



1902 - Serving Our Community for over 120 Years - 2024

**WEST BAY SANITARY DISTRICT
AGENDA OF BUSINESS**

REGULAR MEETING OF THE DISTRICT BOARD

WEDNESDAY, MAY 22, 2024 AT 7:00 P.M.

**RONALD W. SHEPHERD ADMINISTRATION BUILDING,
500 LAUREL STREET, MENLO PARK, CALIFORNIA 94025**

Board Members

Fran Dehn, President
David Walker, Secretary
Roy Thiele-Sardiña, Treasurer
Edward P. Moritz, Member
George Otte, Member

General Manager

Sergio Ramirez

District General Counsel

Anthony Condotti, Esq.

AGENDA OF BUSINESS

To participate by telephone or Zoom meeting, public comments can be made by joining Zoom meeting at:

<https://us06web.zoom.us/j/85761393211?pwd=YznVnYY4iOycqssQa6nsr0MvmCorrH.1>

Meeting ID: 857 6139 3211 Passcode: 519305

1. Call to Order and Roll Call
2. Communications from the Public
3. 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 Regular Meeting May 8, 2024 Pg. 3A-1
 - B. Consider Approving FY 2023-24 Financial Statements, Third Quarter Ending March 31, 2024 3B-1
4. General Manager's Report Pg. 4-1
5. Closed Session
 - A. CONFERENCE WITH LABOR NEGOTIATORS
(Pursuant to Cal. Govt. Code §54957.6) Agency designated representatives: General Manager, General Counsel, IEDA
Employee Organization: Exempt Employees, Unrepresented Employees, & Teamsters Local 350
6. Consider Resolution Authorizing the Execution and Delivery of a Construction Installment Sale Agreement and Grant Between the District and the State Water Resources Control Board to Finance the Bayfront Recycled Water Facility, and Approving Related Documents and Official Actions Pg. 6-1

7. Consider Resolution Authorizing the Execution and Delivery of a Construction Installment Sale Agreement and Grant Between the District and the State Water Resources Control Board to Finance the Avy Altschul Pump Station Project, and Approving Related Documents and Official Actions Pg. 7-1
8. Consider Establishing Date and Time of Public Hearing to Consider Annual Tax Roll Sewer Service Charge Report for Fiscal Year 2024/2025 Pg. 8-1
9. Consider Approving Resolution to Call for Elections – County of San Mateo Pg. 9-1
10. Consider Approving Resolution to Call for Elections – County of Santa Clara Pg. 10-1
11. Discussion and Direction on the West Bay and Sharon Heights Recycled Water Facility Pg. 11-1
12. Discussion and Direction on Bayfront Recycled Water Project and Status Update Pg. 12-1
13. Report, Discussion, and Direction on South Bayside Waste Management Authority (SBWMA) including the Solid Waste Franchise Re-Assignment Pg. 13-1
14. Report and Discussion on Silicon Valley Clean Water (SVCW) Plant Pg. 14-1
15. Comments or Reports from Members of the District Board and Consider Items to be Placed on Future Agenda
16. Adjournment

The West Bay Sanitary District does not discriminate against persons with disabilities. Upon request, the agenda and agenda packet can be provided in a format to accommodate special needs. If you require a copy of the agenda or related materials in an alternative format to accommodate a disability, or if you wish to attend this public meeting and will require special assistance or other special equipment, please call the District at (650) 321-0384 at least five days in advance and we will make every reasonable attempt to provide such an accommodation.



1902 - Serving Our Community for over 120 Years - 2024

**WEST BAY SANITARY DISTRICT
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, MAY 8, 2024 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, Secretary Walker,
Director Moritz, Director Otte

BOARD MEMBERS ABSENT: Treasurer Thiele-Sardiña

STAFF MEMBERS PRESENT: Ramirez, AND Fisher and Condotti by Zoom

Others Present: Rich Simonson and Gabe Susser – HF&H, Residents -
Carl Treadwell, Steve Jasik

2. Communications from the Public: None.

3. Public Hearing: Consideration to Approve the Proposed Increase in Sewer Service Charges for Fiscal Year 2024/25, Fiscal Year 2025/2026 and Fiscal Year 2026/2027

Motion to Open by: Dehn 2nd by: Moritz Vote: AYE: 4 NAY: 0 Abstain: 0

Discussion/Comments: Mr. Jasik said he feels it would be proper to meter single family residents for rates since he uses very little water. General Manager Ramirez explained an average is established in households and industry standards are applied to create the flat single-family fee. He explained individual metering would be costly and require additional staff. Director Otte stated the capital improvement programs and SVCW bond program costs are all the same for each residence. Mr. Treadwell read his protest letter which suggested protest wording be changed to the proposition 218 notice. General Counsel Condotti provided background and requirements for proposition 218 which requires the District's current wording to be used. In all, five (5) protest letters were received.

Motion to Close by: Moritz 2nd by: Walker Vote: AYE: 4 NAY: 0 Abstain: 0

4. Consideration to Approve a General Regulation Amending the Code of General Regulations and Establishing Sewer Service Charges for Fiscal Year 2024/25, Fiscal Year 2025/2026 and Fiscal Year 2026/2027

Motion to Approve by: Moritz 2nd by: Otte Vote: AYE: 4 NAY: 0 Abstain: 0

Discussion/Comments: General Manager Ramirez reported rates began to rise at a steady pace in 2010 when the SVCW treatment plant began their \$1 billion upgrade using, primarily, low interest State and Federal loans. He reported now that construction is finished the debt is coming due. He continued to report that the District is required to pay 27% of the \$1 billion which accounts for over 50% of the District revenues including SVCW operations and maintenance obligations. Fortunately, the Board raised rates at a consistent rate over the past 14 years and not all at once like neighboring cities had to do. The Board passed the three-year rate increase as recommended.

5. 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 1, 2024
- B. Approval of Minutes for Regular Meeting April 24, 2024
- C. Approval of the Financial Activity Report Authorizing Payment of Certain Bills and Salary and Consideration of Other Financial Matters through April 30, 2024
- D. WBSD Operations and Maintenance Report – April 2024
- E. Town of Los Altos Hills Operations and Maintenance Report for Work Performed by WBSD – April 2024
- F. Town of Woodside Operations and Maintenance Report for Work Performed by WBSD – April 2024
- G. Consider Authorizing the General Manager to Issue Class 5 Sewer Permit No. 18290 for the Construction of Wastewater Facilities for 315 Grove Drive, Portola Valley, California
- H. Consider Approving FY 2023-24 Financial Statements, Third Quarter Ending March 31, 2024

Comments: Item H was pulled and tabled until the May 22nd Board meeting.

Motion to Approve Items A-G by: Otte 2nd by: Moritz Vote: AYE: 4 NAY: 0
Abstain: 0

6. General Manager's Report

Discussion/Comments: General Manager Ramirez reported CPS HR Services has been hired to update the District succession plan. He also reported the small claims Olive Street hearing is over and the judge took the case under submission and will make a ruling within 90 days. He reported the HACH flow meter service will increase 10%. He also reported CWEA bypass training will be held at the District on May 14th. He continued to report on the new website; highlights included over 22,000 visits were made to the site since January with 8,493 in April. The traffic may be due to the online bidding process and the Prop. 218 notices. Next regular meetings are scheduled for May 22nd and June 12th. The complete General Manager's written report is in the April 24th, 2024 agenda packet.

7. Closed Session

Entered closed session at 8:01 p.m. Left closed session at 8:08 p.m.

- A. CONFERENCE WITH LABOR NEGOTIATORS
(Pursuant to Cal. Govt. Code §54957.6) Agency designated representatives:
General Manager, General Counsel, IEDA
Employee Organization: Exempt Employees, Unrepresented Employees, & 3A-2

Reportable action: None.

8. Report and Discussion on Sharon Heights Recycled Water Facility

Discussion/Comments: General Manager Ramirez reported 8.1MG of wastewater were reclaimed in April and 4.4MG were delivered. He also reported the SFR funding agreement has been received and is being routed for signatures. The Avy Altschul Pump Station transformer is scheduled to be installed by PG&E on May 17th.

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

Discussion/Comments: General Manager Ramirez reported the SFR agreement is expected any-time. He reported the next project meeting scheduled for May 13th. He also reported Meta will install sewer forcemain on Hamilton Ave. and may install the required recycled water main at the same time.

10. Report, Discussion and Direction on South Bayside Waste Management Authority (SBWMA) including Solid Waste Franchise Re-Assignment

Discussion/Comments: Director Otte reported on the discussion and approval of the fire control system in the sorting center. General Manager Ramirez reported he plans to attend the LAFCo meeting and inform the commission that the District will move forward with submitting an application to divest the solid waste franchise.

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

Discussion/Comments: Director Otte reported the RESCU project ribbon cutting is on May 13th. General Manager Ramirez reported SVCW Directors will present at the June 12th Board meeting.

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

Discussion/Comments: None.

13. Adjournment Time: The meeting was adjourned at 8:43 PM

Secretary

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WEST BAY SANITARY DISTRICT AGENDA ITEM 3B

To: *Board of Directors*

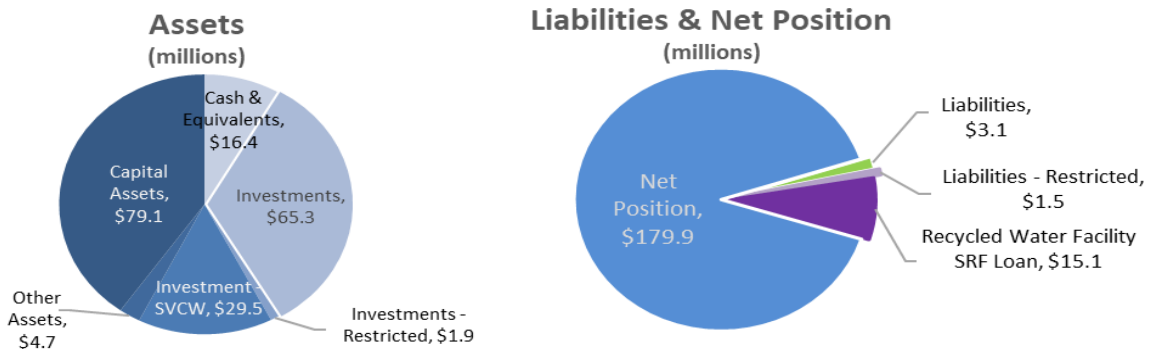
From: *Debra Fisher, Finance Manager*

Subject: *Consider Approving FY 2023-24 Financial Statements, Third Quarter Ending March 31, 2024*

Background

Attached for the Board’s review is the District’s Unaudited Quarterly Financial Statements, ending March 31, 2024. The Statement of Net Position and Statement of Revenue, Expenses, and Changes in Net Position are prepared in accordance with the policies and procedures for California special districts, conforming to generally accepted accounting principles and as prescribed by the Governmental Accounting Standards Board. Additional tables and statements are provided to better view the primary operations and other activities; General, Capital, Treatment Plan, Solid Waste, and Recycled Water Funds. Capital expenditures are detailed to provide transparency to the board and public for the use of funds for capital assets, which is critical to maintain and improve the District’s infrastructure.

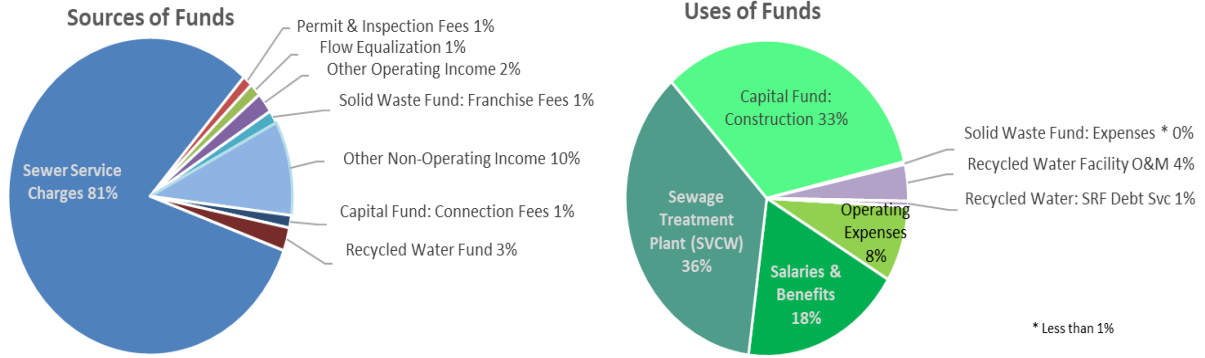
Fiscal Impact



The District had \$196.8 million in total assets as of March 31, 2024, with total liabilities of \$19.7 million, for a Net Position of \$179.9 million.

The District recognized gross Revenue of \$30.5 million and gross Expenditures of \$21.7 million, for a combined \$8.9 million increased Change in Net Position in all Funds.

The District recognized \$9.5 million in capital project expenditures, including \$1.8 million in recycled water projects.



Collections; General, Capital, & Treatment Plant Funds:

General, Capital, and Treatment Plant Funds are combined to show total collection system operations. Operating Revenue was \$25.8 million, 76% of the annual budget. Operating Expense was \$20.3 million, 73% of the annual budget. This includes direct Operating Expenses of \$7.6 million, 64% of the annual budget, Capital Depreciation of \$2.3 million, and Sewer Treatment Plant expense and debt, managed by Silicon Valley Clean Water (SVCW) of \$10.4 million, 80% of the annual budget. SVCW accounts for 58% of total operating expenses, excluding depreciation. The Net Operating Income for Collection operations was a net increase of \$5.5 million for the period.

Non-Operating Revenues and Expenses of \$2.6 million net increase, from Interest Income, Gains, and Losses on Investments, less investment fees. \$384 thousand in Connection fees are recognized as Capital Contributions and are applied to system capacity projects. Collection has an \$8.4 million increase in Net Position for the period.

