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

**Board of Directors**

**Minutes of Special Meeting – Thursday, October 27, 2022**

The special meeting of the Westport County Water District Board of Directors convened at 7:02 pm via Zoom videoconference. Notice was 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.

1. **Roll Call at Inception (7:02 pm)**

Present Board Members: Mr. Lee Tepper, Mr. Ryan Grossman and Mr. Gary Weiss

Not able to attend: Mr. David Brothers

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

Present Members of the Public: Ms. Carla Thomas, Mr. Jeff Whitehouse, Ms. Dorine Real, and Mr. Robert Finnell (portion of the meeting).

Visitors/Presenters on the call: Holly Cinkutis, Project Manager of GHD (from 7:02 pm to 7:44 pm only). Stacey Lynch and David Harden, each a Principal Engineer at Bennet Engineering (from 7:44 pm to 8:40 pm only)

1. **Presentation and Q/A with Ms. Holly Cinkutis on Behalf of GHD re Its Statement of Qualifications in Response to WCWD’s RFQ:**

At 7:03 pm, Mr. Morrill briefly introduced all the participants on the call to Ms. Cinkutis.

At 7:04 pm, Ms. Cinkutis began her presentation by introducing herself and explaining that she is a Cleone resident who understands the local area well. She stated that while she could live in many other areas while working for GHD, she prefers to live and work on the North Coast for personal reasons. She said this gives GHD an advantage in doing work for the WCWD. She said that most of GHD’s clients are on the North Coast, including many Disadvantaged Communities there, and that she and GHD have a long history of working with Westport and the WCWD in particular. For example, GHD had obtained the grant funding for and installed the WCWD’s metal water tank in 2003. She described the institutional knowledge of the WCWD’s situation, needs and constraints that GHD had gained through working with the WCWD over many years.

She continued by explaining that while she would be the engineer on the projects for WCWD if GHD were retained, she would not be the lead person on applying for grants. That person is Rebecca Crow, who unfortunately had a previous engagement that she could not cancel on the short notice she received for this meeting. Ms. Cinkutis did come prepared to make a series of financial representations regarding the funding of the grant application process and work. She said she had been authorized by senior members of GHD, including Sridhar Sadasivan, GHD’ General Manager, U.S. Western Region, to make these representations. The Board asked her to confirm these representations in writing.

Ms. Cinkutis then relayed what Ms. Crow and others at GHD had represented to her regarding grant funding through California’s revolving funds and the timing of this process. She described GHD’s success rate with such applications. She said that the usual reason that grants are denied is that small communities have difficulty documenting their financial status and rate structure. She also described other state and federal grant funding programs and explained their likely availability in the case of the WCWD’s projects.

Ms. Cinkutis then responded to questions regarding the engineering and design of the various projects to be done for the WCWD. In response to questions from Chairman Tepper, she discussed the advantages and disadvantages of a metal tank (to replace the WCWD’s existing redwood tank). She said that a bolted stainless steel tank has a long life cycle (50-80 years) and is the standard cost-effective solution to tank replacement in this setting. She stated that GHD had installed such tanks recently for Mendocino, Redding and Fort Bragg, among others. She also described a process of baking glass onto the metal as an option. She explained the lower costs and shorter life cycle of an epoxy-coated carbon steel tank. GHD had recently replaced Shelter Cove’s tanks with epoxy-coated welded steel tanks. Ms. Cinkutis emphasized that any tank to be installed should be built to last, and that the sealant on any bolts would have to be replaced every 10 years or so.

Director Weiss inquired as to the use of geophysical exploration techniques as an alternative to exploratory boring for the selection of potential well sites. Ms. Cinkutis replied that from prior experience with the WCWD, she believes ground water in Westport is relatively shallow. As to the applicability of alternatives to exploratory boring, she referred questions to Ryan Crawford, who would be the hydrogeologist on this project.

Director Weiss inquired as to the nature of the advantage GHD believes it has by virtue of its extensive experience working on the North Coast and for Westport in the past. Ms. Cinkutis highlighted the institutional knowledge that resides at GHD. For example, she said that GHD’s Steve McHaney had overseen the design and installation of many projects for Westport over the years, including the WCWD’s water intake system at Wages Creek. She said she and GHD would have ongoing access to Mr. McHaney’s knowledge and experience if it were retained on this project. She said that she had a box of historical documents in her home regarding GHD’s prior work for the WCWD and that these would provide an invaluable resource.

Ms. Thomas then asked a series of questions regarding GHD’s financial representations regarding the grant application process and work for the potential WCWD projects. Ms. Cinkutis answered these questions based upon her discussions with others at GHD, including Ms. Crow and Mr. Sadasivan. In response to a request from Director Weiss, Ms. Cinkutis agreed to provide, following the meeting, a written commitment to these representations, as well as an hourly rate schedule for all those GHD employees that would be deployed on this project if GHD were selected.

