage rates and SFPUC pass-through wholesale water shortage rates or surcharges, if imposed by SFPUC in water shortage, and to authorize issuance of a notice of public hearing;**

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

**E. Consider Approval of Resolution 2021-08 Declaring Intention to Reimburse Expenditures From the Proceeds of Tax-Exempt Obligations**

Ms. Rogren summarized the necessity for obtaining financing for the Nunes Water Treatment Plant Upgrades Project. Since the Nunes Water Treatment Plant Upgrades Project is already under construction, District Staff has been advised to pass a resolution that will enable the District to set a look back date of when costs could be reimbursed on the project from debt proceeds. By passing this resolution, the District will be able to reimburse certain construction costs going back 60 days from the adoption of the resolution, or September 9, 2021.

**ON MOTION BY Vice-President Feldman and seconded by Director Coverdell, the Board voted by roll call vote to approve Resolution 2021-08 Declaring Intention to Reimburse Expenditures From the Proceeds of Tax-Exempt Obligations:**

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

**F. Award of Contract for Installation of Energy Efficient LED Light Fixtures at Crystal Spring Pump Station, Nunes and Denniston Facilities using PG&E On-Bill Financing**

Mr. Derbin reviewed the need to replace 175 Compact Florescent Light (CFL) fixtures at the Nunes, CSP, and Denniston facilities due to their inefficiency. Staff solicited bids from four PG&E qualified electrical contractors and American Wholesale Lighting was the lowest bidder at \$47,890.82. The estimated annual savings on the PG&E bills for these facilities is \$17,000.

**ON MOTION BY Director Mickelsen and seconded by Director Coverdell, the Board voted by roll call vote to authorize the General Manager to enter into a contractual agreement with American Wholesale Lighting and Pacific Gas and Electric for \$47,890.82 to replace 175 Compact Florescent Light (CFL) fixtures located at Crystal Springs Pump Station, Nunes, Denniston Pump Station and Water Treatment Plant with energy efficient LED fixtures. The project costs will be paid for with On-Bill Financing (OBF) at 0% interest by PG&E and paid back with the next monthly electrical savings:**

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

**G. Nunes Water Treatment Plant Upgrades Project Update #3**

Mr. Derbin gave an update of the progress being made at the Nunes Water Treatment Plant. Freyer and Loretta, Inc., the Construction Management firm on this project, put together a brief summary of the progress to date including a three week look ahead schedule. Major items of work completed in October 2021 included installation of rebar and formwork for the new sedimentation basin walls and replacement of the wooden wall at north end of filter gallery including the rotted framing.

**7) MONTHLY INFORMATION REPORTS**

**A. General Manager's Report**

Ms. Rogren recapped a few highlights for the month of October 2021. BAWSCA recently completed its refunding bond sale in order to refund the callable portion of the 2013A bonds, saving BAWSCA agencies \$2.4M per year in interest. Also, a Special Meeting of the District's Board of Directors was held on October 28<sup>th</sup> that focused on reviewing local water source alternatives. Interested parties are invited to access the slide presentation prepared by Robert Schultz, Principal at Geo Blue Consulting, included in the Special Meeting Agenda Packet on the District's website.

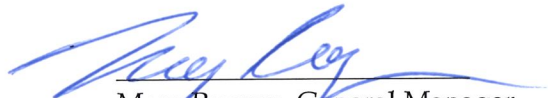
**B. Superintendent of Operations Report**

Mr. Derbin summarized operations highlights for the month of October 2021.

**8) DIRECTOR AGENDA ITEMS-REQUESTS FOR FUTURE BOARD MEETINGS**

9) ADJOURNMENT-The Board Meeting was adjourned at 8:42 p.m.

Respectfully submitted,



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Mary Rogren, General Manager  
Secretary to the District



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Glenn Reynolds, President  
Board of Directors