

*1902 - Serving Our Community for 120 Years - 2022*  
WEST BAY SANITARY DISTRICT  
AGENDA OF BUSINESS  
REGULAR MEETING OF THE DISTRICT BOARD  
WEDNESDAY, JUNE 8, 2022 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

**District Manager**

Sergio Ramirez

**General Counsel**

Anthony Condotti, Esq.

**AGENDA OF BUSINESS**

**NOTICE OF PUBLIC PARTICIPATION BY TELECONFERENCE or ZOOM ONLY**

Pursuant to California Assembly Bill 361, members of the West Bay Sanitary District Board of Directors and Staff may participate in this meeting via a teleconference. In the interest of reducing the spread of COVID- 19, members of the public are allowed to participate telephonically only, and may submit comments in advance by email addressed to [treese@westbaysanitary.org](mailto:treese@westbaysanitary.org) by 4:00 p.m. on Wednesday, June 8<sup>th</sup>.

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

<https://us06web.zoom.us/j/82990135246?pwd=bjNEU2drVlhjRk5qMDNrT3hocU5hQT09>

Meeting ID: 829 9013 5246 Passcode: 692910

Or by phone, call: 1-669-900-6833 Meeting ID: 829 9013 5246 Passcode: 692910

Following receipt of public comment and open session items, the Board will adjourn to closed session. Reportable action, if any, will be available upon inquiry within twenty-four (24) hours.

***NOTE: The Board may take action on any agendized item unless specifically designated a "discussion" item or a "report."***

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 25, 2022 Pg. 3A-1
- B. Consider Approval of Resolution Authorizing District to Implement Teleconferenced Public Meetings Pursuant to Assembly Bill 361 Pg. 3B-1
- C. Bank of the West Monthly Investment Portfolio Statements Pg. 3C-1

4. District Manager's Report Pg. 4-1
5. Consider Rejection of All Bids for the Bayfront Park Sanitary Sewer Improvement Project Pg. 5-1
6. Consider Approving Resolution Adopting Fiscal Year 2022-23 Budget Pg. 6-1
7. Consider Adopting Resolution Establishing Rates of Pay and Related Compensation Provisions Pg. 7-1
8. June 8<sup>th</sup>, 2022 Update Report on District Response to Corona Virus Pg. 8-1
9. Discussion and Direction on Sharon Heights Recycled Water Plant Pg. 9-1
10. Discussion and Direction on Bayfront Recycled Water Project and Status Update Pg. 10-1
11. Report and Discussion on South Bayside Waste Management Authority (SBWMA) Pg. 11-1
12. Report and Discussion on Silicon Valley Clean Water (SVCW) Plant Pg. 12-1
13. Closed Session
  - A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to Cal. Govt. Code §54956.9(d)(2):  
(1 potential case)
  - B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Cal. Govt. Code §54956.9(d))  
Name of Case: *1740 Oak Avenue, LP v. West Bay Sanitary District, et al.* – SM CSC  
Case No. 18CIV02183
  - C. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR NEGOTIATORS  
Agency designated representatives: Board President/Legal Counsel  
Unrepresented employee: District Manager
14. Comments or Reports from Members of the District Board and Consider Items to be Placed on Future Agenda

#### 15. 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 120 Years - 2022*

**WEST BAY SANITARY DISTRICT  
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD  
WEDNESDAY, MAY 25, 2022 AT 7:00 P.M.**

**1. Call to Order**

President Dehn called the meeting to order at 7:01PM

**Roll Call**

BOARD MEMBERS PRESENT: President Dehn, Secretary Walker,  
Director Moritz, Director Otte

BOARD MEMBERS ABSENT: Treasurer Thiele-Sardiña

STAFF MEMBERS PRESENT: Ramirez, Fisher, Condotti by Zoom

Others Present: Jennifer Frasier, Chris Buja

- 2. Communications from the Public:** Resident Chris Buja asked the Board to reconsider the way it expands its system. He suggested a way to simplify the reimbursement agreement process could be by the District retiring current reimbursement agreements. He explained the District could buy them out and in the future have West Bay install systems directly. President Dehn thanked Mr. Buja for his comments and asked if he would put them in writing to District Manager Ramirez. Resident Jennifer Frasier supported Mr. Buja's comments and noted that she is connected to the system and the process for her was incredibly complicated. She asked that the District proactively make the connection process simpler in Portola Valley.

**3. Consent Calendar**

**CONSIDERATION OF ITEM(S) REMOVED FROM THE CONSENT CALENDAR**

Discussion/Comments: None.

- A. Approval of Minutes for Special Meeting May 9, 2022
- B. Approval of Minutes for Regular Meeting May 11, 2022
- C. Consider Approving Resolution to Call for Elections – County of Santa Clara
- D. Consider Approving Resolution to Call for Elections – County of San Mateo
- E. Consider Approving Resolution Accepting Deed of Easement Pursuant to Class 3 Sewer Permit No. 1603 for the Construction of Wastewater Facilities for 25 Arapahoe Court, Portola Valley, California
- F. Consider Accepting Sewer Facilities Constructed Pursuant to Class 3 Sewer Permit No. 1603 for the Construction of Wastewater Facilities for 25 Arapahoe Court, Portola Valley, California

Motion to Approve by: Moritz 2<sup>nd</sup> by: Otte Vote: AYE: 4 NAY: 0 Abstain: 0

**4. District Manager's Report**

Discussion/Comments: District Manager Ramirez reported the Bayfront Entrance Improvement Project bids have been opened, but unfortunately only one bid was received. The bid was double the engineer's estimate. He also reported the Town of Los Altos Hills has approved a 5-year maintenance service agreement with the District. The Board will consider the agreement in June. He continued to report that an SSMP audit presentation to the Board will take place in June or July. District Manager Ramirez informed the Board that the District was awarded Best Sustainability Project for the recycled water treatment facility by the American Public Works Association. He continued to report the LAFCo municipal services review hearing will be held on June 15<sup>th</sup>. He also reminded the Board the next Board meetings are scheduled for June 8<sup>th</sup> and June 22<sup>nd</sup>. The complete District Manager's written report is in the May 25, 2022 agenda packet.

**5. Consider Authorizing District Manager to Extend the Agreement for On-Call Engineering Staff Augmentation Services with Freyer & Laureta, Inc.**

Motion to Approve by: Walker 2<sup>nd</sup> by: Moritz Vote: AYE: 4 NAY: 0 Abstain: 0

Discussion/Comments: None.

**6. Consider Establishing Date and Time of Public Hearing to Consider Annual Tax Roll Sewer Service Charge Report for Fiscal Year 2022/2023**

Motion to Approve by: Moritz 2<sup>nd</sup> by: Walker Vote: AYE: 4 NAY: 0 Abstain: 0

Discussion/Comments: Secretary Walker reviewed the draft FY 2022/2023 Sewer Service Charge Report.

