

COASTSIDE COUNTY WATER DISTRICT

766 MAIN STREET

HALF MOON BAY, CA 94019

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, November 12, 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: Vice President Glenn 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 Resource Analyst; Darin Sturdivan, Distribution Supervisor, Nancy Trujillo, Accounting Manager and Lisa Sulzinger, Administrative Analyst

Also Participating: Sanjay Gaur, Principal Consultant from Water Resources Economics, LLC

- 2) **PLEDGE OF ALLEGIANCE**
- 3) **PUBLIC COMMENT** – There were no public comments.
- 4) **SPECIAL ORDER OF BUSINESS**

Resolution Presentation to James Teter for his Retirement: Approve Resolution 2024-06 of the Board of Directors of the Coastside County Water District Conveying Appreciation to James S. Teter for his Fifty Years of Dedicated Engineering Services and Releasing Him From his Professional Services Agreement Dated May 15, 1974, that Appointed Mr. Teter as District Engineer

President Mickelsen introduced this item and each Director made a brief statement about Mr. Teter’s fifty years of service as the District’s Engineer. The statements were followed by Vice President Reynolds reading Resolution 2024-06 which expressed the Board’s appreciation of how Mr. Teter has been instrumental in the successful planning,

design and execution of numerous major projects that have significantly enhanced our community's infrastructure. The Board extends their best wishes to Mr. Teter in his future endeavors and expresses their deep appreciation for his lasting impact on our community.

ON MOTION BY Vice President Reynolds and seconded by Director Coverdell, the Board voted by roll call vote to approve Resolution 2024-06 of the Board of Directors of the Coastside County Water District conveying appreciation to James S. Teter for his fifty years of dedicated engineering services and releasing him from his Professional Services Agreement dated May 15, 1974, that appointed Mr. Teter as District Engineer:

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

5) CONSENT CALENDAR

- A. Approval of disbursements for the month ending October 31, 2024:
Claims: \$ 1,325,254.67; Payroll: \$ 237,794.62 for a total of \$ 1,563,049.29
October 2024 Monthly Financial Claims reviewed and approved by Director Feldman
- B. Acceptance of Financial Reports
- C. Approval of Minutes of October 3, 2024, Special Board of Directors Meeting
- D. Approval of Minutes of October 8, 2024, Regular Board of Directors Meeting
- E. Approval of Minutes of October 28, 2024, Special Board of Directors Meeting
- F. Installed Water Connection Capacity and Water Meters Report
- G. Total CCWD Production Report
- H. CCWD Monthly Sales by Category Report - October 2024
- I. Leak/Flushing Report - October 2024
- J. Monthly Rainfall Reports
- K. SFPUC Hydrological Conditions Report - September 2024

Director Feldman reviewed the Claims Report, and he said that all appears to be in order.

ON MOTION BY Director Coverdell 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

6) **MEETINGS ATTENDED / DIRECTOR COMMENTS**

- Director Muller and Director Feldman attended a Human Resources Committee Meeting.
- Director Muller completed his Ethics and Sexual Harassment training

7) **GENERAL BUSINESS**

A. Public Hearing to Consider Proposed Amendment to the Rate and Fee Schedule to Increase Water Service Rates and Water Shortage Rates Effective January 20, 2025, January 19, 2026, and January 18, 2027, and Finding that the Amendments are Exempt from the California Environmental Quality Act

1. Ms. Rogren introduced the District's rate consultant. Sanjay Gaur, from Water Resources Economics, LLC, who prepared the District's Water Rate Study. Ms. Rogren then turned it over to Mr. Schneider who summarized that the process began back in November 2023 when the Board of Directors authorized Water Resources Economic, LLC to conduct a comprehensive water rate study consisting of:

- A five-year Water Financial Plan;
- A Cost-of-Service Analysis based on the most recent financial data and customer use characteristics;
- Rate Design, including a three-year water rate schedule effective January 2025, January 2026 and January 2027 and corresponding three-year Water Shortage Rates; and
- Rate Study documentation including a 2024 Water Rate Study Report documenting the proposed rate development process providing support and transparency in consideration of Proposition 218 requirements.

Since November 2023, the District held 17 various Committee and Board of Directors meetings that the public had opportunities for comment and participation.

Mr. Gaur then made his presentation that included a summary of the District's Rate Study, Financial Plan, Cost-of-Service Analysis, Water Service Rates, and Water Shortage Rates.

2. **Open Public Hearing**

- At 7:40 pm, President Mickelsen opened the Public Hearing on Proposed Amendment to the Rate and Fee Schedule to Increase Water Service Rates and Water Shortage Rates effective January 20, 2025, January 19, 2026, and January 18, 2027. President Mickelsen then invited members of the audience to address the Board.

