



1902 - Serving Our Community for over 110 Years - 2018

**WEST BAY SANITARY DISTRICT
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, FEBRUARY 28, 2018 AT 7:00 P.M.**

1. Call to Order

President Moritz called the meeting to order at 7:00 PM

2. Roll Call

BOARD MEMBERS PRESENT: Moritz, Thiele-Sardiña, Dehn, Otte

BOARD MEMBERS ABSENT: Walker

STAFF MEMBERS PRESENT: Scott, Condotti, Ramirez

Others Present: Rick Simonson – HF&H

3. Communications from the Public: None

4. Report and Discussion: Ad Hoc Finance Committee

Comments: President Moritz led the discussion and outlined the returns on Bank of the West investments which are currently yielding about 2% at maturity. President Moritz indicated that PARS have yielded a return on investment last year of 7%. The Committee recommends to put \$1M into PARS irrevocable trust to offset a portion of the PERS liability.

5. Consideration of the Establishment of a Public Hearing Date for Proposed Increase in Sewer Service Charges as Required by Proposition 218, Adopt the Updated Sewer Rate Study and Provide Staff Direction Regarding the Sewer Service Charge Rate Adjustment and the Mailing of the Proposition 218 Notice for a Public Hearing

Motion by: Dehn 2nd by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: DM Scott introduced Rick Simonson of HF&H who presented the proposed rate study. He outlined the proposed residential increase of 5%, and non-residential increases average 5% but depending on commercial category some categories such as restaurants shall see a significant increase, in order to pay for cost of service, in year 2 of a 3-year phase in. The Finance Committee has recommended the contribution of \$1M to PERS retirement liability reserve fund.

6. Discussion: Strategic Plan Element 4 – Strategic Partners and Public Affairs

Comments: President Moritz suggests Board members send comments to DM Scott regarding Element 4 of the Strategic Plan. Board consensus is to send DM comments and to schedule for discussion for the next meeting. The topic of consolidation with the Town of Los Altos Hills and Town of Woodside should be scheduled separately as an item for Board discussion at the next Board meeting.

7. Consideration to Authorize the District Manager to Execute a Professional Services Agreement with Freyer & Laureta for Design, FEMA Coordination, and CEQA Documentation/Permitting for the “ West Bay Sanitary District’s Flow Equalization and Resource Recovery Facility Levee Improvement Project

Motion by: Otte 2nd by: Dehn Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: DM Scott outlined alternative 4 sheet pile installation with FEMA certification of levees for \$3.1M, which was discussed at the last meeting and chosen by the Board as the preferred alternate. The Board has directed the DM to discuss with the City of Menlo Park staff the opportunities to partner in this project to possibly help protect City property as well. The Board approved the motion for the agreement with Freyer & Laureta with the understanding that approximately half of the work would be done in this fiscal year and the other half of the engineering and obtaining permits would occur in the next fiscal year.

8. District Manager’s Report

Comments:

1. CIP Project:

- a) Belle Haven II is complete. Will bring Notice of Completion to Board for approval.
- b) El Camino Real sewer main was accidentally filled with concrete. District staff performed 60 foot of replacement of sewer main with night work over the last two weeks. Discussed unmarked high voltage line with PG&E. Claim pending.

2. Affiliate Agency/Association News:

- a) **County:** District and County have agreed to share the cost of an analysis of impacts and challenges to transferring the Solid Waste Franchise to the County. Should be complete in 3 months.
- b) **CWEA:** Annual Conference in Sacramento April 17-20. Several staff will attend as volunteers and potential award winners.
- c) **CSDA:** District received Certificate of Transparency from Special Districts

3. Upcoming Events:

- a) Board meetings: March 14 and March 28. April 11 & April 25 – SSC public hearing.
- b) Finance Committee met on February 21 to discuss Investment Portfolio, banking options. Will need to meet again to discuss a debt management policy as well as strategies for the \$13M allocable to the District for the SVCW CIP projects due in Q2 of 2019.

4) Misc./Action Items from Previous Meeting:

- a) **SSOs:** 5 SSO’s in 2017. 1 SSO in FEB. Total 1 = 2018
- b) **Recruitment:** Source Control Inspector position has been filled by Rupert Sandoval. Projects & Engineering Technician position filled by Jonathan Werness. Recruitment announcements have been placed for Field Supervisor.
- c) **Succession Plan:** Staff is working with Donna Wies Consulting to update our 2015 succession plan to document the steps implemented and to explore possible solutions to recruitment challenges.

- d) **On Site Treatment Systems:** District has selected Consultant for On Site Permitting Project for the anticipated Facebook Blackwater On Site treatment system. Consultant will assist the District is establishing discharge limits and developing a permitting program for such systems.

5) Resource Sharing:

- a) **Town of Los Altos Hills:** 3 SSO in 2017. 1 caused by Contractor. 0 SSO in 2018.
- b) **Town of Woodside:** 0 SSO's in 2016. 1 pump station SSO in 2017. 0 SSO's in 2018. The District has commenced to provide pump station maintenance.
- c) **EPASD:** District Field Supervisor on Modified Duty will help train 2 new EPA San District employees for a week while Senior worker is on medical leave.

9. Consent Calendar

- A. Approval of Minutes for Regular meeting February 14, 2018
- B. Approval of the Withdrawal Order Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters for February 28, 2018
- C. Consider to Ratify and Approve Report on District's Investment Portfolio Including the Transactions of Assets Described Therein as of 1-31-18
- D. Consideration of Authorizing the District Manager to Issue the Class 3 Permit to Provide Sewer Service for the Development Project at 133 Encinal Avenue, Menlo Park, CA

Motion by: Dehn 2nd by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

CONSIDERATION OF ITEM(S) REMOVED FROM THE CONSENT CALENDAR

Comments: Motion by Secretary Dehn to accept the minutes as amended, to correct misstatement that President Moritz opened meeting since President pro tem Dehn did at February 14 meeting.

10. Discussion and Direction on Recycled Water Projects - Sharon Heights & Bayfront, Including Project Status

Comments: DM Scott reported on an upcoming meeting with salt pond project for Bayfront area and the possibility of utilizing a portion of pond #4 to be used as a raised bed plant propagation area for new plant starts.

11. Report & Discussion on South Bayside Waste Management Authority (SBWMA) and Negotiations for Restated Franchise Agreement

Comments: Secretary Dehn reported Shoreway Center will be hosting a Earth Day celebration on April 21. An interim financial manager has been selected for SBWMA and a number of RFPs are now out. Next meeting is March 22.

12. Report & Discussion on Silicon Valley Clean Water (SVCW) and Discussion on SVCW CIP Program and Financing

Comments: None

13. Closed Session

- A. CONFERENCE WITH LABOR NEGOTIATORS
(Pursuant to Cal. Govt. Code §54957.6)
Agency designated representatives: District Manager, Legal Counsel
Employee Organization: Teamsters Local 350

- B. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Cal. Govt. Code §54956.9(d)(2)
Number of potential cases: One

Entered closed session at 8:45p.m. Left closed session at 8:49p.m.

Reportable action: No reportable action

14. Consideration of Resolution Authorizing District Board President and Secretary to Execute a Side-Letter to Teamsters Local 350 MOU Agreeing to Procedures to Comply with Assembly Bill 119 – New Employee Orientation

Motion by: Otte 2nd by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: None

15. Comments or Reports from Members of the District Board and Consider Items to be Placed on Future Agenda

Comments: Strategic plan to discuss consolidation with Town of Los Altos Hills and Town of Woodside.

16. Adjournment Time: The meeting was adjourned at 8:58 PM

/s/ Fran Dehn
Secretary