**7. Report by Finance Advisory Committee**

Discussion/Comments: Director Moritz reported on highlights of the meeting that included discussion and updates on investments, a review of the financial audit proposals, and a review of the property deductibles.

**8. Consider Approving the Financial Audit Proposal by Chavan and Associates for Fiscal Year 2021-22 to 2023-24 and Authorize the District Manager to Enter Into an Agreement for Audit Services**

Motion to Approve by: Moritz 2<sup>nd</sup> by: Otte Vote: AYE: 4 NAY: 0 Abstain: 0

Discussion/Comments: The Board reviewed the proposals and selected the lowest bidder Chavan and Associates to conduct the financial audits fiscal years 2021-22 to 2023-24.

**9. Report and Discussion on Sharon Heights Recycled Water Plant**

Discussion/Comments: District Manager Ramirez reported the 7 day average for the plant is 267,000 gallons per day (GPD) with a goal of up to 300,000 GPD. He added that flows are still down at Oak Ave. In April 7.6 million gallons per day (MGD) were treated and 3.8 MGD were delivered to the golf course. Some treated water went to waste because the Club's storage pond was full.

**10. Discussion and Direction on Bayfront Recycled Water Project and Status Update**

Discussion/Comments: District Manager Ramirez reported the Army Corps permitting is underway. He continued to report the District is finalizing an interim permit for Meta's recycled water facility.

**11. Report & Discussion on South Bayside Waste Management Authority (SBWMA)**

Discussion/Comments: None.

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

Discussion/Comments: Director Otte reported the Commission will begin in-person meetings on June 13<sup>th</sup>.

**13. Closed Session**

Entered closed session at 8:08 p.m. Left closed session at 8:55 p.m.

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Cal. Govt. Code §54956.9(d))  
Name of Case: *1740 Oak Avenue, LP v. West Bay Sanitary District, et al.* –  
SMCSC Case No. 18CIV02183
  
- B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR  
NEGOTIATORS  
Agency designated representatives: Board President/Legal Counsel  
Unrepresented employee: District Manager

Reportable action: General Counsel Condotti reported that Board President Dehn and he will confer and meet with District Manager Ramirez regarding item 13B.

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

Discussion/Comments: Upcoming items to include discussion on reimbursement agreements and review of District retention policy.

**15. Adjournment Time:** The meeting was adjourned at 8:57 PM

THIS PAGE LEFT INTENTIONALLY BLANK

M E M O R A N D U M

October 22, 2021

**TO:** Board of Directors, West Bay Sanitary District  
**FROM:** Tony Condotti, District Legal Counsel  
**RE:** Resolution Authorizing District to Implement Teleconferenced Public Meetings Pursuant to Assembly Bill 361

**RECOMMENDATION:** Adopt resolution authorizing District to continue the use of teleconferenced meetings pursuant to Assembly Bill 361.

**BACKGROUND:** On March 4, 2020, Governor Newsom issued a proclamation of State of Emergency in response to the developing COVID-19 pandemic. Due to the continued spread of the virus, the Governor issued Executive Order N-29-20 on March 17, 2020, which included a provision authorizing suspensions to the Ralph M. Brown Act’s (“Brown Act”) teleconferencing rules in order to facilitate virtual meetings while public health orders were in place.

On June 11, 2021, the Governor issued Executive Order N-08-21, which provided that the Brown Act teleconferencing suspensions would expire after September 30, 2021. On September 16, 2021, the Governor signed Assembly Bill 361 (“AB 361”), an urgency measure taking effect immediately, which amended the Brown Act to allow local legislative bodies to continue using teleconferencing and virtual meeting technology provided certain conditions are met.

**DISCUSSION:** AB 361 allows for teleconferenced meetings during a declared State of Emergency, as defined under the California Emergency Services Act, if one of the following circumstances apply: (1) State of local officials have imposed or recommended measures to promote social distancing; (2) The legislative body is meeting to determine whether, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or (3) The legislative body has determined that, as a result of the emergency, meeting in person presents imminent risks to the health or safety of attendees.<sup>1</sup>

The Governor’s March 4, 2020 proclamation of State of Emergency is still in effect. Measures continue to exist that impose and recommend measures to promote social distancing. The California Department of Public Health recommends that individuals wear masks in indoor

<sup>1</sup> Cal. Gov’t Code § 54953(e)(1)(A)-(C)

public settings.<sup>2</sup> Additionally, San Mateo County requires that face coverings continue to be worn in indoor settings for all individuals in the County.<sup>3</sup>

Moreover, in recent months, the highly transmissible delta variant has caused increases in positive cases and hospitalizations locally and throughout the State. According to the CDC, community transmission of COVID-19 in San Mateo County is moderate, however the nature of the pandemic is unpredictable and transmission rates have the potential to rise quickly. As such, holding meetings in person would present imminent risks to the health or safety of attendees due to the continued spread of COVID-19.

To continue teleconferenced meetings under AB 361, the Board of Directors will need to declare every thirty (30) days that it has reconsidered the circumstances of the State of Emergency and either (1) the State of Emergency continues to directly impact the ability of the members to meet safely in person; or (2) State or local health officials continue to impose or recommend measures to promote social distancing.<sup>4</sup>

**FISCAL IMPACT:** No significant fiscal impact.

<sup>2</sup> See CDPH, *Guidance for the Use of Face Coverings* (July 28, 2021), <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/guidance-for-face-coverings.aspx>.

<sup>3</sup> See <https://cmo.smcgov.org/press-release/oct-7-2021-bay-area-health-officers-issue-criteria-lifting-covid-19-indoor-masking>.

<sup>4</sup> Cal. Gov't Code § 54953(e)(3).



RESOLUTION NO. \_\_\_\_\_ (2022)

IN THE DISTRICT BOARD OF THE WEST BAY SANITARY DISTRICT  
COUNTY OF SAN MATEO, STATE OF CALIFORNIA

\*\*\*\*\*

**A Resolution of the District Board of the West Bay Sanitary District  
Authorizing Remote Teleconference Meeting of the Legislative Bodies of the  
West Bay Sanitary District Pursuant to Brown Act Provisions**

The Board of Directors of the West Bay Sanitary District (“Agency”) does resolve as follows:

**WHEREAS**, the West Bay Sanitary District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

**WHEREAS**, all meetings of West Bay Sanitary District’s legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District’s legislative bodies conduct their business; and

**WHEREAS**, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

**WHEREAS**, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic; and,

**WHEREAS**, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, Government code Section 54950 et seq. (the “Brown Act”), provided certain requirements were met and followed; and

**WHEREAS**, on June 11, 2021, Governor Newsom issued Executive Order N-08-21 that clarified the suspension of the teleconferencing rules set forth in the Brown Act, and further provided that those provisions would remain suspended through September 30, 2021; and,

