



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER
DISTRICT
REGULAR MEETING
MINUTES
February 2, 2023**

Thursday, February 2, 2023, at 5:30 p.m., via videoconference and teleconference.

**1. Convene Meeting 5:31 p.m.
Roll Call**

Board Members Present:

Mark Smolley, President
Jeff Hill, Vice President
Bob Fultz, Director
Gail Mahood, Director

Board Member Absent:

Jayme Ackemann, Director - excused

Staff Present:

Rick Rogers, District Manager
Gina Nicholls, District Counsel
Holly Hossack, District Secretary

2. Additions and Deletions to Closed Session Agenda: None

3. Oral Communications Regarding Items in Closed Session: None

4. Adjournment to Closed Session: 5:33 p.m.

5. Re-Convene Meeting 6:30 p.m.

Roll Call

Board Members Present:

Mark Smolley, President
Jeff Hill, Vice President
Bob Fultz, Director
Gail Mahood, Director

Board Member Absent:

Jayme Ackemann, Director - excused

Staff Present:

Rick Rogers, District Manager
Gina Nicholls, District Counsel

Holly Hossack, District Secretary
James Furtado, Director of Operations
Kendra Reed, Director of Finance and Business Services
Josh Wolf, District Engineer
Carly Blanchard, Enviro Programs Manager & Admin Analyst

6. **Report of Actions Taken in Closed Session:** None
7. **Additions and Deletions:** None
8. **Oral Communications:** None
9. **President's Report:** Nothing to report
10. **Unfinished Business:**

- a. REDWOOD PARK PIPELINE
J. Wolff introduced and explained this item.

Discussion by the Board and staff regarding:

- Casey Construction qualifications
- Pipe availability - 50 weeks out
- Price changes

A motion was made and seconded to direct the District Manager to enter into a contract with Casey Construction for construction activities related to the Redwood Park Pipeline Replacement Project on conformance with their bid in the amount of \$547,601.

Motion passed unanimously, with Dir. Ackemann absent.

11. **New Business:**

- a. RATE STUDY REQUEST FOR PROPOSALS
K. Reed introduced and explained this item.

Discussion by the Board and staff regarding:

- Timeline and process for this project
- Inclusion of 5 & 10 year budgets
- Explanation of tiered rates
- Possible higher fixed costs
- Pressure zones
- Creation of model for financing

A motion was made and seconded to move ahead with this Rate Study RFP with the addition of 2 or 3 sentences to be provided by Director Fultz about models.

- CZU Recovery costs/estimations
- Capital Costs/Operational Costs

J. Mosher noted that tiered rates are now used across the state. He asked for clarification of details around the model.

C. Dzendzel questioned the support staff's charges to the District with all of the ongoing projects. Administrative costs are expensed to the projects.

Motion passed unanimously, with Dir. Ackemann absent.

b. DISTRICT MANAGER SUCCESSION PLANNING

R. Rogers introduced and explained this item. He suggested that Directors Hill and Ackemann be appointed to the Ad Hoc Committee which will be dissolved after one year.

Discussion by the Board and staff regarding:

- Timeline (6-12 months for process)
- Overlap of outgoing and incoming District Manager
- Board input/draft will go to the Board for review and comment

A motion was made and seconded to conform to the attached resolution forming the Ad Hoc Committee to develop the District Manager's succession planning and recruiting with the Dir. Hill and Dir. Ackemann.

Motion passed unanimously, with Dir. Ackemann absent.

c. LYON & BIG STEEL PIPELINE - BID AWARD

J. Wolff presented and explained this item.

Discussion by the Board and staff regarding:

- History with the District of the 2 lowest bidders
- \$3 million over the original engineer's estimate
- CZU Fire damage included and covered by FEMA
- Project will start in approx. 1 year and will be paid with loan money

A motion was made and seconded to direct the District Manager to enter into a contract with Monterey Peninsula Engineering for construction activities related to the Lyon & Big Steel Pipeline Improvement projects in conformance with MPE's bid in the amount of \$ 6,233,100.

Motion passed unanimously, with Dir. Ackemann absent.

12. **Consent Agenda:** Approved

- a. BOARD OF DIRECTORS MINUTES 1.19.23

13. **District Reports:**

- DISTRICT MANAGERS REPORT
 - R. Rogers announced that the District is 100% on surface water
 - The District received a \$100,000 grant for meter replacement.
This is a matching grant.

- DEPARTMENT STATUS REPORTS
 - Operations

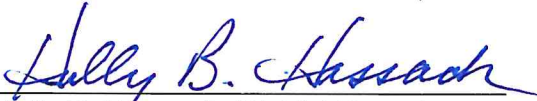
- COMMITTEE REPORTS
 - Special Budget & Finance Minutes 1.18.23

14. **Written Communication:** None

15. **Informational Material:** None

16. **Adjournment:** 7:46 p.m.

Minutes approved Feb. 16, 2023


Holly B. Hossack, District Secretary