



1902 - Serving Our Community for over 120 Years - 2026

**WEST BAY SANITARY DISTRICT
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, May 27, 2026 AT 7:00 P.M.**

1. Call to Order

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

Roll Call

BOARD MEMBERS PRESENT: President Dehn, Director Otte, and
Director Moritz (Secretary ProTem)

BOARD MEMBERS ABSENT: Secretary Walker and Treasurer Thiele-Sardiña

STAFF MEMBERS PRESENT: Ramirez, Condotti, Heydari, and Reese

Others Present: John Kelley, John Freund, Ed Hurwitz, Rick De Golia, Mark
Chandler and Lori Wingate.

By Zoom: George Roderick (City Manager - Atherton) Beth
Faryal, Laura Mae Sarusi, and Michael Miller.

2. Communications from the Public: None

3. Discussion and Direction on Collection of Unpaid Fees Associated with Accessory Dwelling Units

Discussion/Comments: General Manager Ramirez gave a brief overview of the collection efforts resulting from the audit regarding ADUs and sewer service charges. General Manager, Ramirez reported: The District is receiving more ADU plans to review than it had in the past, before City and Town's approve the ADUs. There were 120 letters sent to Atherton, Portola Valley, and East Palo Alto. After further review, approximately 30 letters were rescinded. Review includes using RHNA - State reporting numbers.

Mark Chanler and Lori Wingate, owners of 73 Parkwood Drive in Atherton since 2015, stated that they converted one of their garages into an approximately 500-square-foot accessory dwelling unit (ADU) in 2018. They expressed concerns regarding the District's ADU policy and billing practices. Specifically, they stated that the notices were inappropriately labeled as past due, disagreed with the retroactive assessment of fees for five years and the imposition of a connection fee, and questioned why a 500-square-foot ADU is subject to the same fees as the primary residence. They argued that sewer fees should be consistent across residences, as occupancy levels vary and are not known by the District. They also left specific written document requests and document retention with General Counsel Condotti for response. Additionally, they requested that collection efforts be suspended, that recipients of the notices be informed that the policy is under review and payment requirements are temporarily suspended, and that the Board refrain from pursuing collection through property tax rolls or liens since that will take further legal action to protect their properties pending the legal issues being sorted out.

John Kelley, an ADU advocate from Palo Alto, addressed three primary concerns: (1) the District's issuance of inaccurate bills that he argued were inconsistent with the District's code,

and certain terms like “single-family residence” are not defined; (2) constitutional concerns regarding the proportionality of the fees and the intended use of retroactively collected funds; and (3) the need for the District to establish a fee structure based on measurable criteria, such as square footage and drain fixture units, and to conduct a proportionality analysis.

John Freund, an Atherton resident, stated that his pool house is not an ADU and noted that he had previously contacted the District on two occasions to discuss the matter before appearing at the Board meeting. Although his notice was subsequently rescinded, he expressed concern that other property owners may not have received similar relief and requested that the District review all notices that were issued. He also reiterated concerns regarding proportionality and the sewer fee structure.

Ed Hurwitz, a resident on Watkins Avenue in Atherton for 25 years, stated that the secondary structure on his property is used as a pool house and gym for approximately 10% of the year. He requested that the Board provide a clear and definitive determination regarding the applicability of the fees.

Rick DeGolia, an Atherton resident of 25 years and current Vice Mayor, spoke on behalf of the City Council. He stated that approximately ten Atherton residents had contacted him with concerns regarding the notices issued by the District. He emphasized the importance of ADUs in meeting state housing requirements, including affordable and low-income housing goals, and expressed concern that the District’s fee structure could discourage the construction of ADUs.

4. Consent Calendar

Matters listed under this item are considered routine and will be enacted by one motion. The motion, seconds, and vote are applicable to any included resolutions and recorded accordingly. There will be no separate discussion of these items unless specifically requested by a member of the Board.

- A. Approval of Minutes for Special meeting May 5, 2026
- B. Approval of Minutes for Regular meeting May 13, 2026
- C. Approval of the Financial Activity Report Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters thru April 30, 2026

Comments: None

Motion to Approve by: Moritz 2nd by: Otte Vote: AYE: 3 NAY: 0 Abstain: 0

5. General Manager’s Report

Comments: General Manager Ramirez reported that the Hamilton Henderson Pump Station recoated the wet well and sealed up a significant hole in a pipe where groundwater was intruding. The draft budget review with the Finance Committee is scheduled for June 3, with the revised budget and flow study presentation to be reviewed by the full Board on June 10.

The next Board meetings are scheduled for June 10 and June 24. The newly hired Operator II is scheduled to begin employment on June 15, and eleven candidates were interviewed for the Maintenance Worker position. Additionally, the District will sponsor the Menlo Park Summer Concert Series, which includes one concert at Fremont Park and three concerts at Karl E. Clark Park.

6. Consider Establishing Date and Time of Public Hearing to Consider Annual Tax Roll Sewer Service Charge Report for Fiscal Year 2026/2027

Motion to Approve by: Moritz 2nd by: Otte Vote: AYE: 3 NAY: 0 Abstain: 0

Comments: General Manager Ramirez presented a chart identifying the District's ten largest users. Director Moritz moved to set a public hearing on the annual tax roll for Wednesday, July 8, at 7:00 PM. The motion was approved by the Board.