**WHEREAS**, on September 16, 2021, Governor Newsom signed AB 361 which provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act, provided that a State of Emergency is declared by the Governor pursuant to Government Code section 8625, and either state or local officials have imposed or recommended measures to promote social distancing, or the legislative body determines that meeting in person would present imminent risks to the health or safety of attendees, and further requires that certain findings be made by the legislative body every thirty (30) days; and,

**WHEREAS**, the State of Emergency proclaimed by the Governor on March 4, 2020 remains in effect; and,

**WHEREAS**, California Department of Public Health (“CDPH”) and the federal Centers for Disease Control and Prevention (“CDC”) caution that the Delta variant of COVID-19, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations (<https://www.cdc.gov/coronavirus/2019-ncov/variants/delta-variant.html>); and,

**WHEREAS**, other variants of COVID-19 exist, and it is unknown at this time whether other variants may result in a new surge in COVID-19 cases; and,

**WHEREAS**, the CDC has established a “Community Transmission” metric with 4 tiers designed to reflect a community’s COVID-19 case rate and percent positivity; and,

**WHEREAS**, San Mateo County currently has a Community Transmission metric of “moderate” which indicates an elevated risk of transmission;

**WHEREAS**, due to the seriousness of the current pandemic situation, the CDPH has required that all unvaccinated persons wear facial coverings indoors, and the CDC and CDPH recommend that all persons, regardless of vaccination status, wear facial coverings indoors; and,

**WHEREAS**, the Board of Directors is empowered to take actions necessary to protect public, health, welfare and safety within the region; and,

**WHEREAS**, the District has an important governmental interest in protecting the health, safety and welfare of those who participate in meetings of the Board of Directors and other District committees; and,

**WHEREAS**, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the Board of Directors deems it necessary to find that meeting in person for meetings of the Board of Directors and District committees and subcommittees would present imminent risks to the health or safety of attendees, and thus intends to invoke the provisions of AB 361 related to teleconferencing as provided in subdivision (e) of Government Code section 54953; and

**WHEREAS**, all teleconferenced meetings of the District Board of Directors and related committees or subcommittees shall comply with the requirements to provide the public with access to meetings as prescribed in paragraph (2) of subdivision (e) of Government Code section 54953;

**WHEREAS**, State of California and County of San Mateo health officials recommend various social distancing measures, including wearing mask indoors and limiting occupancies at meeting locations; and

**WHEREAS**, the Board of Directors does hereby find and determine that the above conditions create a heightened risk to the health and safety of attendees; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the West Bay Sanitary District does hereby resolve as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. The Board of Directors finds that as a result of the ongoing proclaimed State of Emergency in California due to the COVID-19 pandemic, and COVID-19's continued spread, holding in person meetings of District legislative bodies would present imminent risks to the health or safety of attendees

Section 3. The General Manager and legislative bodies of West Bay Sanitary District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 4. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) thirty days from its adoption, or (ii) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of West Bay Sanitary District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the District Board of the West Bay Sanitary District at a regular meeting thereof held on 8<sup>th</sup> day of June, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

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

THIS PAGE LEFT INTENTIONALLY BLANK



## WEST BAY SANITARY DISTRICT AGENDA ITEM 3C

**To: Board of Directors**

**From: Debra Fisher, Finance Manager**

**Subject: Bank of the West Monthly Investment Portfolio Statements**

---

### **Background**

In October 2010 the District named Bank of the West as the District's Investment advisor and approved an investment of \$5 million in available funds to establish the Emergency Capital Reserve. Subsequently, the Board has established several additional reserves to provide financial stability for the District. On June 9, 2021, the Board approved the new Treatment Plant Reserve, to reserve for treatment plant funding requirements and allow the District to reduce future debt, thereby realizing significant saving in interest expense. At the same time, the Operating Reserve increased to six months of operations and moved to Local Agency Investment Fund (LAIF), in order to have the funds more accessible. This was necessary, as Operating Reserves are intended to fund the District between July 1<sup>st</sup> and December each year, when the County of San Mateo delivers the first installment of sewer service charges collected through tax rolls.

Excess funds over the current monthly expenditures are held in Local Agency Investment Fund (LAIF), which are equivalent to cash and may earn higher yields without a long term commitment. Operating Reserves, customer deposits, current capital projects, and Solid Waste Funds are held in LAIF.

Restricted funds for Sharon Heights Golf & Country Club (SHGCC), as required for the Clean Water State Revolving Fund (SRF) loan are held in a Money Market account, as requested by SHGCC representatives.

There are currently five separate investment reserves maintained to support the goals of the District, along with reserves held in LAIF, the Vehicle & Equipment Reserve held in a money market account, and the restricted Recycled Water State Revolving Fund (SRF) Reserve. Annual contributions are made in accordance with the Board approved budget in order to reach the target balances for each reserve.

<b><u>Reserve Account</u></b>	<b><u>Originated</u></b>	<b><u>Target Balance</u></b>	<b><u>Target</u></b>
Operating Reserve	11/26/2014	\$10.75 million *	Achieved
Rate Stabilization Reserve	10/30/2015	\$10 million	Unfulfilled
Treatment Plant Reserve	8/01/2021	\$12 million	Unfulfilled
Capital Project Reserve	11/26/2014	\$6 million	Unfulfilled
Emergency Capital Reserve	10/19/2010	\$5 million	Unfulfilled
Recycled Water Cash Flow	11/18/2016	\$8 million	Achieved
Recycled Water SRF Reserve	3/01/2018	\$1.46 million	Achieved
Vehicle & Equipment Reserve	8/18/2011	\$1 million	Achieved

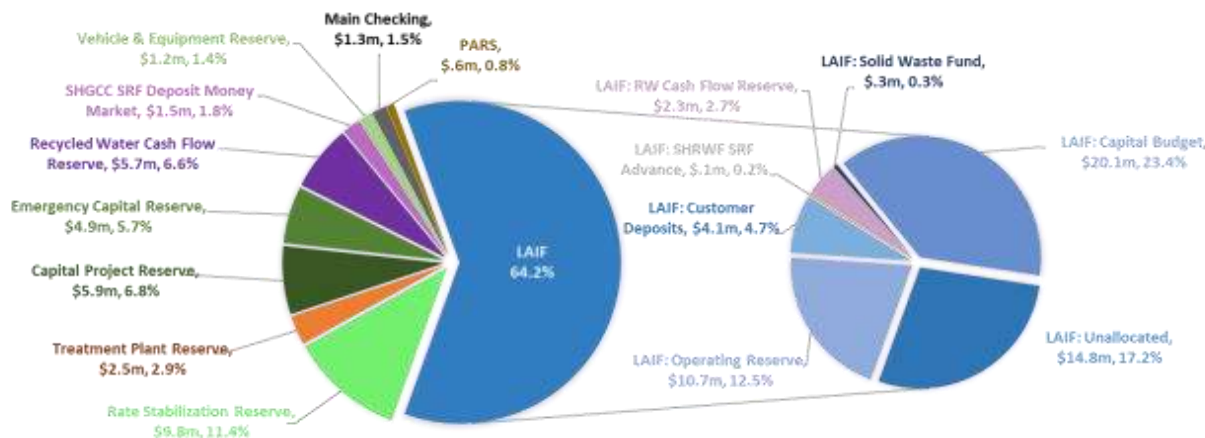
In July 2021 the \$9.5 million in cash and investments in the Operating Reserve in Bank of the West Investment account were transferred to other reserve accounts, as directed by the Finance Committee and approved by the Board to achieve their target balances. There were sufficient funds in LAIF to allocate six months of operating expense for the Operating Reserve, without liquidating investments, which would have resulted in losses. At July 31, 2021 all reserves had achieved their target balance, except for the newly created Treatment Plant Reserve. Since July 31, 2021, market values have decreased causing three of the reserves to fall below their target balances by approximately \$451 thousand. The Treatment Plant Reserve is \$9.5 million below the target balance. Reported losses will be recovered as either market values improve or investments mature.

