

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE RODEO SANITARY DISTRICT

LOCATION: RODEO SANITARY DISTRICT, 800 SAN PABLO AVE.,
RODEO, CA

A Special Meeting of the Governing Board was held at 1:30 p.m. on July 1, 2025. Pursuant to the authorizations provided by Government Code section 54953€, this meeting was available telephonically, using the Zoom video conferencing system. Members of the public were provided options to participate in the meeting as provided on the agenda.

1) ROLL CALL

President Callaghan called the meeting to order at 1:42 P.M.

Directors Present: Janet Callaghan, Maureen Brennan, Robert Russey, Tara Shaia, Angela Noble

Staff/Consultants Present: Steve Beall (District Manager), Nina Sayavong (Administrative Assistant), Jeffrey Greer (Operations Manager)

Absent: Nancy Lefebvre (District Administrator)

Others Present- None

*via video-conference

a) PLEDGE OF ALLEGIANCE TO THE FLAG- General Manager Steve Beall led the pledge of allegiance.

2) PUBLIC COMMENTS-Communication from the public on subjects not on the agenda- None

3) CALL FOR REQUESTS TO CONSIDER ITEMS OUT OF ORDER- None

4) REPORTS- None

5) CONSENT CALENDAR- None

6) EMERGENCY SITUATIONS REQUIRING BOARD ACTION- None

7A) OLD BUSINESS: -

8) NEW BUSINESS-

Contract with Carollo Engineers for a cost not to exceed \$127,575 to complete and submit the Clean Water State Revolving Fund application (Discussion and Action)

RSD has decided to apply for CWSRF funding as opposed to traditional bank financing for the many near term capital improvements projects. The current market rate for bank financing is about 4.5 percent or more. RSD's \$1.85 million loan with Capital One is at 4.82 percent with an approximately debt of \$1.1 million in interest expense.

The CWSRF financing interest rate is currently at about 1.5 percent. For example, one of the District's current loans with CWSRF is for \$5.7 million and has an interest expense of approximately \$1.1 million.

RSD asked Carollo Engineers and Hydrosience Engineers (HSE) to provide RSD with a letter proposal. Both of these consultants have been the primary consultants RSD has used for many successful projects for many years.

The District Manager reviewed both proposals and noted they are similar in scope for the general, financial, technical, and environmental applications. Costs vary significantly for the environmental application (HSE much higher), where Carollo had more hours for the technical, general, and financial applications. The District Manager feels that Carollo's experience would be more beneficial to RSD and would be more likely to be able to reduce costs with RSD staff assisting. Therefore, the District Manager recommends using Carollo for the CWSRF application development and submittal.

During the application process, Carollo and RSD will investigate the Disadvantaged Community (DAC) provisions of the CWSRF process. It is believed that the entire population of the agency does not need to be a DAC, but just a portion. If a portion of RSD is a DAC, then this adds points to the application score when submitted. RSD may also be eligible for some debt forgiveness due to the DAC provisions.

To pursue the CWSRF loans, the process would be as follows:

Assemble list of projects. Design projects to at least the 90 percent design level. The CWSRF review scores the application higher if projects are at 90 percent design level or higher. This will help RSD to receive a higher score and chance of getting priority to receive funding.

RSD and Carollo will complete the applications, which include:

- General
- Financial
- Technical
- Environmental

Carollo assisted RSD during the first CWSRF application. Utilizing this process would delay construction of the above-listed projects until the 2026-2027 fiscal year (FY) or later (FY 2027-2028).

CWSRF receives all applications in December of the current FY. Review and scoring are generally completed in spring, with notice of award in May or June of the following

calendar year. Funding is not available until the following FY, in the RSDs case, FY 26-27. This will be when RSD can advertise and bid the shovel-ready projects. This timing would likely create a construction window that would start in the early part of 2027.

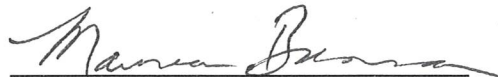
District Managers Recommendation (Motion Required): Authorize the District Manager to contract with Carollo Engineers for a cost not to exceed \$127,575 to complete and submit the Clean Water State Revolving Fund application.

MOTION: BY A. Noble, seconded by R. Russey, Authorize the District Manager to contract with Carollo Engineers for a cost not to exceed \$127,575 to complete and submit the Clean Water State Revolving Fund application.

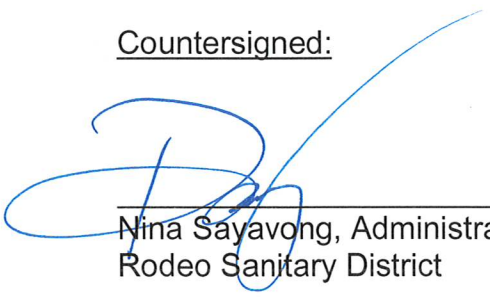
VOTE: AYES: M. Brennan, A. Noble, T. Shaia, R. Russey
 NOES: None
 ABSENT: None
 ABSTAIN: 1- J. Callaghan

- 9) **PUBLIC HEARING-** None
- 10) **COMMUNICATION:** None
- 11) **CLOSED SESSION-** None
- 12) **REPORT OUT OF CLOSED SESSION-** Nothing to report.
- 13) **SUGGESTIONS FOR FUTURE AGENDA ITEMS-** None
- 14) **ADJOURNMENT**

Meeting adjourned at 2:30 p.m. The next meeting of the Rodeo Sanitary Board of Directors will be held on Tuesday, July 8, 2025, at 1:30 P.M. at John Swett Unified School District Board Room.


Maureen Brennan, Vice President
Rodeo Sanitary District

Countersigned:


Nina Sayavong, Administrative Assistant
Rodeo Sanitary District