7. Consider Establishing Date and Time of Public Hearing to Consider Delinquent Tax Roll Sewer Service Charges Report for Fiscal Years including 2023/24, 2024/25, 2025/26

Motion to Approve by: Otte 2nd by: Mortiz Vote: AYE: 3 NAY: 0 Abstain: 0

Comments: Director Otte moved to set a public hearing on the delinquent tax roll. The motion was approved by the Board. General Manager Ramirez reported that the District confirmed twenty parcels are so have outstanding balances for three fiscal years from (2023 -2026) and will be added to the delinquent tax roll.

8. Consider Executing Contract Change Order No. 10 (CCO #10) for \$5,520.00, Accepting Work by Ranger Pipeline, Inc., Authorizing the General Manager to File the Notice of Completion, and Release the Retention of \$196,986.55 to Ranger Pipeline, Inc.

Motion to Approve by: Moritz 2nd by: Otte Vote: AYE: 3 NAY: 0 Abstain: 0

Comments: General Manager Ramirez reported the project began in October 2022 and continued through May 2026. The original contract amount was \$3,130,113.00, and the final contract amount was \$3,939,731.04. The Board previously approved a series of change orders related to dewatering, tanks, and other additional project requirements. The Board approved Change Order No. 10 in the amount of \$5,520.00 to close out the project, and authorized the release of retention funds totaling \$196,986.55 to Ranger Pipeline, Inc.

9. Consider Accepting Project Performed by Casey Construction, Inc. for Willow Road Pump Station Rehabilitation Project No. 1765.0, Authorizing the General Manager to File the Notice of Completion, Execute Balancing Contract Change Order No. 3 (CCO #3) Credit for \$165,000.00, and Release the Retention of \$46,578.50 to Casey Construction, Inc.

Motion to Approve by: Moritz 2nd by: Otte Vote: AYE: 3 NAY: 0 Abstain: 0

Comments: General Manager Ramirez reported the project began in March 2024 and continued to May 2026. The original contract amount was \$1,060,800.00, and the final contract amount was \$931,570.00. The Board previously approved a series of change orders related to the electrical conduit and generator equipment. The credit is for not needing to bypass. The Board approved Agenda Item No. 9.

10. Consideration to Adopt Resolution Pledging Net Revenues of the District Fund to Payment of any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program Financing for the West Bay Sanitary District Recycled Water - Avy Altschul Pump Station Project

Motion to Approve by: Moritz 2nd by: Otte Vote: AYE: 3 NAY: 0 Abstain: 0

Comments: General Manager Ramirez reported the Clean Water State Revolving Fund loan requires a restricted account equal to one annual payment (\$26,298.01). The Board approved Agenda Item No. 10.

11. Discussion and Direction on Sharon Heights Recycled Water Facility

Discussion/Comments: General Manager Ramirez reported that 7.5MG of recycled water was processed and 2.8MG was delivered during April 2026. The facility is now in full production and ready for the summer.

12. Discussion and Direction on Bayfront Recycled Water Project and Status Update

Discussion/Comments: General Manager Ramirez reported that HF&H is revising the recycled water study. There will be a public hearing on June 24 to set the recycled water rates. Anderson Pacific continues to construct the facility and distribution system.

13. Report, Discussion, and Direction on RethinkWaste (SBWMA)

Discussion/Comments: President Dehn reported that the May meeting was waived. Numerous legislative items are currently moving through committees review and will continue into August. The June Board meeting will include a mid-year review of budget expenses. The contract for the site renovation evaluation will be presented to the Board for consideration, with two qualified recommended proposals.

14. Report and Discussion on Silicon Valley Clean Water (SVCW) Plant

Discussion/Comments: Director Otte reported that the manager received a good evaluation and that the outcome will be discussed at the next meeting.

General Manager Ramirez reported the next TAC meeting is scheduled for May 28, where he plans to discuss the renaming of Silicon Valley Clean Water and changes to the logo. The Board expressed serious concerns regarding the need for the name change and wants to understand the true cost implications for the proposed change.

15. Closed Session

- A. CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation
Significant Exposure to Litigation pursuant to Cal. Gov't. Code §54956.9(d)(2):
(3 potential cases)
- B. CONFERENCE WITH LABOR NEGOTIATORS
Agency Designated Negotiators: General Manager/General Counsel
Unrepresented Employees pursuant to Cal. Gov't Code §54957

Entered closed session at 8:18 PM Left closed session at 8:55 PM

Reportable action: There was no Board action or direction regarding Agena Item# 15B.

With respect to Agenda Item No. 15A, Significant Exposure to Litigation, which is also related to Agenda Item No. 3, the Board directed staff to temporarily suspend fee collection efforts while additional analysis is conducted. General Counsel will return to the Board for formal direction on the path forward at a future meeting, and discuss potential delinquent tax roll sewer service charges, which relate to Agenda Item# 7.

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

Discussion/Comments: None

17. Adjournment Time: The meeting was adjourned at 8:56 PM

/s/ David A. Walker
Secretary