**Fiscal Impact**

The District has approximately \$77.3 million in all reserve and bank accounts as of May 31, 2022, including restricted funds. All transfers in the approved FY 2021-22 Budget have been completed.

- \$46,442,182 is in cash equivalent accounts, which are used for operations, current capital expenditures, and customer deposits.
- \$28,717,317 is in unrestricted investment accounts.
- \$645,046 is in restricted Public Agency Retirement Services (PARS Trust), as of April 30, 2022 (May statements not yet available).
- \$1,539,254 is the deposit held for SHGCC SRF Loan Reserves.

**Cash & Investments  
May 31, 2022**



The monthly statement synopsis indicating the amount of each reserve fund the District holds in the Bank of the West Investment Portfolios are attached. Quarterly reports on the Investment Portfolios will include details of investments of each reserve account.

**Recommendation**

The Finance Manager recommends the District Board accept the Investment Portfolio Statements by affirming and approving the items listed in the Consent Calendar.



**WBSD - RATE STABILIZATION RESERVE**

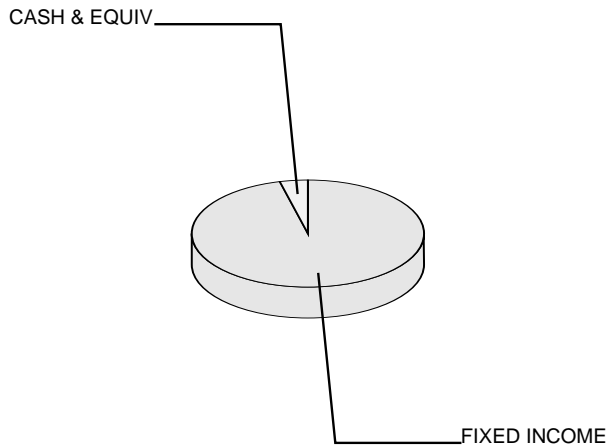
Account Number:  
 Statement Period:

05/01/22 -  
 05/31/22

WEST BAY SANITARY DISTRICT  
 500 LAUREL STREET  
 MENLO PARK CA 94025

**Fiduciary**  
 Chuen Ying Lee  
 (408) 645-3234  
**Portfolio**  
 Michael D. Smith  
 (408) 490-2079

**Asset Allocation**



**Asset Valuation**

Description	Market Value	% of Account
Cash & Equiv	424,847.06	4.4%
Fixed Income	9,308,125.94	95.6%
<b>Total Portfolio</b>	<b>\$ 9,732,973.00</b>	<b>100.0%</b>
Accrued Income	56,565.57	
<b>Total Valuation</b>	<b>\$ 9,789,538.57</b>	

**Market Reconciliation**

	Current Period	Year To Date
<b>Beginning Market Value</b>	<b>\$ 9,744,118.19</b>	<b>\$ 4,257,666.02</b>
Income		
Interest.....	23,666.33	177,800.50
Purchased Income.....	-3,141.55	-23,167.60
Disbursements.....	-1,583.88	-16,712.68
Realized Gains/(Losses).....	0.00	1,562.26
Change In Accrued Income.....	-2,470.71	41,521.29
Change In Market Appreciation/(Depreciation).....	39,526.74	-255,662.72
Non-Cash Asset Changes.....	-10,576.55	5,606,531.50
<b>Ending Market Value</b>	<b>\$ 9,789,538.57</b>	<b>\$ 9,789,538.57</b>



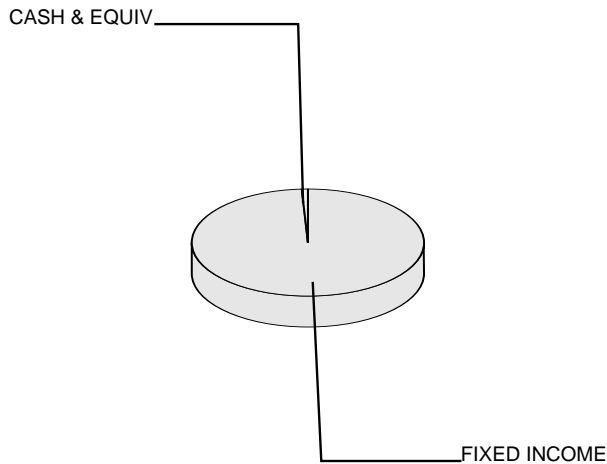
**WBSD - TREATMENT PLANT RESERVE**

Account Number: 05/01/22 -  
 Statement Period: 05/31/22

WEST BAY SANITARY DISTRICT  
 500 LAUREL STREET  
 MENLO PARK CA 94025

**Fiduciary**  
 Chuen Ying Lee  
 (408) 645-3234  
**Portfolio**  
 Michael D. Smith  
 (408) 490-2079

**Asset Allocation**



**Asset Valuation**

Description	Market Value	% of Account
Cash & Equiv	25,269.13	1.0%
Fixed Income	2,478,055.00	99.0%
<b>Total Portfolio</b>	<b>\$ 2,503,324.13</b>	<b>100.0%</b>
Accrued Income	6,401.47	
<b>Total Valuation</b>	<b>\$ 2,509,725.60</b>	

**Market Reconciliation**

	Current Period	Year To Date
<b>Beginning Market Value</b>	<b>\$ 3,016.93</b>	<b>\$ 9,554,609.56</b>
Income		
Interest.....	0.56	17,838.73
Purchased Income.....	-5,149.67	-5,149.67
Additions.....	2,500,000.00	2,500,000.00
Disbursements.....	-0.49	-1,543.14
Cash Transfers.....	0.00	-1,060,723.93
Realized Gains/(Losses).....	0.00	0.00
Change In Accrued Income.....	6,400.91	-49,796.34
Change In Market Appreciation/(Depreciation).....	5,457.36	-3,208.10
Non-Cash Asset Changes.....	0.00	-8,442,301.51
<b>Ending Market Value</b>	<b>\$ 2,509,725.60</b>	<b>\$ 2,509,725.60</b>