Increases in the Net Position are transferred to the Capital budget for capital asset maintenance and improvement. The Capital Budget is \$41.9 million, as of March 31, 2024, with \$16 million remaining in current year’s budgeted expenditures.

Solid Waste Fund:

The Solid Waste Fund recognized \$86 thousand in Franchise Fees, 62% of the annual budget, from Recology, which manages solid waste collection for the District.

Solid Waste Expenditures of \$79 thousand, 69% of the annual budget, was recognized. The budget includes rate studies, annual notification mailing, and overhead allocation. A surplus of \$317.8 thousand from 2022 was received in January 2024. The Solid Waste Fund increased \$325 thousand, to a Net Position of \$880.5 thousand.

Recycled Water Fund:

The Recycled Water Fund includes the Sharon Heights Recycled Water Facility (SHRWF) and the Bayfront Recycled Water Facility, under design. All income in this fund is recognized as Non-Operating. The District recognized \$1.1 million in total expenses and a net positive \$556 thousand in Non-Operating Income and Expense. The District recognized \$647 thousand in Capital Contributions, for a \$125 thousand positive Net Change in Position.

SHRWF had Operating Expenditures of \$1 million, including \$566 thousand in depreciation. Non-Operating Revenue from Sharon Heights Golf & Country Club (SHGCC) of \$504.7 thousand was recognized for operations and maintenance (O&M). SHGCC pays the estimated O&M in equal monthly installments, with a reconciliation by calendar year. \$69 thousand was recognized for the 2023 O&M reconciliation.

The Bayfront Recycled Water Facility had \$63 thousand in uncapitalized expenditures.

The District recognized \$207 thousand in interest, net of gains, loss, and fees on the Recycled Water Cash Flow Reserve.

Financial Statements Summary:

The following is a summary of the Statement of Changes in Revenue, Expenses, and Net Position, for the prior year ending June 30, 2023 and the quarter ending March 31, 2024, compared to the approved budget for fiscal year 2023-24.

Statement of Revenue, Expense, & Change in Net Position				
	Audited	Unaudited	Budget	Budget
	FY 2022-23	3/31/2024	FY 2023-24	v Actual
Operating Revenues	32,096,441	25,904,636	33,914,468	76%
Operating Expenses	(13,507,324)	(11,060,137)	(16,479,263)	67%
Sewage Treatment Plant (SVCW)	(12,846,366)	(10,436,156)	(12,990,848)	80%
Operating Income (Loss)	5,742,751	4,408,343	4,444,356	99%
Non-Operating Rev / Exp	2,784,843	3,451,819	877,896	393%
Income Before Contributions & Special Items	8,527,594	7,860,162	5,322,252	148%
Pension Adjustment (GASB 68)	(4,912,677)	-	-	
Capital Fund: Connection Fees	277,426	383,744	250,000	153%
Recycled Water Fund: Capital Contribution	1,146,513	647,002	662,900	98%
Change in Net Position	5,038,855	8,890,908	6,235,152	143%
Prior Period Adjustment	6,005,723	-	-	
Change in Net Position - Adjusted	11,044,578	8,890,908	6,235,152	143%

Recommendation

The Finance Manager recommends the Board approve the Third Quarter, Fiscal Year 2023-24 Unaudited Financial Statements, ending March 31, 2024.

Attached: Financial Report 3rd Quarter FY 2023-24

West Bay Sanitary District



Unaudited Financial Statements

Fiscal Year 2023-2024

Third Quarter Ending

March 31, 2024

**Financial Report
Fiscal Year 2023-2024
Third Quarter Ending March 31, 2024**

The West Bay Sanitary District (District) provides wastewater collection and conveyance services to the City of Menlo Park, Atherton, and Portola Valley, and areas of East Palo Alto, Woodside and unincorporated San Mateo and Santa Clara counties. The District conveys raw wastewater, via the Menlo Park Pump Station and force main, to Silicon Valley Clean Water (SVCW) for treatment and discharge to the San Francisco Bay. The District was originally formed in December 1902 as the Menlo Park Sanitary District under the Sanitary Sewer Act of 1891. The District operated as the Menlo Park Sanitary District from 1902 until 1981 when its name was changed to the West Bay Sanitary District to reflect the service area more accurately. The powers of the District are established by the State of California Health and Safety Code. The District serves a population of 20,673 households and commercial establishments. The District additionally participates, as a member of the South Bayside Waste Management Authority (SBWMA), in the collection and processing of solid waste, recyclable material, and organic material. The District owns and operates the Sharon Heights Recycled Water Facility (SHRWF), through a 2017 long term agreement with Sharon Heights Golf & Country Club (SHGCC) to deliver recycled water.

The District issues unaudited financial statements in conformity with the format prescribed by the provisions of Governmental Accounting Standards. This report is an overview of the District’s financial activities for the period. Detailed statement by Fund is included in the Combining Statements and included as supplemental data. Separate statements of revenues and expenditures, which do not conform with generally accepted accounting principles (GAAP) reporting, are also included providing a concise statement of operating and non-operating transactions.

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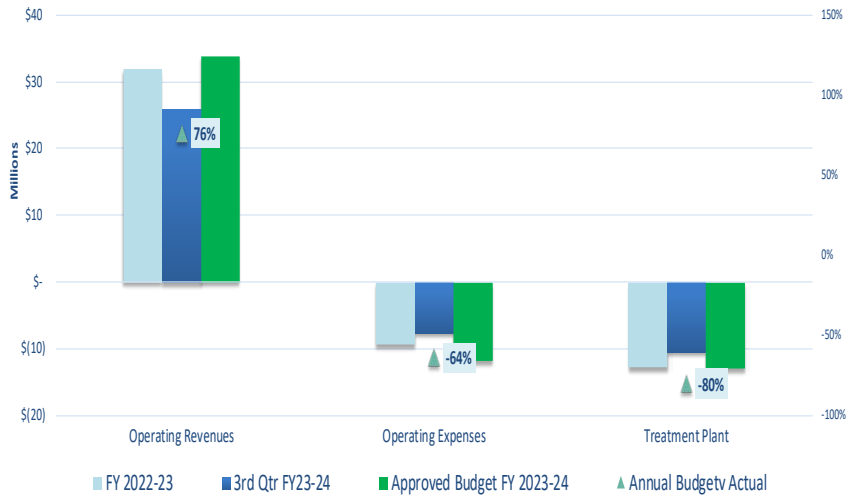
**West Bay Sanitary District
Statement of Net Position
Fiscal Year 2023-24
March 31, 2024**

	Unaudited March 31, 2024	Prior Year FY 2022-23
Assets		
Current Assets		
Cash & Equivalents	16,396,400	42,165,110
Investments	23,638,054	23,638,054
Cash & Investments - Restricted	1,518,900	1,517,643
Accounts Receivable	347,238	240,232
Accrued Revenue	3,674,980	
Interest Receivable	511,315	442,682
Prepaid Expenses	144,652	77,979
Total Current Assets	46,231,540	68,081,700
Non-Current Assets		
Investments	41,617,900	19,942,535
Restricted Investments	349,244	273,634
Investment in SVCW	29,484,894	29,484,894
Net Pension Asset		-
Net OPEB Asset	34,366	34,366.0000
Capital Assets:		
Property, Plant & Equipment	126,779,970	117,230,095
Accumulated Depreciation	(47,707,734)	(44,812,224)
Total Capital Assets	79,072,236	72,417,871
Total Non-Current Assets	150,558,639	122,153,300
Total Assets	196,790,179	190,234,999
Deferred Outflows of Resources	5,725,409	5,659,380
Liabilities		
Current Liabilities		
Accounts Payable	957,246	2,913,390
Accrued Payroll & Taxes	665,515	466,570
Customer Deposits	885,522	891,291
SRF Note Payable	506,732	506,732
Total Current Liabilities	3,015,015	4,777,983
Non-Current Liabilities		
OPEB Liability		
Net Pension Liability	620,100	620,100
SRF Deposit - SHGCC	1,458,404	1,458,404
SRF Note Payable	14,604,457	15,111,188
Total Liabilities	19,697,976	21,967,675
Deferred Inflows of Resources	2,942,351	2,942,351
Net Position		
Net Investment in Capital Assets	56,799,950	56,799,950
Capital Fund Budget	44,890,754	44,218,570
Investment in SVCW	29,484,894	29,484,894
Operation Reserve	14,024,468	11,111,437
Unrestricted Fund Balance	34,675,195	23,363,779
Total Net Position	179,875,262	164,978,631
Prior Period Adjustment		6,005,723
Total Net Position	179,875,262	170,984,354

**West Bay Sanitary District
Statement of Revenues, Expenses & Changes in Net Position
Budget versus Actual
Fiscal Year 2023-24
March 31, 2024**

	Prior Year FY 2022-23	Unaudited Actual 3rd Qtr FY23-24	Approved Budget FY 2023-24	Budget v Actual FY 2023-24	Budget v Actual FY 2023-24
Operating Revenues					
Sewer Service Charges	30,508,147	24,445,593	32,477,617	8,032,024	75%
Flow Equalization	436,915	403,165	403,165	-	100%
Permit & Inspection Fees	203,036	346,106	200,000	(146,106)	173%
Other Operating Revenue	948,343	709,773	833,686	123,913	85%
Operating Revenues	32,096,441	25,904,636	33,914,468	8,009,832	76%
Operating Expenses					
Salaries & Benefits	6,330,473	5,332,063	7,247,613	1,915,551	74%
Materials & Supplies	657,069	467,942	790,000	322,058	59%
Insurance	331,064	195,430	327,900	132,470	60%
Contract Services	763,708	614,670	916,400	301,730	67%
Professional Services	824,391	649,330	1,546,800	897,470	42%
Repairs & Maintenance	389,911	343,561	671,100	327,539	51%
Utilities	405,452	347,920	497,250	149,330	70%
Other Operating Expenses	286,721	213,710	527,200	313,490	41%
Depreciation	3,518,536	2,895,510	3,955,000	1,059,490	73%
Total WBSD Operating Expenses	13,507,324	11,060,137	16,479,263	5,419,126	67%
Sewage Treatment Plant (SVCW)	12,846,366	10,436,156	12,990,848	2,554,692	80%
Total Operating Expenses	26,353,690	21,496,293	29,470,111	7,973,818	73%
Operating Income (Loss)	5,742,751	4,408,343	4,444,356	36,013	99%
Non-Operating Revenues (Expenses)					
Investment Income	1,367,580	2,517,487	501,600	(2,015,887)	502%
Other Non-Operating Income	1,589,411	1,090,511	(156,179)	(1,246,690)	-698%
Interest Expense	(161,196)	(156,179)	532,475	688,654	-29%
Other Non-Operating Expenses	(10,951)	-	-	-	
Total Non-Operating Revenues (Expenses)	2,784,843	3,451,819	877,896	(2,573,923)	393%
Change in Net Position before Contributions & Special Items	8,527,594	7,860,162	5,322,252	(2,537,910)	148%
Increase (Decrease) in Pension (GASB 68)	(4,912,677)	-	-	-	
Capital Contributions					
Capital Fund: Connection Fees	277,426	383,744	250,000	(133,744)	153%
Recycled Water Fund	1,146,513	647,002	662,900	15,898	98%
Change in Net Position	5,038,855	8,890,908	6,235,152	(2,655,756)	143%
Beginning Net Position	159,939,775	170,984,354	170,984,354		
Prior Period Adjustment	6,005,723	-	-		
Ending Net Position	170,984,354	179,875,262	177,219,506		

**West Bay Sanitary District
Collection
Statement of Revenues, Expenses & Changes in Net Position
Fiscal Year 2023-24
March 31, 2024**



	Prior Year FY 2022-23	Unaudited Actual 3rd Qtr FY23-24	Approved Budget 3rd Qtr FY23-24	Budget v Actual 3rd Qtr FY23-24	Approved Budget FY 2023-24	Budget v Actual FY 2023-24	YTD % Budget
Operating Revenues	31,977,857	25,818,559	25,449,792	368,767	33,798,668	(7,980,109)	76%
Operating Expenses							
General Fund Expense	9,309,608	7,574,022	8,940,416	(1,366,394)	11,858,088	(4,284,066)	64%
Sewage Treatment Plant (SVCW)	12,846,366	10,436,156	9,591,708	844,448	12,990,848	(2,554,692)	80%
Depreciation	2,765,731	2,329,334	2,400,000	(70,666)	3,200,000	(870,666)	73%
Total Operating Expenses	24,921,706	20,339,512	20,932,124	(592,613)	28,048,936	(7,709,424)	73%
Operating Income (Loss)	7,056,152	5,479,048	4,517,668	961,380	5,749,732	(270,684)	95%
Non-Operating Revenues (Expenses)							
Non-Operating Revenues	2,357,491	2,577,987	375,000	2,202,987	500,000	2,077,987	516%
Non-Operating Expenses	(10,951)	-	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	2,346,540	2,577,987	375,000	2,202,987	500,000	2,077,987	516%
Change in Net Position							
Change in Net Position, before Capital Contributions	9,402,691	8,057,035	4,892,668	3,164,367	6,249,732	1,807,303	129%
Other Adjustment							
Pension Adjustment (GASB 68)	(4,912,677)	-	-	-	-	-	-
Capital Contributions							
Capital Contribution - Connection Fees	277,426	383,744	187,500	196,244	250,000	133,744	153%
Change in Net Position	4,767,440	8,440,779	5,080,168	3,360,611	6,499,732	1,941,047	130%

Collection includes the General, Capital, and Treatment Plant Funds, representing the District’s wastewater services.

Revenues:

For the quarter ending March 31, 2024, total combined revenues are \$30.5 million including Operating & Non-Operating Income for the General, Capital, Treatment Plant, Solid Waste, and Recycled Water Funds. Collection, which includes the General, Capital, and Treatment Plant Funds, representing the District's core wastewater collection and conveyance services, is explained below. Solid Waste is detailed on page 12. Recycled Water is detailed commencing on page 13.

Collection: General, Capital, & Treatment Funds:**General Fund Revenues:**

The General Fund had \$25.8 million in Operating Revenue and \$1.7 million in Non-Operating Revenue, for a combined \$27.57 million, 80% of the annual budget.