Christine Villanis, 403 Kehoe Ave, Half Moon Bay - Spoke on how the rate increase is difficult for her and for those like herself who are retired and on a fixed income. She understands that the District needs to make capital improvements, but hoped the Board would consider the impact of the rate increase on those who are on fixed incomes.

Via Zoom – Individual identified himself as Property Owner – Acknowledged that he understands that capital improvements need to be made however wondered if any of the cost savings from these improvements are reflected in the Rate Study. He stated that San Francisco Public Utilities allows low income individuals to receive assistance with water bills. He also wondered if the District shuts off customers who do not pay their bills. He feels that the rate increase is significant on top of all the other cost increases.

3. Close Public Hearing

- At 7:53pm, President Mickelsen closed the Public Hearing and thanked the public for their comments.

4. Board Comments/Board Action

- Comments and discussion ensued among the Board members.
- President Mickelsen asked how many written protests had been received; and staff responded that as of tonight's public hearing the District has received, 2 in favor and 12 against.
- Mr. Scheider noted that there was an error regarding the date in the table on page 5 of the Resolution in the third column as it should be January 18, 2027, and not January 19, 2026.

ON MOTION BY Director Coverdell and seconded by Director Feldman, the Board voted by roll call vote to adopt Resolution 2024-07 amending the Rate and Fee Schedule to increase Water Service Rates and Water Shortage Rates and finding that the amendments are exempt from California Environmental Quality Act, as amended on page 5, on the "All Other Customers" table, far right column, to correct the date to "January 18, 2027":

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

B. Waive the Procedural Requirements for Sealed Competitive Bids and Authorize the General Manager to Procure a New Ford F150 4x4 Regular Cab Truck from Serramonte Ford, Inc.

Mr. Schneider summarized that staff received 3 quotes from various Ford dealers and Serramonte Ford, Inc. had the lowest quote.

ON MOTION BY Director Coverdell and seconded by Vice President Reynolds, the Board voted by roll call vote to waive the procedural requirements for sealed competitive bids and authorize the General Manager to procure a new Ford F150 4x4 regular cab truck from Serramonte Ford, Inc. for a not-to-exceed amount of \$44,745:

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

C. Waive the District’s Procedural Requirements for Sealed Competitive Bids and Authorize the General Manager to Award a Contract to Brush Hog Tree Care Inc. for Eucalyptus Tree Removal and Trimming at the Carter Hill Tank Site

Ms. Rogren summarized that while surveying and staking the site for the new Carter Hill tank, staff and the contractor voiced concerns about the possible impact of the eucalyptus trees located on the District property that could impede the construction of the new tank. Staff recommends expediting tree removal or trimming in order to:

- Reduce fire danger during tank construction.
- Protect construction workers on scaffolding.
- Provide a buffer zone from trees or limbs falling on the construction site or on the new tank after construction.

ON MOTION BY Director Muller and seconded by Director Coverdell, 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 Brush Hog tree Care Inc. for eucalyptus tree removal and trimming at the Carter Hill tank site for \$50,000:

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

D. Carter Hill Prestressed Concrete Tank and Seismic Upgrades project - Update #1

Ms. Rogren provided an update on the progress made at the Carter Hill Prestressed Tank and Seismic Upgraded project during October 2024.

8) MONTHLY INFORMATIONAL REPORTS

A. General Manager

- Ms. Rogren summarized the November 1, SFPUC & San Mateo County Partners Winter Touch Bases Meeting that she attended.
- Ms. Rogren gave an update to the Board on the new hires that took place in 2024.

B. Operations Report

Ms. Rogren summarized the Operation Highlights for the month of October 2024.

C. Water Resources Analyst Report

Ms. Brennan summarized that in 2018, Senate Bill 606 and Assembly Bill 1668 were passed and formed what is now referred to as "Making Conservation a California Way of Life" water conservation legislation. The regulation was adopted by the State Water Resources Control Board on July 3, 2024 to implement the legislation passed in 2018. Ms. Brennan noted that the regulation framework consists of three water use standards, one water loss standard, commercial industrial, and institutional performance measures and a variety of potential adjustments that are used to calculate the urban water supplier's budget or Urban Water Use Objective. Ms. Brennan commented that the state reporting requirements will be burdensome for the District to fully implement.

9) DIRECTOR AGENDA ITEMS - REQUESTS FOR FUTURE BOARD MEETINGS

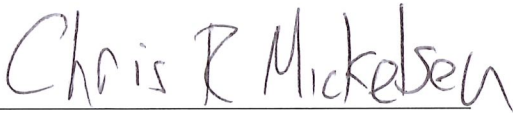
There were no requests for future agenda items from the Board members.

10) ADJOURNMENT - Board Meeting Adjourned at 8:46 p.m.

Respectfully submitted,



Mary Rogren, General Manager
Secretary to the District



Chris Mickelsen, President
Board of Directors