**WBSD - CAPITAL PROJECT RESERVE**

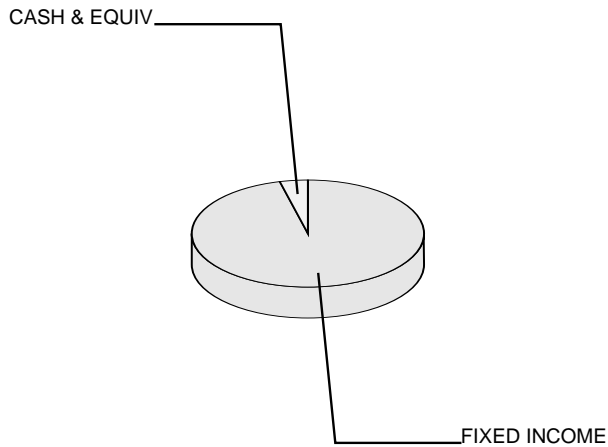
Account Number:  
 Statement Period:

05/01/22 -  
 05/31/22

WEST BAY SANITARY DISTRICT  
 500 LAUREL STREET  
 MENLO PARK CA 94025

**Fiduciary**  
 Chuen Ying Lee  
 (408) 645-3234  
**Portfolio**  
 Michael D. Smith  
 (408) 490-2079

**Asset Allocation**



**Asset Valuation**

Description	Market Value	% of Account
Cash & Equiv	221,534.57	3.8%
Fixed Income	5,606,952.20	96.2%
<b>Total Portfolio</b>	<b>\$ 5,828,486.77</b>	<b>100.0%</b>
Accrued Income	30,004.37	
<b>Total Valuation</b>	<b>\$ 5,858,491.14</b>	

**Market Reconciliation**

	Current Period	Year To Date
<b>Beginning Market Value</b>	<b>\$ 5,833,830.52</b>	<b>\$ 3,474,068.91</b>
Income		
Interest.....	11,299.64	116,260.78
Purchased Income.....	-3,012.29	-12,478.88
Disbursements.....	-949.45	-10,167.48
Cash Transfers.....	0.00	547,000.00
Realized Gains/(Losses).....	0.00	758.75
Change In Accrued Income.....	1,883.07	5,148.42
Change In Market Appreciation/(Depreciation).....	17,635.53	-167,157.07
Non-Cash Asset Changes.....	-2,195.88	1,905,057.71
<b>Ending Market Value</b>	<b>\$ 5,858,491.14</b>	<b>\$ 5,858,491.14</b>



**WBSD - EMERGENCY CAPITAL RESERVE**

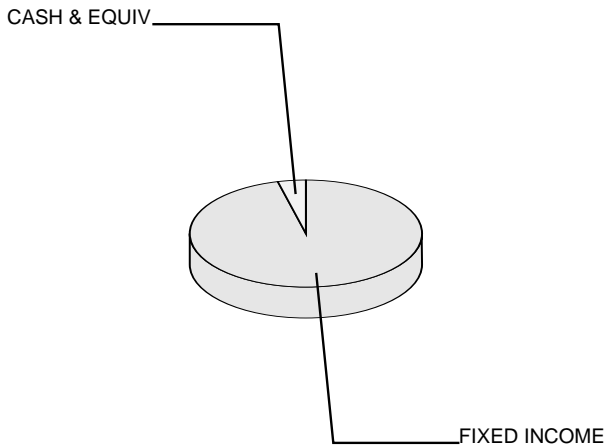
Account Number:  
 Statement Period:

05/01/22 -  
 05/31/22

WEST BAY SANITARY DISTRICT  
 500 LAUREL STREET  
 MENLO PARK CA 94025

**Fiduciary**  
 Chuen Ying Lee  
 (408) 645-3234  
**Portfolio**  
 Michael D. Smith  
 (408) 490-2079

**Asset Allocation**



**Asset Valuation**

Description	Market Value	% of Account
Cash & Equiv	175,841.73	3.6%
Fixed Income	4,696,580.27	96.4%
<b>Total Portfolio</b>	<b>\$ 4,872,422.00</b>	<b>100.0%</b>
Accrued Income	28,817.31	
<b>Total Valuation</b>	<b>\$ 4,901,239.31</b>	

**Market Reconciliation**

	Current Period	Year To Date
<b>Beginning Market Value</b>	<b>\$ 4,878,753.33</b>	<b>\$ 4,119,549.77</b>
Income		
Interest.....	8,644.67	95,437.00
Purchased Income.....	-3,528.55	-9,202.17
Disbursements.....	-793.77	-8,682.50
Cash Transfers.....	0.00	233,400.00
Realized Gains/(Losses).....	0.00	8.81
Change In Accrued Income.....	3,808.19	3,584.18
Change In Market Appreciation/(Depreciation).....	16,918.02	-121,980.04
Non-Cash Asset Changes.....	-2,562.58	589,124.26
<b>Ending Market Value</b>	<b>\$ 4,901,239.31</b>	<b>\$ 4,901,239.31</b>



**WBSD - RECYCLED WATER CASH FLOW**

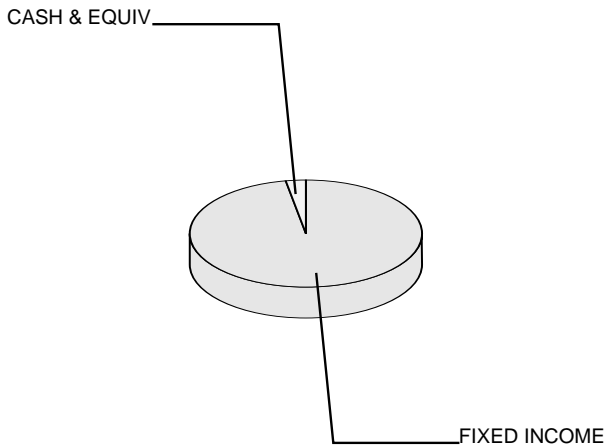
Account Number:  
 Statement Period:

05/01/22 -  
 05/31/22

WEST BAY SANITARY DISTRICT  
 500 LAUREL STREET  
 MENLO PARK CA 94025

**Fiduciary**  
 Chuen Ying Lee  
 (408) 645-3234  
**Portfolio**  
 Michael D. Smith  
 (408) 490-2079

**Asset Allocation**



**Asset Valuation**

Description	Market Value	% of Account
Cash & Equiv	156,624.16	2.8%
Fixed Income	5,482,937.75	97.2%
<b>Total Portfolio</b>	<b>\$ 5,639,561.91</b>	<b>100.0%</b>
Accrued Income	18,760.04	
<b>Total Valuation</b>	<b>\$ 5,658,321.95</b>	