- **Sewer Service Charges.** Total revenue of \$24.4 million for 75% of the annual budget; \$19.7 million for residential customers and \$4.7 million for non-residential customers. 99.8% of all charges are made through the County of San Mateo (SMC) tax roll, with the remaining billed manually. The District accrues revenue monthly, while SMC collects in two installments annually and remits approximately 50% in December and April.
- **Permit Fees.** Permit & Inspection Fees of \$346 thousand, 173% of the annual budget.
- **Flow Equalization.** The District received \$403 thousand on the contract with Silicon Valley Clean Water (SVCW) for use of the Flow Equalization Facility Pond in fiscal year 2023-24.
- **Other Operating Income.** A total of \$624 thousand was recognized through quarter end, 87% of the annual budget.
 - Revenue for Los Altos Hills' maintenance service agreement was \$405 thousand.
 - Revenue for Town of Woodside's maintenance service agreement was \$77 thousand.
 - An additional \$1.3 thousand was from other sources; \$240 bid fees and \$1,485 CalCard rebates.
 - Revenue from HACH Contract for private pump station maintenance is billed through the SMC tax roll and accrued monthly; \$140 thousand is recognized. This is a pass-through expense, charged to customers in arrears of coverage.
- **Other Non-Operating Revenues:** The District recognized total non-operating revenue of \$1.7 million, represents interest income, and changes in investment's market values, as required by GAAP.

West Bay Sanitary District
 General Fund
 Fiscal Year 2022-23
 March 31, 2024

General Fund	Prior Year FY 2022-23	Unaudited Actual 3/31/2024	Approved Budget FY 2023-24	Budget v Actual FY 2023-24	YTD % Annual Budget
Revenue					
Sewer Service Charges					
Residential	25,026,547	19,738,032	26,200,870	(6,462,838)	75%
Non-Residential	5,481,600	4,707,560	6,276,747	(1,569,187)	75%
Total Sewer Service Charges	30,508,147	24,445,593	32,477,617	(8,032,024)	75%
Permit & Inspection Fees	203,036	346,106	200,000	146,106	173%
Flow Equalization	436,915	403,165	403,165	-	100%
Other Operating Income	829,759	623,696	717,886	(94,190)	87%
Total Operating Revenues	31,977,857	25,818,559	33,798,668	(7,980,109)	76%
Non-Operating Revenues					
Interest Income	1,230,231	1,122,795	500,000	622,795	225%
Gain/Loss on Securities	(121,064)	513,687		513,687	
Gain/Loss on PARS Trust	39,294	66,638		66,638	
Gain/Loss on Equity in SVCW				-	
Other Non-Op. Inc.	2,720	-		-	
Total Non-Operating Revenues	1,151,180	1,703,120	500,000	1,203,120	341%
Revenue Prior Years	-	-		-	
Total General Fund Revenue	33,129,038	27,521,680	34,298,668	(6,776,988)	80%

Capital Fund Revenues:

The Capital Fund recognized \$875 thousand in Non-Operating Revenue for interest income, net of gains, losses, and investments fees. The District recognized \$60.5 thousand as a gain from the sale of fleet assets. Connection fees of \$384 thousand are recognized as a capital contribution.

Expenditures:

Through the quarter ending March 31, 2024, total expenditures were \$21.65 million including the General, Capital, Treatment Plant, Solid Waste, and Recycled Water Funds. Collection expenditures are explained below. Solid Waste is detailed on page 12. Recycled Water is detailed commencing on page 13.

Collection: General, Capital, & Treatment Funds:

Total Collection Operating Expenditures were \$20.3 million, 73% of the annual budget. Sewer Treatment Plant expense and debt, managed by Silicon Valley Clean Water (SVCW), accounts for 58% of all wastewater operating expenditures, excluding depreciation.

General Fund Operating Expenses:

General Fund Operating Expenses were \$7.6 million, 64% of the annual budget. Expenses are shown on the Expense Analysis on the following page, with overhead allocations to the Solid Waste and Recycled Water Fund deducted.

- Salaries and Benefits account for 67% of actual expenses and 73% of the annual budget.
- The other expenditures account for 33% of actual expenses and average 51% of the annual budget.

Capital Fund Operating Expenses:

- Depreciation was \$2.3 million, 73% of the annual budget. The District had \$5.7 million in completed Construction In Progress (CIP) that started depreciating September 2023.

Treatment Plant Fund Operating Expenses:

These include \$10.4 million paid for the SVCW treatment plant, which is 80% of the annual budget and 58% of total Operating Expenses year-to-date, excluding depreciation. The District has a 22.99% share of SVCW based on their Unaudited Analysis of Net Position, as of June 30, 2023, valued at \$29.5 million. Expenses are recognized as Sewage Treatment Plant under Operating Expenses on the audited financial statements, including debt. The District tracks internally in a separate Treatment Plant Fund.

- SVCW Operating Contributions were \$4.6 million, 75% of the annual budget.
- SVCW Capital & Reserve Contributions were \$737 thousand, 42% of the annual budget.
- SVCW Debt payments were \$5.1 million, 100% of the annual budget. All debt for FY 2023-24 has been paid.

Non-Operating Income (Expenses):

The District recognized a \$2.6 million increase in Collection non-operating revenue and expenses.

- Net revenue on investments was \$2.5 million.
 - Interest Income of \$1.6 million.
 - \$932 thousand Gain in Fair Market Value of Investments and fees, which District plans to hold until maturity.
- Gain on sale of assets was \$60.5 thousand.

Change in Net Position:

Collection: General, Capital, and Treatment Plant Funds combined had an increase Change in Net Position of \$8.4 million through the quarter ending March 31, 2024, including \$5.5 million in Operating Income.

The District reports separately the Solid Waste Fund and Recycled Water Fund. The total Change in Net Position for the District is an \$8.9 million increase. The total Net Position was \$179.9 million as of March 31, 2024. Details of all Funds are included on the Combining Statement on page 18.

West Bay Sanitary District
Collection Expenditures
Fiscal Year 2023-24
March 31, 2024

General Fund

	Prior Year	Unaudited Actual	Budget	Budget v Actual	Approved Budget	Budget v Actual	YTD %
	FY 2022-23	3rd Qtr FY23-24	3rd Qtr FY23-24	3rd Qtr FY23-24	FY 2023-24	FY 2023-24	Annual Budget
Salaries & Wages	4,372,141	3,760,007	3,688,292	(71,714)	4,917,723	(1,157,716)	76%
Employee Benefits	1,620,422	1,304,359	1,521,818	217,459	2,029,090	(724,731)	64%
Directors- Fees	39,390	32,760	34,350	1,590	45,800	(13,040)	72%
Election Expense	2,524	-	-	-	-	-	-
Gasoline, Oil & Fuel	129,566	66,077	96,000	29,923	128,000	(61,923)	52%
Insurance	236,993	154,270	215,925	61,655	287,900	(133,630)	54%
Memberships	64,666	43,800	66,000	22,200	88,000	(44,200)	50%
Office Expense	37,113	25,314	36,525	11,211	48,700	(23,386)	52%
Operating Supplies	386,759	295,306	347,025	51,719	462,700	(167,394)	64%
Contract Services	713,937	520,794	636,975	116,181	849,300	(328,506)	61%
Professional Services	742,071	579,698	1,023,675	443,977	1,364,900	(785,202)	42%
Printing & Publications	28,247	36,484	57,900	21,416	77,200	(40,716)	47%
Rents & Leases	43,871	38,524	50,325	11,801	67,100	(28,576)	57%
Repairs & Maintenance	355,518	331,337	484,575	153,238	646,100	(314,763)	51%
Research & Monitoring	-	-	20,700	20,700	27,600	(27,600)	-
Training, Meetings & Travel	69,301	47,564	108,975	61,411	145,300	(97,736)	33%
Utilities	233,645	185,974	216,000	30,026	288,000	(102,026)	65%
LAFCo	22,323	29,639	27,825	(1,814)	37,100	(7,461)	80%
Other Operating Expenses	136,732	45,091	183,225	138,134	244,300	(199,209)	18%
Equipment Expense	78,331	68,284	112,400	44,116	112,400	(44,116)	61%
Pension Contributions	50,000	50,000	50,000	-	50,000	-	100%
OPEB Expense	25,000	25,000	25,000	-	25,000	-	100%
Admin: Solid Waste	(59,490)	(46,950)	(46,950)	0	(62,600)	15,650	75%
Admin: Recycled Water	(19,452)	(19,308)	(16,144)	3,165	(21,525)	2,217	90%
General Fund Operating Expenses	9,309,608	7,574,022	8,940,416	1,366,394	11,858,088	(4,284,066)	64%

Treatment Plant Fund

Treatment Plant Fund	Unaudited Actual	Unaudited Actual	Budget	Budget v Actual	Approved Budget	Budget v Actual	YTD %
	FY 2022-23	3rd Qtr FY23-24	3rd Qtr FY23-24	3rd Qtr FY23-24	FY 2023-24	FY 2023-24	Annual Budget
SVCW - Operating Fund	6,027,936	4,588,236	4,588,236	-	6,117,648	(1,529,412)	75%
SVCW - Operating Reserve	22,908	36,432	36,432	-	48,576	(12,144)	75%
SVCW - Capital Contributions	1,047,840	96,624	96,624	-	128,832	(32,208)	75%
SVCW: Line of Credit	-	38,952	-	(38,952)	51,936	(12,984)	-
SVCW: Capital Reserves	-	603,900	603,900	-	805,200	(201,300)	75%
SVCW - 2018 Bond	1,833,999	1,836,301	1,837,963	1,662	1,837,963	(1,662)	100%
SVCW - 2021 Bonds (\$55.6m)	2,736,917	2,728,946	2,048,480	(680,466)	2,731,306	(2,360)	100%
SVCW - SRF WWTP Debt C-06-5216-120	506,765	506,765	380,074	(126,691)	506,765	0	100%
SVCW: Debt Reserves	670,000	-	571,967	571,967	762,622	(762,622)	-
Total Treatment Plant Fund Expenses	12,846,366	10,436,156	10,163,675	(272,481)	12,990,848	(2,554,692)	80%

Capital Assets:

For quarter ending March 31, 2024, total Capital expenditures were \$9.5 million, 21% of the total annual budget; \$7.8 million for the Capital Fund and \$1.8 million for the Recycled Water Fund. A detailed schedule of Capital Fund Expenditures is included on page 11. The Recycled Water Fund expenditures are shown separately beginning on page 13.

West Bay Sanitary District
Capital Expenditures
Fiscal Year 2023-24
March 31, 2024

	Prior Year FY 2022-23	Actual 3rd Qtr FY23-24	Budget FY 2023-24	Variance Budget Balance	YTD % Annual Budget
Capital Fund					
Administration	-	-	173,000	173,000	0%
Collection Facilities	15,722	-	600,000	600,000	0%
Fleet & Equipment	978,603	30,704	445,000	414,296	7%
Pump Stations	109,991	37,430	440,000	402,570	9%
Subsurface Lines	337,741	-	100,000	100,000	0%
Construction Projects	2,939,177	7,700,462	22,155,000	14,116,798	35%
Total Capital Fund	4,381,234	7,768,596	23,913,000	16,144,404	32%
Disposal: Vehicles & Equipment	(57,885)	-	-	-	-
Write-Off: Assets	(61,991)	-	-	-	-
Net Capital Fund	4,261,358	7,768,596	23,913,000	16,144,404	32%
Recycled Water Fund					
Recycled Water - Sharon Heights RWF	316,121	733,380	2,450,000	1,716,621	30%
Recycled Water - Bayfront RWF	169,525	704,660	17,299,485	16,594,825	4%
O'Brian Reclaimed Water Pipelines	-	39,273	2,500,000	2,460,727	2%
Meta Reclaimed Water Pipelines	-	303,967	-	(303,967)	-
Total Recycled Water Fund	485,647	1,781,280	22,249,485	20,468,205	8%
Total Capital Expenditures	4,866,881	9,549,875	46,162,485	36,612,610	21%

Capital Fund Assets:

Capital spending was \$7.8 million, 32% of the \$23.9 million annual budget.

- **Vehicle & Equipment.**
 - A mini excavator was purchased for \$30,704, 51% of the original budget.
- **Subsurface Lines and Other.**
 - Pump Station costs were \$37,430, just 9% of the annual budget. The telemetry project, with a \$400 thousand budget, is not complete.
- **Construction in Progress (CIP).** These are new or continuing constructions projects that are recorded separately and capitalized when completed. CIP is not depreciated until completed
 - **Levee Project.** \$5 million was expended for levee, 51% of budget.
 - **Pipeline Replacement & Rehab Design.** \$437 thousand was expended, 30% of budget.
 - **Pipeline Replacement & Rehab Construction.** \$2.5 million was expended, 24% of budget.
 - The Gilbert, North Bay, Ringwood project for \$5.7 million, initiated in 2020, was completed with the final retention distribution of \$265 thousand in October 2023.

The District was awarded a \$4,884,112 million grant to fund a portion of the Ecotone Levee Project, for a living shoreline to protect the site from flooding and sea level rise by the National Fish and Wildlife Foundation (NFWF). The funds are matching, requiring a 112% contribution by the District of \$5.5 million. No funds have been received.

