



NOTICE OF BUDGET & FINANCE COMMITTEE MEETING APRIL 10, 2024

NOTICE IS HEREBY GIVEN that the San Lorenzo Valley Water District has called a meeting of the Budget & Finance Committee to be held on **Wednesday, April 10, 2024, 2:00 p.m.**, SLVWD Conference Room, 12788 Highway 9, Boulder Creek, and via video/teleconference.

Any person in need of any reasonable modification or accommodation in order to participate in the meeting may contact the District Secretary's Office at (831) 430-4636 a minimum of 72 hours prior to the scheduled meeting.

This meeting is being conducted as an in-person meeting under the Brown Act, Government Code section 54953, and a quorum of the Committee must participate from the location(s) within the District that are identified above. Members of the public may attend the meeting at the identified location(s). Teleconferencing/videoconferencing access as set forth below is being provided as a convenience only and is not guaranteed. The meeting may continue in person even if teleconferencing/videoconferencing capability is disrupted or unavailable.

The meeting access information is as follows:

<https://us02web.zoom.us/j/83880404595?pwd=Vmw0MG85bDBNWE5HTWRzSlIdNZDIQT09>

Passcode: 660156

Or One tap mobile :

+16699006833,,83880404595#,,,,*660156# US (San Jose)

+16694449171,,83880404595#,,,,*660156# US

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

+1 669 900 6833 US (San Jose)

+1 669 444 9171 US

AGENDA

1. Convene Meeting/Roll Call
2. Oral Communications

This portion of the agenda is reserved for Oral Communications by the public for items which are not on the Agenda. Please understand that California law (The Brown Act) limits what the Board can do regarding issues raised during Oral Communication. No action or discussion may occur on issues outside of those already listed on today's agenda. Any person may address the Committee at this time, on any subject that lies within the jurisdiction of the District. Normally, presentations must not exceed five (5) minutes in length, and individuals may only speak once during Oral Communications. Any Director may request that the matter be placed on a future agenda or staff may be directed to provide a brief response.

3. New Business:

Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.

a. PROJECT FUNDING REALLOCATION

Review the current project funding for possible mid-term adjustments to be recommended to the Board.

b. REVISIT DATE OF BUDGET & FINANCE COMMITTEE MEETINGS

Review and discuss possible change to the regularly scheduled B & F Committee meetings in light of change to monthly Board meetings.

4. Unfinished Business: None

Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.

5. Informational Material

Here is a link to previous B & F Committee meeting minutes:

[All Finance Meeting Minutes | San Lorenzo Valley Water District \(slvwd.com\)](https://www.slvwd.com/All-Finance-Meeting-Minutes)

6. Adjournment

Agenda documents, including materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet, are available for public inspection and may be reviewed at the office of the District Secretary, 13060 Highway 9, Boulder Creek, CA 95006 during normal business hours. Such documents may also be available on the District website at www.slvwd.com subject to staff's ability to post the documents before the meeting.

Certification of Posting

I hereby certify that on April 5, 2024, I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, and the Board Conference Room, 12788 Highway 9, Boulder Creek, California, said time being at least 72 hours in advance of the special meeting of the Budget & Finance Committee of the San Lorenzo Valley Water District in compliance with California Government Code Section 54956.

Executed at Boulder Creek, California, on April 5, 2024.

Holly B. Hossack, District Secretary

MEMO

DATE: April 10, 2024
TO: Budget and Finance Committee, San Lorenzo Valley Water District
FROM: Brian Frus, Interim General Manager
SUBJECT: Project Funding Reallocation

WRITTEN BY: Heather Ippoliti, Consultant (RGS)
PRESENTED BY: Heather Ippoliti, Consultant (RGS)

STAFF RECOMMENDATION

It is recommended that the Budget and Finance Committee receive the report.

RECOMMENDED MOTION

The Budget and Finance Committee recommends to the Board of Directors to approve the changes to project funding as proposed in the staff memo.

BACKGROUND

Harmon Street. The Harmon Street project provides new pipelines to restore facilities damaged by the CZU wildfires in August of 2020. The design plans, prepared by Sandis Civil Engineers, provide approximately 1,200 linear feet of new 8-inch ductile iron water main under Harmon Street and Laural Street near the Boulder Creek Elementary School Campus. The project will connect existing customer services to the new water main and includes the installation of three new fire hydrants. After the new water main is put into service, the temporary water main can be removed from the District's system.

As part of the design submittal, Sandis Civil Engineers provided a cost estimate that indicates a total project cost of \$1,001,546. The District intends to provide construction oversight using District staff but will need to hire specialized consultants for labor compliance, construction testing activities and oversight by the Engineer of Record. District staff recommends allocating an additional 30% above the construction cost to cover expenses for specialized consultants bringing the total required project funding to \$1,302,010.

The current budget for the project is \$580,000. While the District anticipates eventual reimbursement by FEMA, the project is funded with proceeds from the 2021 \$15 million loan. Staff are proposing to reallocate funds from two other 2021 \$15 million loan funded projects - Bennett Spring Pipeline Damage and Eckley Pump Station. These two projects are moving slower than anticipated, and the Harmon Street project is ready to move forward.

	Budget			Exp to Date	Harmon Street
	23-24	24-25	Total		
Bennett Spring Pipeline Damage	150,000	700,000	850,000	500	455,000
Eckley Pump Station	25,000	375,000	400,000	1,623	275,000
					730,000
Harmon Street	580,000	-	580,000	5,000	575,000
					1,305,000

As proposed, staff are proposing to leave each project with sufficient funding to proceed with design.

Glen Arbor Bridge Pipeline Project. The project was awarded to Monterey Peninsula Engineering (“MPE”) at the January 20, 2022, Board meeting in an amount not to exceed \$320,500. In October 2022, the District received seven change order requests from MPE and coordinated responses with the Engineer of Record and construction management firm. In November 2023, the construction management firm contacted the District informing the

District that while construction was complete, the project had not been closed out, nor paid in full. Furthermore, construction change orders still needed to be resolved to make final payment to the contractor as part of the project close out. District staff was able to negotiate with the contractor to remove three change orders totaling \$39,613. Based on District responses from October 2022, and in coordination with the construction management firm, District staff recommends twelve of the change orders be granted to MPE totaling an additional \$123,158 for the additional work performed by the contractor. The contractor is also entitled to the remaining portion of the unbilled contract and the release of the retention. To close out the project the District needs to allocate funds totaling \$147,038 for payment to the contractor.

The Quail Hollow project is complete with \$262,000 in unspent FY 23-24 budget. While the Quail Hollow project will eventually be reimbursed by FEMA, it was funded with reserves. Staff are proposing to use the remaining Quail Hollow project budget to fund the close-out of the Glen Arbor Bridge Pipeline Project.

PRIOR COMMITTEE ACTION

None

FISCAL IMPACT

No direct fiscal impact related to the proposed action.

ENVIRONMENTAL IMPACT

Pursuant to Title 14, the California Code of Regulations, Section 15302(c) of the California Environmental Quality Act (“CEQA”) guidelines, the proposed action is an administrative activity of the District that will not result in direct or indirect physical changes to the environment.

ATTACHMENTS

None