**Market Reconciliation**

	Current Period	Year To Date
<b>Beginning Market Value</b>	<b>\$ 642,534.21</b>	<b>\$ 229,869.44</b>
Income		
Interest.....	1,788.30	18,074.56
Purchased Income.....	-11,323.85	-12,330.42
Additions.....	5,000,000.00	5,000,000.00
Disbursements.....	-104.23	-1,091.36
Cash Transfers.....	0.00	24,938.53
Realized Gains/(Losses).....	0.00	0.00
Change In Accrued Income.....	13,564.99	17,661.63
Change In Market Appreciation/(Depreciation).....	12,938.73	-8,599.96
Non-Cash Asset Changes.....	-1,076.20	389,799.53
<b>Ending Market Value</b>	<b>\$ 5,658,321.95</b>	<b>\$ 5,658,321.95</b>

THIS PAGE LEFT INTENTIONALLY BLANK



**To:** *Board of Directors*

**From:** *Sergio Ramirez, District Manager*

**Subject:** *District Manager's Report*

---

**1) Administrative:**

- a. Staff continues to work with Meta on their MPK 21 & MPK 22's On-Site Reclaimed Water Facility interim permit. The interim permit will allow the District to monitor their operations and discharge for a one year period prior to issuing a use permit. An appropriate permit fee will be calculated to capture the District's costs.

**2) Finance:**

- a. The District received the final payment from the San Mateo County Assessor Office on June 1, 2022 related to Sewer Service Charges for FY 2021-22 in the amount of \$2,592,650.89. The final balance due is being confirmed.
- b. Staff developed the Fiscal Year 2022-23 Budget. The proposed budget was presented to the Board at the Budget Workshop on Monday, May 9, 2022 and will return to the Board for approval at the June 8, 2022 Regular Board Meeting.
- c. Staff has been working with the California Sanitation Risk Management Authority (CSRMA) to increase property damage deductibles from \$2,000 to \$10,000. Staff also revalued its vehicle and equipment fleet to more appropriate amounts. Although insurance costs are increasing nationwide, the two efforts will save the District approximately \$10,000 in annual premiums.

**3) CIP & IT Projects:**

**a. Levee Improvement Project:**

- i. Freyer & Laureta engineers continue to work on the permitting of the levee project in anticipation of construction later in 2022.
- ii. Agreements are now in place with the National Fish and Wildlife Foundation to begin reimbursement for the Ecotone levee portion of the project.

**b. Construction Capital Improvement Program (CIP)**

- i. The bid for the Bayfront Entrance Improvements came in at twice the Engineer's Estimate. Staff will be recommending the bids be rejected.
- ii. A new project will be designed specifically to eliminate the High Frequency Cleaning pipe segments. This effort should reduce required labor hours which can be redirected to preventative maintenance needs.

---

**Report to the District Board for the Regular Meeting of June 8, 2022**

Additional information or topics may be introduced by the DM verbally during the Board meeting.

- 4) **Operations and Maintenance:**
  - a. **Collection System:**
    - i. Crews are performing Preventative Maintenance (PM) cleaning in Flood Circle in Menlo Park, as well as in Portola Valley. PM cleaning in the Ladera area in Menlo Park will follow in the coming weeks.
    - ii. Crews performed an easement repair on Gabarda Way near La Mesa Drive. The repair included stabilizing the soil around an exposed public sewer main.
  - b. **Pump Facilities:**
    - i. The pump crew repaired the discharge check valves to the Willow Pump Station. The check valves had a date stamp of 1979 and had reached their useful life.
  - c. **Training:**
    - i. The crew will attend an American Public Works Association training event on June 9th hosted by Redwood City in their corporation yard. The training will cover subjects in equipment operation, infrastructure repair, and safety.
- 5) **Water Quality:**
  - a. **Sharon Heights Golf and Country Club (SHGCC):**
    - i. On February 24, 2022 the State Water Resources Control Board - Division of Financial Assistance received the District's Annual Report. The report was in accordance with the *Water Recycling Funding Program Guidelines*, requiring recipients to submit annual recycled water delivery reports. The letter stated, "*The District has met its recycled water deliveries goal and is no longer required to report annual recycled water deliveries for the Project.*" A big kudos to our staff.
  - b. **Bayfront Recycled Water Facility (BRWF):**
    - i. Staff is in communication with Signature Group over the MOU to deliver recycled water to the Willow Village Project, rather than using potable drinking water for irrigation and toilet flushing. Apparently, the Willow Village Project continues to be under review by the City of Menlo Park.
- 6) **Fleet and Facilities:**
  - a. **Vehicle Maintenance:**
    - i. The national supply chain issues continue to impact the delivery of recent District vehicle purchases.
    - ii. An electric vehicle (EV) charging station will be installed at the administration building in preparation of the District's first EV.
- 7) **Personnel:**
  - i. Interviews for the Utility Worker and the Engineering Technician positions will be held on June 7<sup>th</sup> and June 15<sup>th</sup>.
- 8) **Upcoming Events:**
  - a. **Next Regular Board Meetings:** Wednesdays, June 8 and June 22.
- 9) **Misc. Items:**
  - a. **LAFCo:** The draft Municipal Services Review Public Hearing will be held on June 15.
  - b. **West Bay:** The District has experienced 1 sanitary sewer overflow (SSO) in 2022.
  - c. **Town of Los Altos Hills:** The District's construction crew will perform trenchless PipePatch repairs for the Town in the coming weeks.
  - d. **Town of Woodside:** Staff is finalizing the maintenance services contract amendment with the Town for the 2022-23 fiscal year.

---

## Report to the District Board for the Regular Meeting of June 8, 2022

Additional information or topics may be introduced by the DM verbally during the Board meeting.



## WEST BAY SANITARY DISTRICT AGENDA ITEM 5

**To:** *Board of Directors*

**From:** *Bill Kitajima, Projects and IT Manager*

**Subject:** *Consider Rejection of All Bids for the Bayfront Park Sanitary Sewer Improvement Project*

---

### Background

The entrance of Bayfront Park in Menlo Park is the location of significant upcoming projects. Two major diversion projects are now completed. These included the Bayfront Canal and Atherton Channel Project & the South Bay Salt Pond Restoration Project. In addition to this, the City of Menlo Park is currently in the design phase of improvements to the park's entrance. The District has a need for significant work within this same area. The work includes an influent pump station and multiple pipes for sewage & recycled water conveyance required for the future Bayfront Recycled Water Facility at the Flow Equalization and Resource Recovery Facility (FERRF). The other significant work includes, replacing a portions of the 30-inch and 36-inch sewer main along Bayfront Expressway at the front of the park entrance. The segment was recently discovered, to be in poor condition, during the District's recent in-house large-diameter CCTV project.