West Bay Sanitary District
 Capital Expenditures
 Fiscal Year 2023-24
 March 31, 2024

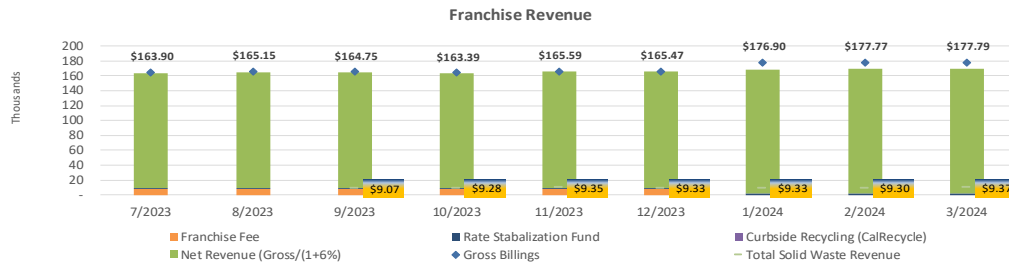
	Actual FY 2022-23	Actual 3rd Qtr FY23-24	Budget FY 2023-24	Variance Budget Balance	YTD % Annual Budget
Plant & Administration					
Server Replacement Program			23,000	23,000	0%
Software Purchases			150,000	150,000	0%
Write-Off: Assets	(23,763)	-			
Total Administration	(23,763)	-	173,000	173,000	0%
Collection Facilities - FERRF/Buildings					
FERRF Improvements	-	-	500,000	500,000	0%
Metal Storage Building - Phase 1 & 2	15,722	-	-	-	
Allowance For Unanticipated Capital Expenditures	-	-	100,000	100,000	0%
Total Collection Facilities	15,722	-	600,000	600,000	0%
Equipment Replacement - Funded From The Equipment Replacement Fund					
Equipment					
CCTV Transporter & Track Module	20,575		-	-	
Vehicles					
Dump Truck (Deferred since 2020)			250,000	250,000	0%
Source Control - Ford F250 Lightning EV (Replace Unit	64,643		-	-	
Replace Unit 211: F150 Lightning EV	70,509		-	-	
F150 Lightning EV (2)	64,643		135,000	135,000	0%
Jet Truck, Superduty F550 4x4, 1/2in Jetter - Unit 228	139,838		-	-	
Combo Vacuum/Jetter Truck - Unit 229 (Replace Unit :	562,690		-	-	
2022 Ford Mach E - GM Vehicle Unit 230	55,706		-	-	
Mini Excavator		30,704	60,000	29,296	51%
Destroyed Vehicle	(34,635)				
Write-Off Prior Period Disposable Parts	(23,250)				
Total Vehicle & Equipment	920,718	30,704	445,000	414,296	7%
Subsurface Lines and Other					
Pump Stations					
Pump & Valve Replacement Program (PP Adj)	109,991	2,200	40,000	37,800	6%
Pump Station Telemetry		35,230	400,000	364,770	9%
Total Pump Stations	109,991	37,430	440,000	402,570	9%
Other Subsurface Lines					
Manhole Raising (Paving Projects)			100,000	100,000	0%
Meta: MP Community Center Upsize RW Svc Line	337,741				
Total Subsurface Lines	337,741	-	100,000	100,000	0%
Construction In Progress					
Levee Survey & GPS Update	-		60,000	60,000	
Levee Improvement	581,162	-	3,000,000	3,000,000	
Levee Improvement Project (Carryover)		5,091,748	7,000,000	1,908,252	51%
Pipeline Replacement & Rehab Engineering					
Corporate Yard Renovation Design (Carryover)			350,000	350,000	0%
Construction Projects Environmental Review			20,000	20,000	0%
Spot Repair Design-High Frequency List					
Spot Repair Design-High Frequency List (Carryover)		148,539	350,000	201,461	42%
Pipeline Replacement Design			-	-	
Pipeline Replacement Design (Carryover)			350,000	350,000	0%
Stowe Lane Design (Carryover)		160,875	200,000	39,125	80%
Willow Pump Station Rehabilitation Design		127,568	200,000	72,433	64%
Pipeline Replacement & Rehab Construction					
Stowe Lane			3,000,000	3,000,000	0%
Willow Pump Station Rehabilitation			1,000,000	1,000,000	
Willow Pump Station Rehabilitation (Carryover)			700,000	700,000	0%
Misc Point Repairs-High Freq. List Repairs	352,337	358,881	2,703,200	2,344,319	
Misc Point Repairs-High Freq. List Repairs (Carryover)		2,000,000	1,621,800	(378,200)	55%
Bayfront Park Sanitary Sewer Improvements	144,709		549,485	549,485	
Bayfront Park Sanitary Sewer Improvements (Carryover)		150,593	1,050,515	899,922	9%
Write-off CIP	(38,228)				
Total Construction In Progress	2,900,950	8,038,202	22,155,000	14,116,798	36%
Prior Period Adjustment		(337,741)			
Total Capital Expenditures	4,261,358	7,768,596	23,913,000	16,144,404	32%

Solid Waste Fund:

The District is a member of South Bayside Waste Management Authority (SBWMA), a joint powers authority which contracts with Recology to provide recycling, compost, and garbage collection services. The Solid Waste Fund had a net increase of \$325 thousand, to a Net Position of \$549 thousand, as of December 31, 2023.

- **Solid Waste Fund Revenue.** Franchise fees were \$86 thousand, 74% of the annual budget. This represents 6% of the Net Revenue of Recology; 5% in Franchise Fees and 1% from Rate Stabilization Fund.
- **Solid Waste Fund Expense.** Allocated expenses for the Solid Waste program of \$79 thousand were recognized for rate studies, annual notification and public hearing mailings, and overhead allocation, 69% of the annual budget.
- **Solid Waste Fund Non-Operating Income & Expense.** A surplus of \$317.8 thousand from 2022 was received in January 2024.

Solid Waste Fund
Fiscal Year 2023-24
March 31, 2024



	Prior Year FY 2022-23	Actual 3rd Qtr FY23-24	Approved Budget FY 2023-24	Budget v Actual FY 2023-24	YTD % Annual Budget
Income					
Operating Income					
Franchise Fees	91,729	71,731	115,800	(44,069)	62%
Rate Stabilization Fund	18,346	14,346		14,346	
Curbside Supplemental	4,310	0		0	
Total Income	118,584	86,077	115,800	(29,723)	74%
Expenditures					
Allocated Operating Expense					
Rate Studies	20,891	28,314	44,200	(15,886)	64%
Mailings	2,076	3,600	5,300	(1,700)	68%
Public Relations	0	0	1,600	(1,600)	0%
Overhead Expense Allocation	59,490	46,950	62,600	(15,650)	75%
Total Allocated Operating Expense	82,457	78,864	113,700	(34,836)	69%
Total Non-Operating Income	36,127	7,213	2,100	5,113	343%
Non-Operating Income & Expenditures					
Surplus	0	317,824	0	317,824	
Total Non-Operating Income & Expenditures	0	317,824	0	317,824	
Change in Net Position	36,127	325,037	2,100	322,937	15478%
Beginning Balance	519,319	555,446	555,446		
Ending Balance	555,446	880,483	557,546		

Recycled Water Fund:

The Recycled Water Fund includes the Sharon Heights Recycled Water Facility (SHRWF) and the Bayfront Recycled Water Facility (BFRWF) project. SHRWF is a public/private partnership with Sharon Heights Golf & Country Club (SHGCC) to deliver recycled water. Details follow on page 14-16.

The District maintains separate reporting for each recycled water project, including any expenses or income not associated with an individual project. This allows for accountability and transparency to all District stakeholders. WBSD column accounts for unallocated income and expenses.

West Bay Sanitary District
Recycled Water Fund
Fiscal Year 2023-24
March 31, 2024

Recycled Water Fund	WBSD	SHRWF	BFRWF	Total
Salaries & Benefits	-	(158,570)	(1,367)	(159,937)
Other Operating Expense	-	(289,809)	(61,995)	(351,804)
Depreciation	-	(566,176)	-	(566,176)
Operating Income (Expense)	-	(1,014,556)	(63,362)	(1,077,918)
Non-Operating Income	207,497	504,691	-	712,187
Non-Operating Expense	-	(156,179)	-	(156,179)
Capital Contributions	-	397,747	249,255	647,002
Net Change in Position	207,497	(268,298)	185,893	125,092

Each recycled water project is maintained separately withing the Recycled Water Fund.

- **Sharron Heights Recycled Water Facility.** The final project was capitalized for \$22,780,298 in fiscal year 2020-21. In FY 2022-23, two supporting projects were started, with the solar project cancelled in FY 2022-23 and Avy Altschul Pump Station scheduled for completion in FY 2023-24.
- **Bayfront Recycled Water Facility.** The District completed an initial BFRWF Plan in February 2019, with Board approval on May 12, 2021, completion is scheduled for early 2026. Details follow on page 16.
- **Recycled Water Subsurface Lines.** Separate expenditures for the District and in partnership with customers to install recycled water lines for shared public use.

**Recycled Water Fund
Capital Expenditures**

	Actual FY 2022-23	Actual 3rd Qtr FY23-24	Budget FY 2023-24	Variance Budget Balance	YTD % Annual Budget
<u>Recycled Water Fund</u>					
Recycled Water Facility - SHGCC	-	-	-	-	
Sharon Heights RWF - Avy Pump Station	316,121	733,380	950,000	216,621	77%
Sharon Heights RWF - Solar Project Lease	-	-	1,500,000	1,500,000	0%
Bayfront Recycled Water Facility - Project Mgmt	88,312	-	1,000,000	1,000,000	0%
Bayfront Recycled Water Facility		554,067	15,750,000	15,195,933	4%
Bayfront - Reclaimed Water Pipelines	81,214	150,593	549,485	398,892	27%
O'Brian Reclaimed Water Pipelines		39,273	2,500,000	2,460,727	2%
Meta Reclaimed Water Pipelines		303,967	-	(303,967)	
Total Recycled Water	485,647	1,781,280	22,249,485	20,468,205	8%

Sharon Heights Recycled Water Facility

The Sharon Heights Recycled Water Facility (SHRWF) project was completed in FY 2020-21 and accepted effective July 27, 2020, for a total of \$22,647,052 to build the 0.5 MGD plant. \$22,267,257 was received from the California Clean Water State Revolving Fund (SRF), including a \$5,259,800 Water Recycling Funding Program Construction Grant and a net SRF Loan of \$17,117,420. The first SRF loan payment was made in March 2021, with annual payments thereafter. The SRF loan balance is \$15,111,188, as of March 31, 2024, with the next payment due March 31, 2025.

The District was working with SHGCC on a Solar Project, to install solar panels for the SHRWF, to reduce energy costs. SHGCC was working with a leasing company, who would retain ownership. All costs incurred by the District are passed along to SHGCC. This project is currently inactive.

The District is working with SHGCC on installation of another pump station to feed the SHRWF. The Avy Altschul Pump Station (Avy PS) is funded by SHGCC through a combination of SRF loan, grant funds, and direct contributions. SHGCC will reimburse the District for all costs, including SRF loan payments.

The District assumed full management of the SHRWF beginning January 27, 2021. Operation & Maintenance (O&M) expenses are paid by the District. Sharon Heights Golf & Country Club (SHGCC) pays an estimated calendar year budget amount monthly. Summary Recycled Water Fund statements is below, with detailed expenditure schedule on page 15.

- **Expense.**
 - Total expenditures were \$1 million, including depreciation of the facility.
 - Operating Expenses were \$448 thousand, 84% of the annual budget.
 - Depreciation Expense was \$566 thousand, 75% of the annual budget.
- **Non-Operating Income & Expenses.**
 - Non-Operation Income from SHGCC of \$503 thousand was recognized from SHGCC. This represents estimated billing for O&M and the calendar year 2023 O&M reconciliation.
 - Interest Income was \$1,257
 - Interest Expense was \$156,179, included in the annual SRF Loan payment of \$662,911.
- **Capital Contributions**
 - SHGCC makes ten equal payments each year to prepay the SRF loan, with a reconciliation after the calendar yearend. The payments begin each April for the March SRF loan payment in the following year. The payments are considered contributions as received.

West Bay Sanitary District
 Recycled Water Fund
 Sharron Heights Recycled Water Facility
 Fiscal Year 2023-24
 March 31, 2024

Expenditures	Actual FY 2022-23	Actual 3rd Qtr FY23-24	Approved Budget FY 2023-24	Budget v Actual FY 2023-24	YTD % Annual Budget
<u>Operating Expense</u>					
District Wages					
Plant Operator	122,305	80,991	85,000	(4,009)	95.3%
Indirect Labor	13,544	5,740	-	5,740	
Overtime	26,317	13,088	20,000	(6,912)	65.4%
Standby	20,170	14,820	20,000	(5,180)	74.1%
Total District Wages	182,336	114,639	125,000	(10,361)	91.7%
Employee Benefits	41,184	43,930	35,000	8,930	125.5%
Total Salaries, Wages & Benefits	223,520	158,570	160,000	(1,430)	99.1%
<u>Other Operating Expense</u>					
Gasoline, Oil & Fuel	347	46	-	46	
Insurance	33,241	41,052	40,000	1,052	102.6%
Memberships	0	0	-	-	
Office Expense	0	0	-	-	
Operating Supplies	24,626	12,916	38,200	(25,284)	33.8%
Contractual Services	5,900	11,926	-	11,926	
Professional Services	25,064	11,601	11,000	601	105.5%
Printing & Publications	0	0	-	-	
Rents & Leases	0	0	-	-	
Repairs & Maintenance	34,393	12,224	25,000	(12,776)	48.9%
Research & Monitoring	22,664	14,319	15,000	(681)	95.5%
Training, Meetings & Travel	0	0	-	-	
Utilities	171,807	161,946	209,250	(47,304)	0.0%
Licenses & Permits	21,681	4,471	12,500	(8,029)	0.0%
Other Operating Expenses	0	0	-	-	
Operations & Maintenance (Contract)	0	0	-	-	
Administrative Expense	19,452	19,308	21,525	(2,217)	2630.3%
Subtotal Operation & Maintenance	582,695	448,379	532,475	(84,096)	190.5%
Depreciation	752,805	566,176	755,000	(188,824)	75.0%
Total Operating Expense	1,335,500	1,014,556	1,287,475	(272,919)	78.8%
<u>Non-Operating Income & Expense</u>					
<u>Non-Operating Income</u>					
Sharon Heights Golf & County Club	530,040	503,433	532,475	(29,042)	0.0%
Interest Income	1,668	1,257	1,600	(343)	78.6%
Gain/Loss on Reserves	0	0	0	0	
Other Non-Operating Income	0	0	-	-	
Total Non-Operating Income	531,708	504,691	534,075	(29,384)	94.5%
<u>Non-Operating Expense</u>					
Interest Expense (SRF Loan)	(161,196)	(156,179)	(156,179)	(0)	100.0%
Total Non-Operating Expense	(161,196)	(156,179)	(156,179)	(0)	100.0%
Total Non-Operating Income & Expense	370,512	348,511	377,896	(29,385)	92.2%
<u>Capital Contributions</u>					
SHGCC SRF Loan	265,164	397,747	662,900	(265,153)	60.0%
SRF Loan Payments	662,911	-	0	0	
Avy Pump Station Contributions	218,437	-	0	0	
Total Capital Contributions	1,146,513	397,747	662,900	(265,153)	60.0%
Net Change in Position	181,524	(268,298)	(246,679)	(21,619)	108.8%

