**Westport County Water District (“District” or “WCWD”)**

**Board of Directors**

**Minutes of Special Meeting**

**Tuesday, July 23, 2024**

A special meeting of the Westport County Water District (“WCWD”) Board of Directors convened at 4:07 pm via zoom on Tuesday, July 23, 2024. Notice and the Agenda were previously properly issued, a Board quorum was present, and it was confirmed that each Director was able to hear and be heard by the other Directors and members of the public in attendance.

1. **Roll Call at Inception (4:07 pm):**

Present Board Members: Chairman Lee Tepper, and Directors Ms. Carla Thomas and Mr. Gary Weiss.

Present Staff: Operations Manager and Chief Plant Operator Mr. John Morrill, and Administrator Ms. Kayla Cooper.

Present Members of the Public: Mr. Robert Finnell.

GHD Representative: Ms. Kiera Brown, Water Resources Engineer and Project Manager.

1. **Consideration of GHD’s Draft Resolution Authorizing the WCWD Chairman to Sign and File a Financial Assistance Application, to Provide the Necessary Assurances, Certifications and Commitments for such Application, and to Represent the WCWD in Carrying out the WCWD’s Commitments Thereunder (4:07 pm):**

Director Thomas began the meeting by thanking Ms. Brown for providing the draft resolution for the WCWD Board’s consideration. She inquired as to the purpose of the draft resolution, and stated her assumption that some kind of authorizing resolution is necessary to include in the application for financing grants that GHD will submit to the State Water Resources Control Board (SWRCB) on behalf of the WCWD for its drinking water capital improvement project. She noted that she did not believe the WCWD Board had yet been provided a copy of this application and stated that the Board must be given an opportunity to review and approve it before it is submitted. Ms. Brown confirmed that this was indeed the purpose of the resolution, that the SWRCB requires a resolution in the form of the draft she provided, and assured the Board that GHD will provide a copy of the application for Board review and comment in advance of its submission.

Director Thomas said she had another concern about the draft resolution: that it was written in such a way that the SWRCB might misinterpret its language to conclude incorrectly that the issuance of a low-cost loan, as opposed to a no-cost share grant, was an acceptable outcome to the WCWD. Director Thomas, Chairman Tepper and Director Weiss each stated the view that a no-cost share grant was the only form of financing for the project that is acceptable to the WCWD. Director Thomas stated that Mr. Morrill and Ms. Cooper had undertaken a very significant effort to gather sufficient responses from Westport residents to allow the WCWD to qualify as a “Disadvantaged Community (DAC),” precisely because the WCWD Board believed no-cost share grant financing of the project was the only way the WCWD could afford to undertake the project. (DAC status is critical to the SWRCB in issuing financing grants.)

Ms. Brown acknowledged the WCWD Board’s position and confirmed that a no-cost-share grant was the only acceptable outcome to the WCWD. She offered two potential approaches to alleviate ambiguity. First, the WCWD could edit the language in the draft resolution to make it clear that a grant rather than a loan was acceptable. She cautioned, however, that the SWRCB might require the resolution adhere to the form typically used by the SWRCB. Second, GHD could wait to provide the resolution until after the application is submitted. She cautioned, however, that the SWRCB is unlikely to grant any financing at all without an enabling resolution from the WCWD.

The Board, staff and members of the public then offered and debated various potential edits to the draft resolution to make it clear that a no-cost share grant is what the WCWD is seeking from the SWRCB and that the WCWD must approve the application before it is submitted by GHD. The Board settled on the following: in the opening paragraph of the resolution, after the existing language in the draft stating “WHEREAS, the Westport County Water District has identified the need for infrastructure improvements to continue provision of safe and affordable drinking water to its customers,” the following language would be added:

“recognizing that Westport County Water District is a Disadvantaged Community and is applying for a no-cost share, grant-only financing agreement (“financing agreement”) with the State Water Resources Control Board, subject to the review and approval of the Westport County Water District of the Financial Assistance Application.”

Ms. Brown then edited and circulated a revised draft resolution containing that language.

Chairman Tepper then read aloud the language in the revised resolution and moved that the Board approve and adopt it. Director Weiss seconded the motion, which was then unanimously approved and adopted.

Director Thomas inquired as to whether the SWRCB had assigned a grant manager responsible for review and management of the grant application and grant distribution. Ms. Brown said she did not know but would look into that and let the Board know.

Ms. Cooper stated that she would print the revised resolution and provide it to Chairman Tepper for his signature today.

1. **Adjournment (4:53 pm):**

Director Weiss moved for adjournment, Chairman Tepper seconded the motion, which was then unanimously approved.

Respectfully submitted,

Gary Weiss

Temporary Secretary for the July 23, 2024 WCWD Board Meeting