Coordination on these major projects will greatly benefit all agencies involved and the community as a whole. The District has contracted engineering, surveying, and design services from Freyer & Laureta, Inc. for the needed work. The engineer plan is to aligning all pipelines in order to avoid future disruption of the City's improvements to the Park entrance area.

### Analysis

The estimated cost for construction of the project was approximately \$1,800,000.00. The bid schedule included a deductive portion of the last pipe segment into the Menlo Park Pump Station to avoid any conflict with the SVCW contractor working on the station. The bid opening for this project was on May 11, 2022 at 2:00 PM. The District received a total of one (1) bid, which is as follows:

<b>Bidder</b>	<b>City</b>	<b>Total Bid</b>	<b>Deductive</b>
Precision Engineering, Inc.	SF	\$3,642,388.00	-\$143,422.00

---

Fiscal Impact

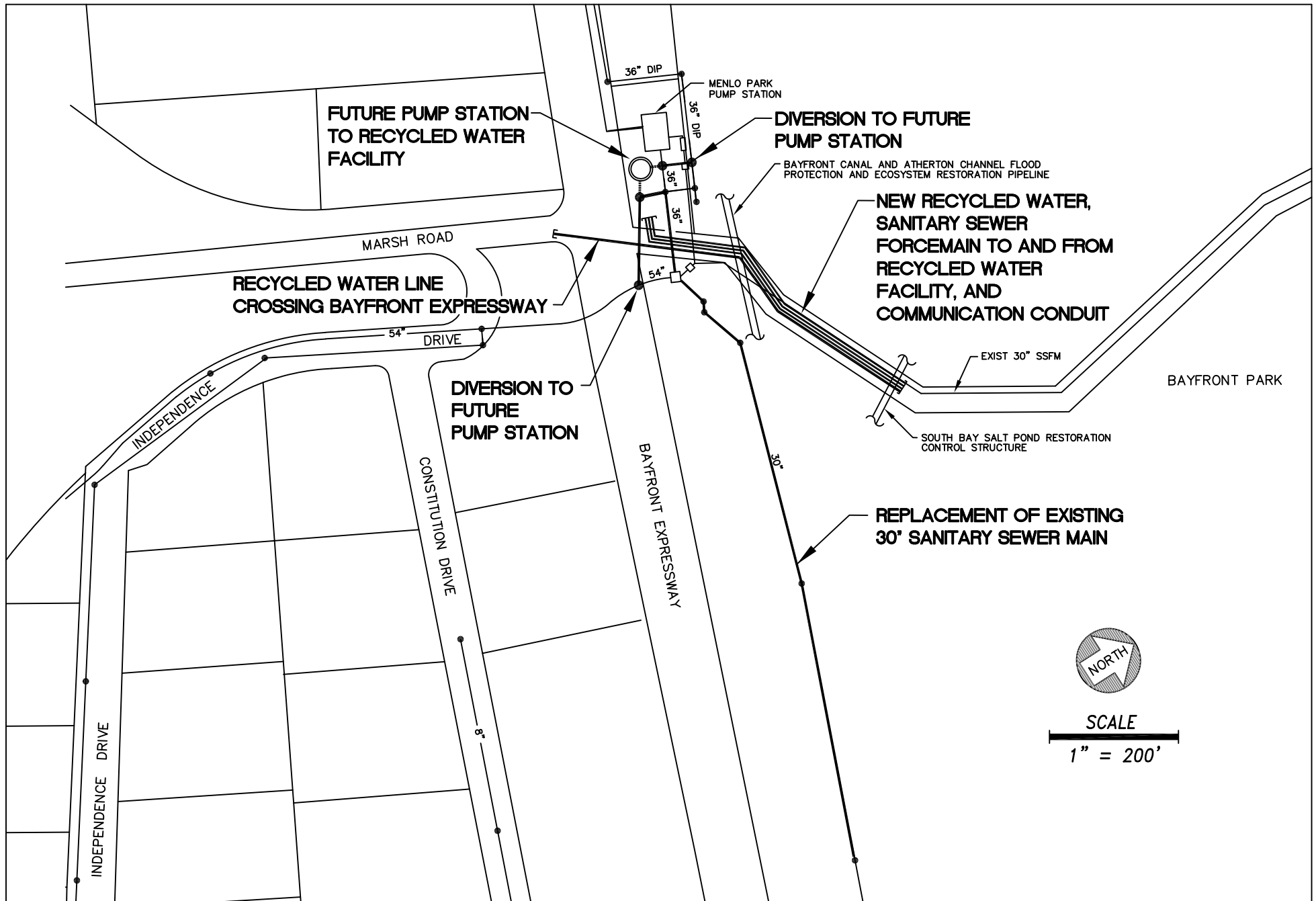
None

Recommendation

The Projects & IT Manager recommends the District Board of Directors reject all bids for the Bayfront Entrance Sewer Capital Improvement Project.

Attachments: Site map





THIS PAGE LEFT INTENTIONALLY BLANK



## WEST BAY SANITARY DISTRICT AGENDA ITEM 6

**To:** *Board of Directors*

**From:** *Debra Fisher, Finance Manager*  
*Sergio Ramirez, District Manager*

**Subject:** *Consideration to Approve Resolution Adopting FY 2022-23 Budget*

---

### **Background**

The District held a Budget Workshop on May 9, 2022 to work on the development of the fiscal year 2022-2023 (FY 2022-23) Budget. Based on initial District estimates and updated information the Budget Report was developed, in conformity with the format prescribed by the provisions of Governmental Accounting Standards. Attached for the Board's review is the Proposed Budget for FY 2022-23. Each fund is reported separated to better view the primary operations and other activities in the; General, Capital, Solid Waste, and Recycled Water Funds.

The District has received more current information on some items. Below is a summary of the changes made since the Board approved the initial proposed budget at the Budget Workshop.

- **General Fund**
  - **Revenue:**
    - Sewer Service Charges (SSC) increased, since Budget Workshop, based on current data. However, revenue is estimated to decrease 0.3% from FY 2021-22. Residential SSC is increasing 2.1%, while non-residential is declining 14%.
    - Flow Equal cost sharing decreased from 5.2% to 5%, based on the annual Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-Hayward (Bay Area), CA from April 2021 to April 2022, per the terms of the agreement with SVCW.