Recycled Water:

Bayfront Recycled Water Facility (BFRWF)

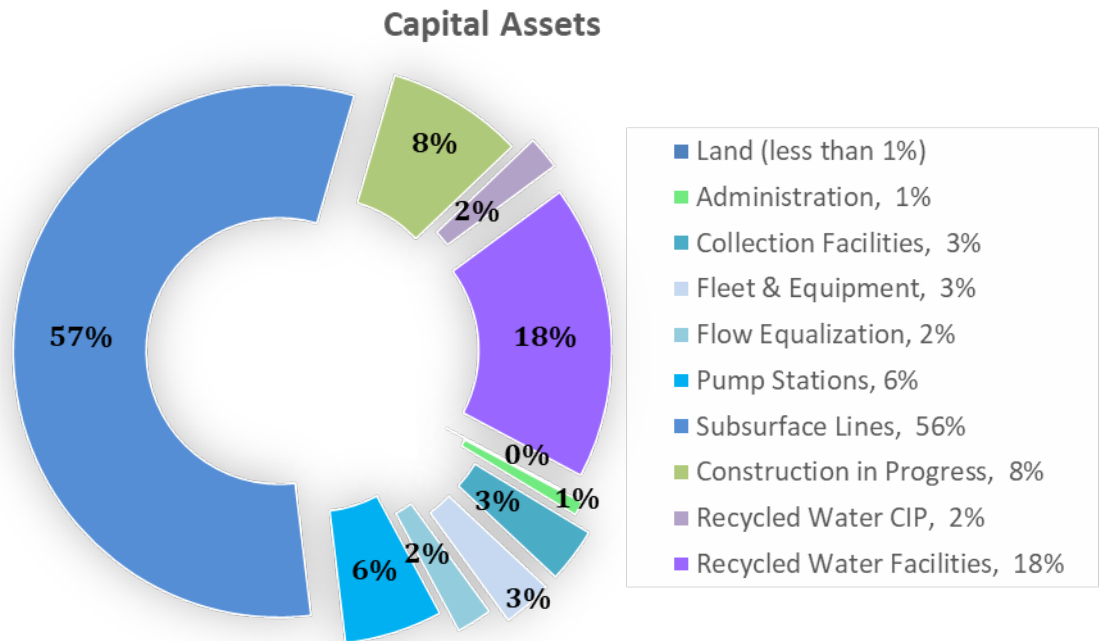
The District completed an initial BFRWF Plan in February 2019. After completing required Environmental Impact Report (EIR) and other regulatory requirements, on May 12, 2021, the District Board approved the project to build a 0.6 million gallons per day (MGD) recycled water facility at the District’s Flow Equalization and Resource Recovery Facility (FERRF) site. The District is exploring expanding the facility from 0.6MGD to as much as 1MGD. Construction completion is scheduled for early 2026. BFRWF will be a public project with contributions in aid of construction from several developers, for a guaranteed share of capacity, with the District maintaining extra capacity to offer to prospective customers.

In FY 2023-24 the BFRWF project had \$63 thousand in expenditures for allocated costs and professional services working towards receiving grant funding, permits, and other implementation costs.

BFRWF had \$705 thousand in capital expenditures in FY 2023-24, for total project Construction in Progress (CIP) expenditures of \$1.6 million. The current projected construction cost is \$56.6 million.

The District was originally awarded a \$14.7 million grant from the California State Water Recycling Funding Program (WRFP), with a \$41.9 million SRF loan. Due to state budget deficits the grant was recently reduced to \$5 million and the SRF loan increased to \$53 million. The District will contribute the land and additional funding, with other partners, such as Meta contributing for guaranteed recycled water delivery.

Recycled Water Fund represents 20% of all District assets, including SHRWF and Bayfront CIP.



Reserves:

The District budgeted \$3.3 million in total transfers for FY 2023-24. An additional \$2.9 million is allocated to the Operating Reserve and \$401.6 thousand for the Vehicle & Equipment Reserve. An additional temporary transfer was discussed by the Board and Finance Committee in December 2023. On January 10, 2024 the Board approved transferring \$20 million to short-term investments until funds were needed for capital projects.

Reserves. The District originally budgeted \$3.3 million for unrestricted reserve contributions.

- **Operating Reserve:** The Operating Reserve, which is held in Local Agency Investment Fund (LAIF), is budgeted for six months of operations to provide cash flow from the beginning of the year until funds are received from San Mateo County for the tax roll.
 - **Rate Stabilization Reserve:** Was created in 2015 to provide relief if large rate increases were necessary.
 - **Treatment Plant Reserve:** Was created in 2021 to set aside funds for future large debt requirements from SVCW.
 - **Capital Reserves:** The Emergency Capital Reserve was created in 2010, with the Capital Project Reserve following in 2014.
 - **Recycled Water Reserves:** The Recycled Water Cash Flow Reserve, which was initially created for the SHRWF in 2018 to cover expenditures which were reimbursed through a State of California State Revolving Fund (SRF) loan, is continuing to serve for the BFRWF Project. Some funds are held in LAIF to fund the Bayfront project, until its SRF loan is approved and other funding is received.
- **Restricted Reserves.**
 - The Recycled Water SRF Reserve are funds deposited by SHGCC, as required by the SRF loan agreement.
 - The District has two accounts with Public Agency Retirement Services (PARS) for post-employment benefits trusts. \$75 thousand was transferred to PARS in December 2023.

Reserve Transfers	Reserve Target	Actual 3rd Qtr FY23-24	Approved Budget FY 2023-24	Variance Budget Balance	YTD % Annual
Contributions To Reserves					
Operating Reserves Transfers (Target 6mo/Ops)	14,024,468	2,913,031	2,913,031	-	100%
Rate Stabilization	10,000,000	-	-	-	
Treatment Plant Reserve	12,000,000	-	-	-	
Capital Reserves					
Capital Project Reserves Transfers	8,000,000	-	-	-	
Emergency Capital Reserves Transfer	6,000,000	-	-	-	
Vehicle & Equip Replacement Reserve	1,000,000	401,577	401,577	-	100%
Recycled Water Reserves					
Recycled Water Facility Cash Flow Reserve	8,000,000	-	-	-	
Recycled Water SRF Reserve - Restricted					
Reserve Transfers	59,024,468	3,314,608	3,314,608	-	100%
Other Reserve Contributions					
PARS Irrevocable Trust - Retirement		50,000	50,000	-	100%
PARS Irrevocable Trust - OPEB		25,000	25,000	-	100%
Self-Insurance Reserve		73,300	73,300	-	100%
Total Contributions To Reserves		3,462,908	3,462,908	-	100%

**West Bay Sanitary District
Statement of Revenues, Expenses & Changes in Net Position
Combining Statements by Fund
Fiscal Year 2023-24
March 31, 2024**

-

	General Fund	Capital Fund	Treatment Plant Fund	Solid Waste Fund	Recycled Water Fund	Unaudited Actual
	3rd Qtr FY23-24	3rd Qtr FY23-24	3rd Qtr FY23-24	3rd Qtr FY23-24	3rd Qtr FY23-24	3rd Qtr FY23-24
Operating Revenues						
Sewer Service Charges	24,445,593	-	-	-	-	24,445,593
Flow Equalization	403,165	-	-	-	-	403,165
Permit & Inspection Fees	346,106	-	-	-	-	346,106
Other Operating Revenue	623,696	-	-	86,077	-	709,773
Operating Revenues	25,818,559	-	-	86,077	-	25,904,636
Operating Expenses						
Salaries & Benefits	5,172,126	-	-	-	159,937	5,332,063
Materials & Supplies	454,980	-	-	-	12,962	467,942
Insurance	154,378	-	-	-	41,052	195,430
Contract Services	559,317	-	-	-	55,353	614,670
Professional Services	579,698	-	-	28,314	41,318	649,330
Repairs & Maintenance	331,337	-	-	-	12,224	343,561
Utilities	185,974	-	-	-	161,946	347,920
Other Operating Expenses	136,212	-	-	50,550	26,949	213,710
Depreciation	-	2,329,334	-	-	566,176	2,895,510
Total WBSD Operating Expenses	7,574,022	2,329,334	-	78,864	1,077,918	11,060,137
Sewage Treatment Plant (SVCW)			10,436,156			10,436,156
Total Operating Expenses	7,574,022	2,329,334	10,436,156	78,864	1,077,918	21,496,293
Operating Income (Loss)	18,244,538	(2,329,334)	(10,436,156)	7,213	(1,077,918)	4,408,343
Non-Operating Revenues (Expenses)						
Investment Income	1,703,120	814,367	-	-	-	2,517,487
Other Non-Operating Income	-	60,500	-	317,824	712,187	1,090,511
Interest Expense	-	-	-	-	(156,179)	(156,179)
Other Non-Operating Expenses	-	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	1,703,120	874,867	-	317,824	556,008	3,451,819
Change in Net Position by Fund	19,947,658	(1,454,467)	(10,436,156)	325,037	(521,910)	7,860,162
Pension Adjustment (GASB 68)	-	-	-	-	-	-
Capital Contributions						
Interfund Contributions	(20,000,000)	20,000,000	-	-	-	-
Capital Fund: Connection Fees	-	383,744	-	-	-	383,744
Recycled Water Fund	-	-	-	-	647,002	647,002
Change in Net Position	(52,342)	18,929,277	(10,436,156)	325,037	125,092	8,890,908
Beginning Net Position	51,479,171	76,198,905	29,484,894	555,446	13,265,938	170,984,354
Prior Period Adjustment	-	-	-	-	-	-
Ending Net Position	51,426,829	95,128,182	19,048,738	880,483	13,391,030	179,875,262

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To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: General Manager's Report

1) Administrative:

- a. The General Manager represented the District at the May 6th hearing regarding the property on Olive Street.
- b. RESCU project grand opening was held on Monday, May 13th at Silicon Valley Clean Water (SVCW.)
- c. A draft amendment to the Flow Equalization Facility agreement was sent to SVCW for review.
- d. As directed by the Board, staff will submit to LAFCo the April 1, 2024 sanitary sewer spill which occurred in the East Palo Alto Sanitary District sewer system.

2) Finance:

- a. Staff prepared the first reimbursement application for the National Fish and Wildlife Foundation grant.

3) CIP Projects:

a. Capital Improvement Program (CIP):

- i. Ranger Pipelines is making progress on the Bayfront Sanitary Sewer Improvements project. The initial forty-two-inch pipeline was installed. The pipeline is approximately twenty feet deep. The General Manager will report more during the Board meeting.

b. Levee Improvement Project:

- i. Staff is working with the various consultants in preparation of Phase II of the Levee Project. The project is scheduled to resume in September of this year if not sooner.

c. Point Repair Project Phase II:

- i. Casey Construction began applying for City, County, and Caltrans permits for the Phase II Point Repair Project. The project will eliminate High Frequency cleaning pipe segment schedules.

4) Information Technology (IT):

- a. The testing period of the new online permit system is ongoing. The new permitting system is scheduled to go live on July 1st.

- 5) **Operations and Maintenance:**
 - a. **Collection System:**
 - i. Crews found a defect in a High-density Polyethylene (HDPE) pipe that travels under the 101 freeway. More will be reported during the board meeting.
 - b. **Pump Facilities:**
 - i. The pump station telemetry project design is nearly complete and will go out for bid in June.
 - c. **Training:**
 - i. Staff hosted the annual Hands-on Bypass training sponsored by the California Water Environment Association. Approximately, forty-eight maintenance staff attended from other Peninsula Cities, Counties, and Districts.
- 6) **Water Quality:**
 - a. **Sharon Heights Golf and Country Club (SHGCC):**
 - i. PG&E installed the electrical services for the Avy Altschul Pump Station on May 17th.
 - b. **Bayfront Recycled Water Facility (BRWF):**
 - i. A meeting with CalWater was held on Tuesday, April 23rd. The purpose of the meeting was to discuss the reclaimed water project.
- 7) **Fleet and Facilities:**
 - a. **Vehicle Maintenance:**
 - i. A retired F-450 Hydro Jetter with a nonfunctioning engine was auctioned off for approximately \$13,200. The funds will be returned to the Equipment Replacement Fund per staff's recommendation and the Board's direction.
- 8) **Personnel:**
 - i. The second temporary worker position was filled.
- 9) **Upcoming Events:**
 - a. **Next Regular Board Meetings:** Wednesdays, May 22nd and June 12th.
 - b. **San Mateo County LAFCo Protest Hearing:** May 22nd.
- 10) **Misc. Items:**
 - a. **West Bay:** The General Manager will update the Board on miscellaneous items related to District operations.
 - b. **Town of Los Altos Hills:** Staff continues to maintain the Town's pump stations and collection system.
 - c. **Town of Woodside:** Staff continues to maintain the Town's pump stations and collection system.