At 7:44 pm, Ms. Cinkutis left the meeting.

1. **Presentation and Q/A with Ms. Stacey Lynch and Mr. David Harden on Behalf of Bennet Engineering re Its Statement of Qualifications in Response to the WCWD’s RFQ (7:45 pm):**

Mr. Morrill began this portion of the meeting by briefly introducing all attendees to Ms. Lynch and Mr. Harden.

Mr. Harden and Ms. Lynch then briefly introduced themselves and their background. Mr. Harden stated that he is located in Orangevale, which is located between Fulsome and Roseville, near Sacramento. He specializes in applying for grants and recounted his recent experience with this for clients in Yuba County. Ms. Lynch stated that she is the proposed Project Manager for the WCWD’s work, and has 18 years of relevant experience, especially in designing replacement water tanks. She resides and works in Roseville.

Ms. Lynch and Mr. Harden then screen-shared a power point presentation they had prepared for this meeting. Ms. Lynch described the overall approach Bennet Engineering would take on obtaining grant funding. They propose applying for a grant through the State Revolving Fund, for planning and for construction work. She stated that obtaining a planning grant is easy and inexpensive to obtain. She estimated that it would take approximately 9 months to receive such a grant and 1 ½ years to receive the funds from it.

Ms. Lynch described the financial responsibility the WCWD would bear for this portion of the process, and also the willingness and patience of Bennet Engineering to work with the WCWD to ease the pain of this expense. She estimated that the cost of applying for this initial planning grant would be in the range of $15,000 to $20,000 and that Bennet Engineering would make the initial outlay and expect the WCWD to pay for it when and if the grant is awarded. She said that Bennet Engineering had made this arrangement successfully with the town of Markleeville, California (in Alpine County).

Ms. Lynch and Mr. Harden then described the next implementation and construction phases of the project after the initial planning grant is awarded, including the likely sources and amounts of grant funding available for those phases. Ms. Lynch described the prospects of Westport being designated a Disadvantaged Community and the roughly $4.56 milllion of grant funding available on that basis, and of the availability of interest free 40-year financing covering other costs. She estimated that the process would likely take us to 2026 before the project is built.

Director Grossman inquired as to the possibility and consequences of having to appeal a finding that Westport is not a Disadvantaged Community. Mr. Harden stated that in this unlikely scenario, the timeline would be extended another 3-6 months and the WCWD would incur additional costs of $10,000 to $12,000. Ms. Lynch stated that use of census data and, if necessary, an income survey, would make the process of cementing Westport’s status as a Disadvantaged Community straight-forward. Both expressed confidence that Westport will qualify as a Disadvantaged Community.

Ms. Thomas asked whether Mr. Harden’s and Ms. Lynch’s location was a disadvantage for them and about how often they would visit. Mr. Harden stated that he could be generally available for smaller projects if retained for the larger overall project. Ms. Lynch stated that because it is expensive to travel, that they would limit visits to occasions in which their presence were truly necessary.

Mr. Finnell asked Ms. Lynch what about Bennett Engineering she is most proud of and what distinguishes Bennett from other applicants. Ms. Lynch replied that Bennett is a small company for which 8 of its 30 employees have an ownership stake. This means they have a vested interest in the company’s performance. She emphasized that the company has experience not only in water-related work but in other areas, such as transportation. She also said the team at Bennett gets along well and is very responsive.

At 8:40 pm, Ms. Lynch and Mr. Harden left the meeting.

1. **Discussion Among Board Members and Members of the Public (8:40 pm):**

At this point, the Directors, WCWD staff and members of the public shared their initial impressions of the various candidates and of the disadvantages and advantages of each. The group discussed each firm’s core competencies, experience with projects similar to those to be undertaken for the WCWD, familiarity with the local area and with Westport, overall recommended approaches and strategies, expected timelines and expected financial commitment from Westport.

The Board then mapped out a process for continuing its due diligence and selecting one or more firms to handle the WCWD’s projects. The Directors divided responsibility among them for making calls to references and for conducting additional investigative work about each applicant before the next WCWD meeting.

It was agreed that the next WCWD Board meeting would be held on Wednesday, November 9, 2022, that the Board would devote that session to sharing its due diligence on each applicant and on attempting to choose one or more firms to handle the WCWD’s capital improvement projects.

1. **Adjournment:**

Upon motion made (Director Weiss) and seconded (Chairman Tepper), the Regular Board Meeting of the WCWD was unanimously adjourned at 9:13 pm.

Respectfully submitted,

Gary Weiss

Temporary Secretary for the October 27, 2022 WCWD Board Meeting