WEST BAY SANITARY DISTRICT AGENDA ITEM 6

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Consider Resolution Authorizing the Execution and Delivery of a Construction Installment Sale Agreement and Grant Between the District and the State Water Resources Control Board to Finance the Bayfront Recycled Water Facility, and Approving Related Documents and Official Actions

Background

The Bayfront Recycled Water Facilities Plan was completed in 2019. Since finalizing this plan, the District has been coordinating with the City of Menlo Park and potential recycled water customers to better understand their recycled water needs, and an EIR for the project has been completed. Using this new information, the District and Woodard & Curran updated the demand estimates, capacity needs for the recycled water facility, recycled water distribution system, phasing of the project, and estimated capital and operation and maintenance costs for the project.

The District submitted a Clean Water State Revolving Fund (CWSRF) funding application to secure loan and potential grant funding for the Bayfront Recycled Water Facility Project. Total costs included in the CWSRF application is estimated at \$66,600,000. The Project has an initial treatment capacity of 0.6 million gallons per day (MGD), with potential to expand to 0.8 MGD. The CWSRF program is administered at the State level by the State Water Resources Control Board. To be eligible for this funding, the State requires the District's Board of Directors to pass this resolution. A prior resolution authorized and designated the General Manager to enter into a contract for the CWSRF funding, if awarded, and represent the District during contracting and administration of the funds.

Analysis

The resolution is a requirement for the District's Bayfront Recycled Water Facility CWSRF agreement. The CWSRF loan will serve as the primary source of funding for project construction.

Fiscal Impact

The CWSRF agreement will allow the funding of approximately \$66,600,000 in a low-cost loan. The cost for the CWSRF loan will be funded by the District and reimbursed by users of the recycled water facility. The State will allow the District to submit a Final Budget Adjustment prior to the funding agreement being fully executed.

Recommendation

The General Manager recommends the District Board approve the Resolution Authorizing the Execution and Delivery of a Construction Installment Sale Agreement and Grant Between the District and the State Water Resources Control Board to Finance the Bayfront Recycled Water Facility, and Approving Related Documents and Official Actions.

RESOLUTION NO. _____ (2024)

**RESOLUTION OF THE WEST BAY SANITARY DISTRICT BOARD
AUTHORIZING THE EXECUTION AND DELIVERY OF A
CONSTRUCTION INSTALLMENT SALE AGREEMENT AND GRANT
BETWEEN THE DISTRICT AND THE STATE WATER RESOURCES
CONTROL BOARD TO FINANCE THE BAYFRONT RECYCLED
WATER FACILITY, AND APPROVING RELATED DOCUMENTS AND
OFFICIAL ACTIONS**

WHEREAS, the West Bay Sanitary District (the "District") owns and operates certain facilities and property for the collection, transportation and disposal of wastewater within its service area (the "Wastewater System"); and

WHEREAS, the District wishes to finance on a long-term basis its Bayfront Recycled Water Facility (the "Project"), and in order to provide funds for that purpose the District has determined to enter into a Construction Installment Sale Agreement and Grant (the "Construction Installment Sale Agreement") with the State Water Resources Control Board (the "State Water Board") pursuant to its SRF Loan Program, to be secured by a pledge of and lien on the net revenues of the Wastewater System, as set forth in the Construction Installment Sale Agreement; and

WHEREAS, the District is authorized to enter into the Construction Installment Sale Agreement with the State Water Board under the laws of the State of California, including the provisions of Section 6523.1 of the California Health and Safety Code (the "Bond Law"); and

WHEREAS, the information required to be obtained and disclosed with respect to the Construction Installment Sale Agreement by the Board of Directors of the District (the "Board") in accordance with Government Code Section 5852.1 is set forth in Exhibit A attached hereto; and

WHEREAS, the Board has previously approved a Debt Issuance and Management Policy which complies with Government Code Section 8855, and the execution and delivery of the Construction Installment Sale Agreement will be in compliance with said policy; and

WHEREAS, the Board approves said transaction in furtherance of the public purposes of the District, and the Board wishes at this time to authorize all proceedings relating to the entrance into the Construction Installment Sale Agreement for the purpose of financing the Project;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WEST BAY SANITARY DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Execution and Delivery of Construction Installment Sale Agreement. In order to provide financing for the Project, the Board hereby approves entering into the Construction Installment Sale Agreement in substantially the form on file

with the Secretary of the Board, together with any changes therein or additions thereto deemed advisable by the General Manager, whose execution shall be conclusive evidence of the approval of any such changes or additions. The Board hereby authorizes and directs the General Manager to execute, and the Secretary of the Board to attest, the final form of the Construction Installment Sale Agreement for and in the name of the District.

Section 2. Engagement of Professional Services. The Board hereby approves the engagement of Jones Hall, A Professional Law Corporation, to serve as bond counsel to the District in connection with the execution and delivery of the Construction Installment Sale Agreement. The Board hereby authorizes and directs the General Manager to execute an agreement for and in the name of the District with such firm, in substantially the form on file with the Secretary of the Board.

Section 3. Official Actions. The President of the Board, the General Manager, the Secretary of the Board and all other officers of the District are each authorized and directed in the name and on behalf of the District to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer.

Section 4. Effective Date. This Resolution shall take effect immediately upon adoption.

*

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*

I hereby certify that the foregoing is a full, true and correct copy of a resolution which was duly and regularly passed and adopted by the Board of Directors of the West Bay Sanitary District, at a meeting thereof held on the 22nd day of May, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

President of the Board
West Bay Sanitary District

Attest:

Secretary of the Board
West Bay Sanitary District

EXHIBIT A

GOOD-FAITH FINANCIAL ESTIMATES

In accordance with Government Code Section 5852.1, the following information has been obtained and disclosed to the Board in connection with the approval of the Construction Installment Sale Agreement:

- (i) The estimated true interest cost of the Construction Installment Sale Agreement (being the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Construction Installment Sale Agreement) is 1.70%.
- (ii) The estimated finance charge of the Construction Installment Sale Agreement (being the sum of all fees and charges paid to third parties) is \$15,000.
- (iii) The estimated proceeds of the Construction Installment Sale Agreement expected to be received, net of proceeds for finance charges in (ii) above to paid from the principal amount of the Construction Installment Sale Agreement and any reserves or capitalized interest paid or funded with Construction Installment Sale Agreement is \$50 million
- (iv) The estimated total payment amount of the Construction Installment Sale Agreement (being the sum total of all payments the District will make to pay amounts under the Construction Installment Sale Agreement, plus any financing costs not paid from proceeds of the Construction Installment Sale Agreement) to the final maturity thereof is \$66 million.

AGREEMENT

BETWEEN THE WEST BAY SANITARY DISTRICT AND JONES HALL, A PROFESSIONAL LAW CORPORATION, FOR BOND COUNSEL SERVICES IN CONNECTION WITH SRF FINANCING PROCEEDINGS

This AGREEMENT (this "Agreement") is entered into as of this 22nd day of May, 2024, between the WEST BAY SANITARY DISTRICT, a sanitary district organized and existing under the laws of the State of California (the "District") and JONES HALL, A PROFESSIONAL LAW CORPORATION, San Francisco, California ("Attorneys").

BACKGROUND:

1. The District owns and operates a system for the collection and transmission of wastewater within the service area of the District (the "Wastewater System"), and the Bayfront Recycled Water Facility (collectively, the "Wastewater Projects").

2. In order to provide financing for the Wastewater Projects, the District has applied for a separate Construction Installment Sale Agreement and Grant for each of the Projects (collectively, the "Construction Installment Sale Agreements") with the State Water Resources Control Board (the "State Water Board") pursuant to its SRF Loan Program, to be secured by a pledge of and lien on the net revenues of the Wastewater System.

3. In connection with the financing of the Wastewater Projects from the proceeds of the Construction Installment Sale Agreements, the District requires the advice and assistance of nationally-recognized bond counsel to provide necessary legal services, and Attorneys are competent to provide such legal services.

AGREEMENT:

In consideration of the mutual covenants hereinafter contained, and for other good and valuable consideration, the District and Attorneys hereby agree as follows:

1. Attorney-Client Relationship. Upon execution of this Agreement, the District will be Attorney's client and an attorney-client relationship will exist between the District and Attorneys. Attorneys assume that the State Water Board and other parties to the transaction will retain such counsel, as they deem necessary and appropriate to represent their interests. Attorneys further assume that all other parties understand that in the transaction Attorneys represent only the District, Attorneys are not counsel to any other party, and Attorneys are not acting as an intermediary among the parties. Attorneys' services as Bond Counsel as described herein are limited to those contracted for in this Agreement. Attorneys' representation of the District will not affect, however, its responsibility to render an objective opinion with respect to the Construction Installment Sale Agreements.

2. Scope of Services. Attorneys shall perform all of the following services as Bond Counsel to the District in connection with the Construction Installment Sale Agreements and the financing of the Wastewater Projects:

- Consultation and cooperation with the District attorneys, advisors and other consultants, staff and employees of the District in connection with the review of documentation drafted by legal counsel to the State Water Board relating to the Construction Installment Sale Agreements, including advising the District on matters relating to the Construction Installment Sale Agreements.
- Reviewing the Construction Installment Sale Agreements for the purpose of ensuring that the provisions thereof are consistent with the legal documentation previously delivered by the District in connection with bonds and other obligations issued by the District to provide financing and refinancing for the Wastewater System, the obligations of the District under which are on a parity with the Construction Installment Sale Agreements.
- Advising the District concerning any and all filings which are required to be made on the Electronic Municipal Market Access (EMMA) system in connection with the Construction Installment Sale Agreements, including drafting such filings and making such filings on behalf of the District.
- Preparation of resolutions of the Board of Directors of the District approving the Construction Installment Sale Agreements and related transaction agreements.
- Preparation of legal documents required for the execution and delivery of the Construction Installment Sale Agreements and the closing of the transaction, including but not limited to such documentation as may be required to evidence the Construction Installment Sale Agreements on a parity with other outstanding obligations of the District with respect to the Wastewater System; preparation of all other proceedings incidental or in connection with the Construction Installment Sale Agreements.
- Supervising the closing of the transaction and advising the District concerning the review, execution and delivery of all documentation relating to the closing.
- Upon completion of proceedings to the satisfaction of Attorneys, providing a legal opinion to the District which addresses the legality of the proceedings of the District for the authorization, execution and delivery of the Construction Installment Sale Agreements and related matters. Such opinion will be addressed to the District and, at the discretion of Attorneys and in accordance with industry practice, may be addressed to the State Water Board.
- Such other and further services as are normally performed by bond counsel in connection with similar financings, including but not limited to answering any and all questions concerning the financing and the related documents at any time following the execution and delivery of the Construction Installment Sale Agreements.

Each opinion of Attorneys will be delivered on the date of execution and delivery of the related Construction Installment Sale Agreement will be based on facts and law existing as of its date, will cover certain matters not directly addressed by such authorities, and will be in reliance upon the certified proceedings and other certifications of public officials and other persons furnished to Attorneys without undertaking to verify the same by independent investigation.

3. Compensation. For the Bond Counsel services of Attorneys listed in Section 2, the District will pay Attorneys a flat fee equal to \$7,500 for each of the two Construction Installment Sale Agreements. Said fee is not set by law but is negotiable between Attorneys and the District. All expenses incurred by Attorneys in connection with their services under this Agreement shall be the sole responsibility of Attorneys. Said fee shall be contingent upon the successful execution and delivery of the Construction Installment Sale Agreements.

4. Responsibilities of the District. The District shall cooperate with Attorneys and shall furnish Attorneys with certified copies of all proceedings taken by the District, or other deemed necessary by Attorneys to render an opinion upon the validity of such proceedings. All costs and expenses incurred incidental to the actual execution and delivery of the Construction Installment Sale Agreements, costs of other attorneys and professionals, and any other expenses incurred in connection with the execution and delivery of the Construction Installment Sale Agreements.

5. Independent Contractor. Attorneys will act as an independent contractor in performing the services required under this Agreement, and under no circumstances will Attorneys be considered an agent, partner, or employee of the District.

6. Liability Insurance Policies. Attorneys shall maintain at their own expense at all times during the term of this Agreement policies of insurance, acceptable to the District, covering its workers' compensation injuries, public liability and professional liability. The policy of professional liability insurance shall be for a minimum coverage amount of \$5 million, with a deductible of not to exceed \$250,000. Attorneys shall provide insurance certificates to the District which evidence compliance with the requirements of this Section.

7. Termination of Agreement. This Agreement may be terminated by the District at any time by giving written notice to Attorneys with or without cause. In the event of termination, all finished and unfinished documents, exhibits, project data, reports, and evidence shall, at the option of the District, become its property and shall be delivered to it by Attorneys.

IN WITNESS WHEREOF, the District and Attorneys have executed this Agreement as of the date first above written.

WEST BAY SANITARY DISTRICT

By _____
General Manager

JONES HALL, A PROFESSIONAL LAW CORPORATION


By _____
Shareholder



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 7**

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Consider Resolution Authorizing the Execution and Delivery of a Construction Installment Sale Agreement and Grant Between the District and the State Water Resources Control Board to Finance the Avy Altschul Pump Station Project, and Approving Related Documents and Official Actions

Background

At the Regular Board Meeting on May 26, 2021, the General Manager reported on the need to conduct a flow study at Avy Ave & Altschul Ave in Menlo Park to analyze if there is enough flow in the area to construct a second pick point for the West Bay/ Sharon Heights Recycled Water Facility. It was also reported that Sharon Heights Golf and Country Club (SHGCC) offered to pay for the flow study prior to proceeding with the design of a pump station. The Board of Directors agreed by consensus to conduct the initial flow study which would be paid by SHGCC.

On July 28, 2021, the Board approved an agreement with Freyer and Laureta to move forward with the design phase for the pump station at Avy Ave & Altschul Ave. The project would add additional flow to the Phil Scott Pump Station at Sandhill Road and Oak Ave. The added flow would benefit the West Bay/Sharon Heights Recycled Water Facility and provide additional recycled water to meet demand.

SHGCC has explored several options to finance the proposed pump station. The most lucrative has been to seek a State Revolving Fund Loan from the State Water Board in a public / private partnership. On October 13, 2021, the Board approved entering into an agreement with SHGCC to prepare and submit an SRF loan application for the project.

The District submitted a Clean Water State Revolving Fund (CWSRF) funding application to secure the loan and potential grant funding for the Avy Altschul Pump Station. Total costs included in the CWSRF application is estimated at \$750,000 to \$950,000, however the State will allow the District to submit a Final Budget Adjustment prior to the funding agreement being fully executed.

The Project will allow the offset of approximately 50,000 gallons/day of potable water during peak months. The CWSRF program is administered at the State level by the

State Water Resources Control Board. To be eligible for this funding, the State requires the District's Board of Directors to pass this resolution. A prior resolution authorized and designated the General Manager to enter into a contract for the CWSRF funding, if awarded, and represent the District during contracting and administration of the funds.

Analysis

The resolution is a requirement for the District's Avy Altschul Pump Station CWSRF agreement. The CWSRF loan will serve as the primary source of funding for project construction.

Fiscal Impact

The CWSRF agreement will allow the funding of approximately \$950,000 in a low-cost loan. The cost for the CWSRF loan will be funded by the District and reimbursed by SHGCC. The State will allow the District to submit a Final Budget Adjustment prior to the funding agreement being fully executed.

Recommendation

The General Manager recommends the District Board approve the Resolution Authorizing the Execution and Delivery of a Construction Installment Sale Agreement and Grant Between the District and the State Water Resources Control Board to Finance the Avy Altschul Pump Station Project, and Approving Related Documents and Official Actions.

RESOLUTION NO. _____ (2024)

**RESOLUTION OF THE WEST BAY SANITARY DISTRICT BOARD
AUTHORIZING THE EXECUTION AND DELIVERY OF A
CONSTRUCTION INSTALLMENT SALE AGREEMENT AND GRANT
BETWEEN THE DISTRICT AND THE STATE WATER RESOURCES
CONTROL BOARD TO FINANCE THE AVY ALTSCHUL PUMP
STATION PROJECT, AND APPROVING RELATED DOCUMENTS AND
OFFICIAL ACTIONS**

WHEREAS, the West Bay Sanitary District (the "District") owns and operates certain facilities and property for the collection, transportation and disposal of wastewater within its service area (the "Wastewater System"); and

WHEREAS, the District wishes to finance on a long-term basis its Avy Altschul Pump Station Project (the "Project"), and in order to provide funds for that purpose the District has determined to enter into a Construction Installment Sale Agreement and Grant (the "Construction Installment Sale Agreement") with the State Water Resources Control Board (the "State Water Board") pursuant to its SRF Loan Program, to be secured by a pledge of and lien on the net revenues of the Wastewater System, as set forth in the Construction Installment Sale Agreement; and

WHEREAS, the District is authorized to enter into the Construction Installment Sale Agreement with the State Water Board under the laws of the State of California, including the provisions of Section 6523.1 of the California Health and Safety Code (the "Bond Law"); and

WHEREAS, the information required to be obtained and disclosed with respect to the Construction Installment Sale Agreement by the Board of Directors of the District (the "Board") in accordance with Government Code Section 5852.1 is set forth in Exhibit A attached hereto; and

WHEREAS, the Board has previously approved a Debt Issuance and Management Policy which complies with Government Code Section 8855, and the execution and delivery of the Construction Installment Sale Agreement will be in compliance with said policy; and

WHEREAS, the Board approves said transaction in furtherance of the public purposes of the District, and the Board wishes at this time to authorize all proceedings relating to the entrance into the Construction Installment Sale Agreement for the purpose of financing the Project;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WEST BAY SANITARY DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Execution and Delivery of Construction Installment Sale Agreement. In order to provide financing for the Project, the Board hereby approves entering into the Construction Installment Sale Agreement in substantially the form on file

with the Secretary of the Board, together with any changes therein or additions thereto deemed advisable by the General Manager, whose execution shall be conclusive evidence of the approval of any such changes or additions. The Board hereby authorizes and directs the General Manager to execute, and the Secretary of the Board to attest, the final form of the Construction Installment Sale Agreement for and in the name of the District.

Section 2. Engagement of Professional Services. The Board hereby approves the engagement of Jones Hall, A Professional Law Corporation, to serve as bond counsel to the District in connection with the execution and delivery of the Construction Installment Sale Agreement. The Board hereby authorizes and directs the General Manager to execute an agreement for and in the name of the District with such firm, in substantially the form on file with the Secretary of the Board.

Section 3. Official Actions. The President of the Board, the General Manager, the Secretary of the Board and all other officers of the District are each authorized and directed in the name and on behalf of the District to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer.

Section 4. Effective Date. This Resolution shall take effect immediately upon adoption.

*

*

*

I hereby certify that the foregoing is a full, true and correct copy of a resolution which was duly and regularly passed and adopted by the Board of Directors of the West Bay Sanitary District, at a meeting thereof held on the 22nd day of May, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

President of the Board
West Bay Sanitary District

Attest:

Secretary of the Board
West Bay Sanitary District

EXHIBIT A

GOOD-FAITH FINANCIAL ESTIMATES

In accordance with Government Code Section 5852.1, the following information has been obtained and disclosed to the Board in connection with the approval of the Construction Installment Sale Agreement:

- (i) The estimated true interest cost of the Construction Installment Sale Agreement (being the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Construction Installment Sale Agreement) is 1.70%.
- (ii) The estimated finance charge of the Construction Installment Sale Agreement (being the sum of all fees and charges paid to third parties) is \$15,000.
- (iii) The estimated proceeds of the Construction Installment Sale Agreement expected to be received, net of proceeds for finance charges in (ii) above to paid from the principal amount of the Construction Installment Sale Agreement and any reserves or capitalized interest paid or funded with Construction Installment Sale Agreement is \$617,500
- (iv) The estimated total payment amount of the Construction Installment Sale Agreement (being the sum total of all payments the District will make to pay amounts under the Construction Installment Sale Agreement, plus any financing costs not paid from proceeds of the Construction Installment Sale Agreement) to the final maturity thereof is \$788,540.

AGREEMENT

BETWEEN THE WEST BAY SANITARY DISTRICT AND JONES HALL, A PROFESSIONAL LAW CORPORATION, FOR BOND COUNSEL SERVICES IN CONNECTION WITH SRF FINANCING PROCEEDINGS

This AGREEMENT (this "Agreement") is entered into as of this 22nd day of May, 2024, between the WEST BAY SANITARY DISTRICT, a sanitary district organized and existing under the laws of the State of California (the "District") and JONES HALL, A PROFESSIONAL LAW CORPORATION, San Francisco, California ("Attorneys").

BACKGROUND:

1. The District owns and operates a system for the collection and transmission of wastewater within the service area of the District (the "Wastewater System"), and the Bayfront Recycled Water Facility (collectively, the "Wastewater Projects").

2. In order to provide financing for the Wastewater Projects, the District has applied for a separate Construction Installment Sale Agreement and Grant for each of the Projects (collectively, the "Construction Installment Sale Agreements") with the State Water Resources Control Board (the "State Water Board") pursuant to its SRF Loan Program, to be secured by a pledge of and lien on the net revenues of the Wastewater System.

3. In connection with the financing of the Wastewater Projects from the proceeds of the Construction Installment Sale Agreements, the District requires the advice and assistance of nationally-recognized bond counsel to provide necessary legal services, and Attorneys are competent to provide such legal services.

AGREEMENT:

In consideration of the mutual covenants hereinafter contained, and for other good and valuable consideration, the District and Attorneys hereby agree as follows:

1. Attorney-Client Relationship. Upon execution of this Agreement, the District will be Attorney's client and an attorney-client relationship will exist between the District and Attorneys. Attorneys assume that the State Water Board and other parties to the transaction will retain such counsel, as they deem necessary and appropriate to represent their interests. Attorneys further assume that all other parties understand that in the transaction Attorneys represent only the District, Attorneys are not counsel to any other party, and Attorneys are not acting as an intermediary among the parties. Attorneys' services as Bond Counsel as described herein are limited to those contracted for in this Agreement. Attorneys' representation of the District will not affect, however, its responsibility to render an objective opinion with respect to the Construction Installment Sale Agreements.

2. Scope of Services. Attorneys shall perform all of the following services as Bond Counsel to the District in connection with the Construction Installment Sale Agreements and the financing of the Wastewater Projects:

- Consultation and cooperation with the District attorneys, advisors and other consultants, staff and employees of the District in connection with the review of documentation drafted by legal counsel to the State Water Board relating to the Construction Installment Sale Agreements, including advising the District on matters relating to the Construction Installment Sale Agreements.
- Reviewing the Construction Installment Sale Agreements for the purpose of ensuring that the provisions thereof are consistent with the legal documentation previously delivered by the District in connection with bonds and other obligations issued by the District to provide financing and refinancing for the Wastewater System, the obligations of the District under which are on a parity with the Construction Installment Sale Agreements.
- Advising the District concerning any and all filings which are required to be made on the Electronic Municipal Market Access (EMMA) system in connection with the Construction Installment Sale Agreements, including drafting such filings and making such filings on behalf of the District.
- Preparation of resolutions of the Board of Directors of the District approving the Construction Installment Sale Agreements and related transaction agreements.
- Preparation of legal documents required for the execution and delivery of the Construction Installment Sale Agreements and the closing of the transaction, including but not limited to such documentation as may be required to evidence the Construction Installment Sale Agreements on a parity with other outstanding obligations of the District with respect to the Wastewater System; preparation of all other proceedings incidental or in connection with the Construction Installment Sale Agreements.
- Supervising the closing of the transaction and advising the District concerning the review, execution and delivery of all documentation relating to the closing.
- Upon completion of proceedings to the satisfaction of Attorneys, providing a legal opinion to the District which addresses the legality of the proceedings of the District for the authorization, execution and delivery of the Construction Installment Sale Agreements and related matters. Such opinion will be addressed to the District and, at the discretion of Attorneys and in accordance with industry practice, may be addressed to the State Water Board.
- Such other and further services as are normally performed by bond counsel in connection with similar financings, including but not limited to answering any and all questions concerning the financing and the related documents at any time following the execution and delivery of the Construction Installment Sale Agreements.

Each opinion of Attorneys will be delivered on the date of execution and delivery of the related Construction Installment Sale Agreement will be based on facts and law existing as of its date, will cover certain matters not directly addressed by such authorities, and will be in reliance upon the certified proceedings and other certifications of public officials and other persons furnished to Attorneys without undertaking to verify the same by independent investigation.

3. Compensation. For the Bond Counsel services of Attorneys listed in Section 2, the District will pay Attorneys a flat fee equal to \$7,500 for each of the two Construction Installment Sale Agreements. Said fee is not set by law but is negotiable between Attorneys and the District. All expenses incurred by Attorneys in connection with their services under this Agreement shall be the sole responsibility of Attorneys. Said fee shall be contingent upon the successful execution and delivery of the Construction Installment Sale Agreements.

4. Responsibilities of the District. The District shall cooperate with Attorneys and shall furnish Attorneys with certified copies of all proceedings taken by the District, or other deemed necessary by Attorneys to render an opinion upon the validity of such proceedings. All costs and expenses incurred incidental to the actual execution and delivery of the Construction Installment Sale Agreements, costs of other attorneys and professionals, and any other expenses incurred in connection with the execution and delivery of the Construction Installment Sale Agreements.

5. Independent Contractor. Attorneys will act as an independent contractor in performing the services required under this Agreement, and under no circumstances will Attorneys be considered an agent, partner, or employee of the District.

6. Liability Insurance Policies. Attorneys shall maintain at their own expense at all times during the term of this Agreement policies of insurance, acceptable to the District, covering its workers' compensation injuries, public liability and professional liability. The policy of professional liability insurance shall be for a minimum coverage amount of \$5 million, with a deductible of not to exceed \$250,000. Attorneys shall provide insurance certificates to the District which evidence compliance with the requirements of this Section.

7. Termination of Agreement. This Agreement may be terminated by the District at any time by giving written notice to Attorneys with or without cause. In the event of termination, all finished and unfinished documents, exhibits, project data, reports, and evidence shall, at the option of the District, become its property and shall be delivered to it by Attorneys.

IN WITNESS WHEREOF, the District and Attorneys have executed this Agreement as of the date first above written.

WEST BAY SANITARY DISTRICT

By _____
General Manager

JONES HALL, A PROFESSIONAL LAW CORPORATION


By _____
Shareholder



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 8**

To: Board of Directors

From: Sergio Ramirez, General Manager

**Subject: Consider Establishing Date and Time of Public Hearing to
Consider Annual Tax Roll Sewer Service Charge Report for
Fiscal Year 2024/2025**

Background

District Regulations Article IX Section 900 (10B) require the General Manager file with the Secretary of the District Board on or before July 15th the written report containing a description of each parcel receiving sewer service and the charges to be imposed upon said parcels.

The Secretary of the Board is required to provide notice that the report has been filed and to establish a time and date of Public Hearing to consider any objections or protest to the sewer service charges to be collected on the tax roll for the Fiscal Year 2024/2025.

Recommendation

General Manager recommends the Board of Directors establish a date and time for a Public Hearing to consider the Annual Tax Roll Sewer Service Charge Report for Fiscal Year 2024/2025 on Wednesday, July 10, 2024 at 7:00pm.

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**WEST BAY SANITARY DISTRICT
AGENDA ITEM 9**

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Consider Approving Resolution to Call for Elections – County of San Mateo

Background

In 2024 there are three Board seats up for 4-year terms: Fran Dehn, David A. Walker and George Otte. All candidates must file forms with the San Mateo County Registration & Elections Division office. The candidate-filling period opens on Monday, July 15 and closes on Friday, August 9.

County of San Mateo Registrar of Voters (ROV) requires a resolution calling for elections by each governing body and a District information sheet to be completed and returned to the County Elections Office by July 1, 2024.

Analysis

The last election year the Board approved that candidate statements will be limited to 200 words. The District cost of the candidate statements shall be borne by the District and in the event of a tie vote the winner will be selected by lot as stated in the attached resolution.

Fiscal Impact

The County Elections office is preparing the cost of the candidate statements (which are covered by the District) and are yet to be determined for the November election.

Recommendation

The General Manager recommends the Board accept the resolution to call for elections in San Mateo County including selecting the District's preferred options put forth in the resolution.

RESOLUTION NO. 2452 (2024)

A RESOLUTION OF THE WEST BAY SANITARY DISTRICT CALLING FOR AN ELECTION TO BE HELD ON NOVEMBER 5, 2024 FOR THE ELECTION OF THREE (3) MEMBERS OF THE GOVERNING BOARD

The Governing Board of the West Bay Sanitary District hereby resolves as follows:

WHEREAS, an election has been ordered to be held on November 5, 2024 in the West Bay Sanitary District for the purpose of electing members of the its Governing Board (“Board”); and

WHEREAS, pursuant to Section 1001 of the Elections Code of the State of California, there is an established General Statewide election to be held on the same date; and

WHEREAS, pursuant to Part 3, Consolidation of Elections, and commencing with Section 10400 of the Elections Code of the State of California, an election for members of the Board may be either completely or partially consolidated with another election held on the same day, if in the same territory, or in territory that is part the same; and

WHEREAS, pursuant to Section 1002 of the Elections Code of the State of California, the Board desires to adopt this resolution to request that the Board of Supervisors of the County of San Mateo permit the County’s the San Mateo County Chief Elections Officer & Assessor–County Clerk–Recorder (the “Chief Elections Officer”) to render specified services to the West Bay Sanitary District relating to the conduct of the on November 5, 2024 election.

NOW, THEREFORE, BE IT RESOLVED

Section 1. An election is hereby called to be held in and for the West Bay Sanitary District on November 5, 2024 to elect three (3) members of the Governing Board for a full term of 4 years each, and 3 members of the Governing Board.

Section 2. Pursuant to Elections Code 10002, the Governing Board of the West Bay Sanitary District hereby requests the Board of Supervisors of the County of San Mateo to make available the services of the San Mateo County Chief Elections Officer & Assessor – County Clerk – Recorder (the “Chief Elections Officer”) as the County Elections Official for the purpose of rendering services in the conduct of the election to be held on November 5, 2024.

Section 3. The election to be held on November 5, 2024 will be conducted at-large.

Each governing board member shall reside in the jurisdiction and shall be elected by the registered voters of the entire jurisdiction.

Section 4. Pursuant to Elections Code 10509, not less than 125 days prior to the date of the election, the jurisdiction secretary shall deliver a notice to the Chief Elections Officer. The notice shall bear the secretary's signature and the district seal and shall also contain both of the following:

- (a) The elective offices of the jurisdiction to be filled at the next general district election, specifying which offices, if any, are for the balance of an unexpired term.
- (b) Whether the jurisdiction or the candidate is to pay for the publication of a candidate statement.

Section 5. Pursuant to Elections Code 10522, not less than 125 days prior to the date of the election, the West Bay Sanitary District shall deliver to the Chief Elections Officer a map showing the boundaries of the jurisdiction and the boundaries of the divisions of the jurisdiction, if any, within the County and a statement indicating in which divisions a member of the Governing Board is to be elected and whether any elective officer is to be elected at large at the next general district election.

Section 6. The General Manager of the West Bay Sanitary District, or his/her designee, is hereby authorized and directed to enter an Elections Service Agreement with the Chief Elections Officer regarding the election to be held on November 5, 2024 to

outline the detailed services to be provided by both the West Bay Sanitary District and the Chief Elections Officer.

Section 7. The Chief Elections Officer will send an itemized invoice to the West Bay Sanitary District for all services provided pursuant to the Elections Service Agreement after the election is conducted and all related costs are determined, and the General Manager of the West Bay Sanitary District, or his/her designee, is hereby authorized and directed to submit payment on the full amount of the invoice to the County of San Mateo within forty-five (45) days of the date of the invoice.

Section 8. Pursuant to Elections Code 13307, each candidate for the Governing Board to be voted in the election to be held on November 5, 2024 may prepare a candidate statement on the appropriate form provided by the Chief Elections Officer. Such statement shall be limited to 200 words. The prorated costs of printing, mailing and translating the statements shall be paid by West Bay Sanitary District.

I hereby certify the foregoing Resolution was duly and regularly passed and adopted by the Governing Board of the West Bay Sanitary District at a regular meeting thereof held on this 22nd day of May, 2024, by the following votes:

Ayes: DEHN, WALKER, MORITZ, OTTE

Noes: NONE

Abstain: NONE

Absent: THIELE-SARDINA

President of the District Board of the West Bay Sanitary District of San Mateo County, State of California

Attest:

Secretary of the District Board of the West Bay Sanitary District of San Mateo County, State of California

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**WEST BAY SANITARY DISTRICT
AGENDA ITEM 10**

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Consider Approving Resolution to Call for Elections – County of Santa Clara

Background

In 2024 there are three Board seats up for 4-year terms: Fran Dehn, David A. Walker and George Otte. Candidates must file forms with the County of Santa Clara. The candidate-filling period opens on Monday, July 15 and closes on Friday, August 9.

County of Santa Clara Registrar of Voters (ROV) requires a resolution calling for elections by each governing body and a District information sheet to be completed and returned to the County Elections Office by July 1, 2024.

Analysis

The previous election year the Board approved that candidate statements will be limited to 200 words. The District cost of the candidate statements shall be borne by the District and in the event of a tie vote the winner will be selected by lot as stated in the attached resolution.

Fiscal Impact

The District may be responsible for cost up to \$5,409 plus \$1,655 per candidate. The District has a line item in the General Fund Budget for Election Expense purposes.

Recommendation

The General Manager recommends the Board accept the resolution to call for elections in Santa Clara County including selecting the District's preferred options put forth in the resolution.

RESOLUTION NO. _____ (2024)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST BAY SANITARY DISTRICT CALLING A GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2024 AND REQUESTING CONSOLIDATION AND PERFORMANCE OF SERVICES FROM THE COUNTY OF SANTA CLARA REGISTRAR OF VOTERS

WHEREAS, pursuant to Section 1001 of the Elections Code of the State of California, there is an established General Statewide election to be held on Tuesday, November 5, 2024; and,

WHEREAS, pursuant to Part 3, Consolidation of Elections, and commencing with Section 10400 of the Elections Code of the State of California, such election may be either completely or partially consolidated and held on the same day, if in the same territory, or in territory that is part the same; and,

NOW, THEREFORE, BE IT RESOLVED:

Section 1. That, pursuant to Section 10403 of the Elections Code of the State of California, the **Board of Directors** of the West Bay Sanitary District calls an election to be held on Tuesday, November 5, 2024; and requests the Board of Supervisors of the County of Santa Clara to completely consolidate the election with the General Statewide election. The consolidated election will be held, regulated, and conducted in accordance with the provisions of the law.

Section 2, pursuant to Sections 10507 and 10508 of the Elections Code of the State of California, a general election is necessary for purposes of filling governing board seats for the offices listed below and to be voted upon at such election.

Title of Each Office (Director / Governing Board Member)	Length of Term (4-year full-term or 2-year short-term)	Number of Seats (1, 2, 3 etc.)	At-Large or District Number
Director	4-year full term	1	At-Large
Director	4-year full term	1	At-Large
Director	4-year full term	1	At-Large

Section 3. That pursuant to Sections 10002 and 10520 of the Elections Code of the State of California, the West Bay Sanitary District requests the services of the Board of Supervisors of the County of Santa Clara and the Registrar of Voters of the County of Santa Clara to render such services to the special district as requested by the Board Clerk, and shall reimburse the county for the costs incurred by the County of Santa Clara Registrar of Voters in conducting the general election for the special district. The special district requests the County of Santa Clara Board of Supervisors to permit the County of Santa Clara Registrar of Voters to prepare the special district's election materials. The election services to be performed shall include the preparation, printing and mailing of official ballots and county voter information guides; the establishment of precincts, election ballots, return mail envelopes, ballot drop boxes, vote centers, election officers, and

producing such publications as are required by law in connection therewith; the furnishing of ballots, envelopes, and other necessary supplies and materials for voting places; the canvassing of the returns of the election; the furnishing of the results of such canvassing to the Board Clerk; and, the performance of other election services as may be requested by the Board Clerk.

Section 4. That the **Board of Directors** of the West Bay Sanitary District requests the Board of Supervisors of the County of Santa Clara to hold and conduct the election in the manner prescribed in Section 10418 of the Elections Code of the State of California, and to further provide that the Registrar of Voters canvass the returns of the election. The County of Santa Clara is hereby authorized to certify the returns of the election.

Section 5. That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted upon in the West Bay Sanitary District on November 5, 2024, may prepare a candidate’s statement on an appropriate form provided by the Registrar of Voters office. The statement may include the name, age and occupation of the candidate and a brief description of no more than 200 words of the candidate’s education and qualifications expressed by the candidate. The West Bay Sanitary District shall be required to pay for the cost of printing, translating, and distributing said candidate’s statement. Each candidate who files such a statement shall not be required to pay in advance his or her pro rata share of the estimated costs of printing, handling, and mailing said candidate statement, and such estimated costs shall be determined by the Registrar of Voters.

Section 6. That pursuant to Sections 10551 and 15651 of the Elections Code of the State of California, the method of determining the winner or winners in the event of a tie vote (two or more persons receive an equal and the highest number of votes for an office) as certified by the County of Santa Clara Registrar of Voter, the Board of Directors of the West Bay Sanitary District, in accordance with Section 15651(a), any tie vote shall be resolved by: by lot.

Section 7. In all particulars not recited in this resolution, the special district election shall be held and conducted as provided by law for holding special district elections.

PASSED AND ADOPTED by the Board of Directors of the West Bay Sanitary District, State of California, on the 22nd of May 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Fran Dehn, President
Board of Directors of the West Bay Sanitary District

ATTEST:

David A. Walker
Secretary of the Board of Directors of the West Bay Sanitary District

APPROVED AS TO FORM AND LEGALITY:

Anothony Condotti
General Counsel



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 11**

To: Board of Directors

From: Sergio Ramirez, General Manager

Subject: Discussion and Direction on the West Bay and Sharon Heights Recycled Water Facility

A discussion will be held on the Sharon Heights Recycled Water Facility and other events related to the recycled water plant. The Board will have the opportunity to provide direction to staff and legal counsel.

Recycled Water Facility Production Data:

2020	Treated	Delivered
August	8.8MG	8.2MG
September	8.2MG	5.1MG
October	7.4MG	4.5MG
November	5MG	1.4MG
December	4.7MG	.55MG
2021	Treated	Delivered
January	4.8MG	.23MG
February	4.4MG	.13MG
March	5.9MG	1.8MG
April	8.5MG	7.6MG
May	9.3.MG	8.2MG
June	9.8MG	8.7MG
July	9.5MG	9.1MG
August	9.4MG	9.0MG
September	9.1MG	6.9MG*
October	7.6MG	2.6MG**
November	5.2MG	0
December	4.7MG	0

2022	Treated	Delivered
January	4.4MG	97,000 gallons
February	4.4MG	1.5MG
March	6.6MG	3.5MG
April	7.6MG	3.8MG
May	9.2MG	7.4MG
June	9.8MG	8.7MG
July	9.6MG	8.1MG
August	9.2MG	8.1MG
September	8.6MG	6.7MG
October	7.9MG	4.6MG
November	5.9MG	310,000 gallons
December	5.4MG	154,690 gallons

2023	Treated	Delivered
January	5MG	0 gallons
February	3.3MG	0 gallons
March	3.5MG	0 gallons
April	4.9MG	32k gals. Dust Control
May	5.1MG	432k gals. Dust Control
June	4.8MG	456k gals. Dust Control
July	6.2MG	1.05MG Dust Control
August	8.1MG	2.7MG (+ 1.5 MG Dust Control)
September	8.4MG	4MG (+ 1.04 MG Dust Control)
October	9.6MG	7.4MG
November	7.7MG	3.7MG
December	7.4MG	970K

2024	Treated	Delivered
January	5.8MG	175K gallons
February	5.6MG	464K
March	6.5MG	1.5MG
April	8.1MG	4.4MG

* Sharon Heights substantially tapered off their water usage for September which is the reason for the large discrepancy between treated and delivered.

** Treatment was reduced in the second half of the month. Rain in late October and an irrigation equipment malfunctions caused water delivery to decrease.

The following is a disclosure statement required for any document, written report or brochure prepared in whole or in part pursuant to the Finance Agreement with the State Water Resources Control Board for the West Bay Sanitary District Recycled Water Project - Sharon Heights: Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board. California's Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.



**WEST BAY SANITARY DISTRICT
AGENDA ITEM 12**

To: *Board of Directors*

From: *Sergio Ramirez, General Manager*

**Subject: *Discussion and Direction on the Bayfront Recycled Water Project
and Status Update***

A discussion will be held on the District's Bayfront Recycled Water Projects and other events related to the recycled water projects including financing, environmental review, design/build issues and grant applications.

The Board will have the opportunity to provide direction to staff and general counsel.

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**WEST BAY SANITARY
DISTRICT AGENDA ITEM 13**

To:*Board of Directors*

From:*Sergio Ramirez, General Manager*

Subject:*Report, Discussion, and Direction on South Bayside Waste Management Authority (SBWMA) including the Solid Waste Franchise Re-Assignment*

The District's representative to South Bayside Waste Management Authority (SBWMA), President Fran Dehn, will report on any pertinent items regarding SBWMA business. General Manager Ramirez will report and seek direction on the solid waste franchise re-assignment.

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**WEST BAY SANITARY DISTRICT
AGENDA ITEM 14**

To: Board of Directors

From: Sergio Ramirez, General Manager

**Subject: Report and Discussion on Silicon Valley Clean Water (SVCW)
Plant**

The District's representative to Silicon Valley Clean Water (SVCW), Commissioner George Otte, will report on pertinent items regarding SVCW Operations, CIP and Finance.

Report to the District Board for the Regular Meeting of May 22, 2024

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