- HACH service contract reimbursements received a credit for January and February 2021, which were billed in FY 2021-22, since no services were provided during this period by HACH.
  - **Expenditures:**
    - **Insurance.** Insurance estimates have been revised, with information from California Sanitation Risk Management Authority (CSRMA) program administrators. Liability coverage is paid on calendar year, and was adjusted for a 20% increase for January-June 2023 and actual pre-paid for July-December 2022. Vehicle property coverage was discussed with the Finance Committee on 5/19/22, who recommended increasing deductible from \$2,000 to \$10,000, and approval by the full Board on 5/25/22. The total change was a decrease of \$62,694 from the Budget Workshop, resulting in a \$14,525 decrease from FY 2021-22 Budget.
    - **Self-Insurance Reserve.** Increased self-insurance reserve to \$58,638, to reserve saving from increasing liability and property deductibles; \$52,912 for Liability Coverage deductibles from \$5,000 to \$100,000 and \$5,726 for Vehicle Property Coverage from \$2,000 to \$10,000. The total change was an increase of \$25,532 from the Budget Workshop, resulting in a \$27,228 increase from FY 2021-22 Budget.
- **Capital Assets.** No changes
- **Reserve Funding.** Operating reserves were adjusted to the new estimate of Operating Expenditures for six months.
- **Solid Waste Fund.** No changes
- **Recycled Water Fund.** No changes.

## **Fiscal Impact**

### **General Fund:**

Operating Revenue is \$30,777,959, a 0.3% decrease from FY 2021-22 annual budget, due to 2% rate increase, offset by lower commercial flows from the prior year. Operating Expense is \$22,222,874, a 3.3% increase from FY 2021-22 annual budget. This includes contributions to Silicon Valley Clean Water (SVCW) of \$12,177,351, 54.8% of the total Operating budget. SVCW expenses are decreasing 1.8% due to refinancing of debt at lower interest rates and reduced flows. The District's Net Operating Income is \$8,555,085.

Non-Operating Revenues are increased to \$501,000 from \$351,000, to better reflect expected interest income on long-term reserves. Non-Operating Expenses are unchanged at \$6,000.

The General Fund Change in Net Position is a \$9,050,085 increase, which is available for capital expenditures; 6.8% decrease from FY 2021-22.

**Capital Fund:**

The Capital Fund revenue from Connection Fees is \$250,000, unchanged from FY 2021-22 annual budget. In FY 2021-22, \$5,941,876 has been received through 3/31/22.

Capital Fund Expenditures of \$14,292,500 are budgeted for FY 2022-23 for capital purchases and infrastructure improvements, which are capitalized as projects are completed.

**Solid Waste Fund:**

The Solid Waste Fund estimates \$110,000 in Franchise Fees from Recology, which manages solid waste collection for the District.

Solid Waste Expenditures of \$107,990 are budgeted for rate studies, annual notification mailing, and overhead allocation, a 2% increase over FY 2021-22 budget. Rate studies were not conducted in FY 2021-22, however they are expected to be done in FY 2022-23.

The Solid Waste Fund budget increases the Net Position by \$2,010, to a \$296,033 ending fund balance, based on projections through the end of FY 2021-22.

**Recycled Water Fund:**

The Recycled Water Fund includes the Sharon Heights Recycled Water Facility and the Bayfront Project.

Sharon Heights Recycled Water Facility (SHRWF) was accepted July 27, 2020 and has a Clean Water State Revolving Fund (SRF) loan balance of \$16,119,635, as of March 31, 2022.

The SHRWF budget includes Operating Revenue of \$518,064 on Expenditures of \$568,064, excluding \$752,805 in depreciation of the facility. The SHRWF passes through costs to Sharon Heights Golf & Country Club (SHGCC), including \$19,620 in overhead which offsets administrative costs in the General Fund. The budget reflects the O&M budget accepted by SHGCC, to simplify reporting. There is an additional \$50,000 expense for specialize services, that may be required.

SHRWF has \$2 million budgeted for the Avy Pump Station project and a solar lease. Costs of both projects will be passed on to SHGCC as incurred.

The Bayfront Project is in the planning stages, with no direct Revenue or Expenditures. \$2.25 million in Capital Expenditures is budgeted for FY 2022-23, for total projected Construction In Progress (CIP) expenses.

**Financial Statements Summary:**

The following is a summary of the FY 2022-23 Budget for the General Fund and the Change in Net Position for other Funds, compared with the actual for the quarter ending March 31, 2022, which may vary slightly with the Third Quarter Report, as other accrued income and expenses were identified after reporting.

	YTD 3/31/2022	Projected 6/30/22	Budget FY 2021/22	Budget FY 2022/23	Budget Change	% Var
Operating Revenue	23,264,516	32,320,850	30,872,898	30,777,959	(94,938)	0%
Operating Expenditures	(5,881,048)	(7,850,450)	(9,107,711)	(10,045,523)	(937,812)	10%
SVCW	(10,442,090)	(12,233,027)	(12,396,490)	(12,177,351)	219,139	-2%
<b>Operating Income (Loss)</b>	<b>6,941,377</b>	<b>12,237,373</b>	<b>9,368,697</b>	<b>8,555,085</b>	<b>(813,612)</b>	<b>-9%</b>
Non-Operating Income (Expense)	(345,582)	(215,765)	345,000	495,000	150,000	43%
<b>General Fund</b>	<b>6,595,795</b>	<b>12,021,608</b>	<b>9,713,697</b>	<b>9,050,085</b>	<b>(663,612)</b>	<b>-7%</b>
<b>Capital Fund</b>	<b>3,762,127</b>	<b>3,035,343</b>	<b>(2,950,000)</b>	<b>(2,950,000)</b>	<b>0</b>	<b>0%</b>
<b>Solid Waste Fund</b>	<b>38,221</b>	<b>50,618</b>	<b>(5,590)</b>	<b>2,010</b>	<b>7,600</b>	<b>-136%</b>
<b>Recycled Water Fund</b>	<b>(9,504)</b>	<b>(161,388)</b>	<b>(256,155)</b>	<b>(299,490)</b>	<b>(43,335)</b>	<b>17%</b>
<b>Net Change in Position</b>	<b>10,386,639</b>	<b>14,946,182</b>	<b>6,501,952</b>	<b>5,802,605</b>	<b>(699,347)</b>	<b>-11%</b>

**Recommendation**

The Finance Manager recommends the Board approve the Proposed Budget for Fiscal Year 2022-23.

Attachment: Proposed Budget Report, FY 2022-23.

# **WEST BAY SANITARY DISTRICT**



**Proposed Budget**

**Fiscal Year 2022-2023**

## **Financial Report Proposed Budget Fiscal Year 2022-2023**

The West Bay Sanitary District (the 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 more accurately reflect the service area. The powers of the District are established by the State of California Health and Safety Code. The District currently serves a population of 20,129 households and commercial establishments.

The District held a Budget Workshop on May 9, 2022 to work on the development of the fiscal year 2022-2023 (FY 2022-23) Budget. Based on initial District estimates and updated information the Budget Report was developed, in conformity with the format prescribed by the provisions of Governmental Accounting Standards.

### **Table of Contents**

Statement of Revenue, Expenses and Changes in Net Position	3
General Fund	
Revenues	4
Expenditures	5
Expense Analysis	8
Capital Fund	10
Reserves	14
Solid Waste Fund	16
Recycled Water Fund	17



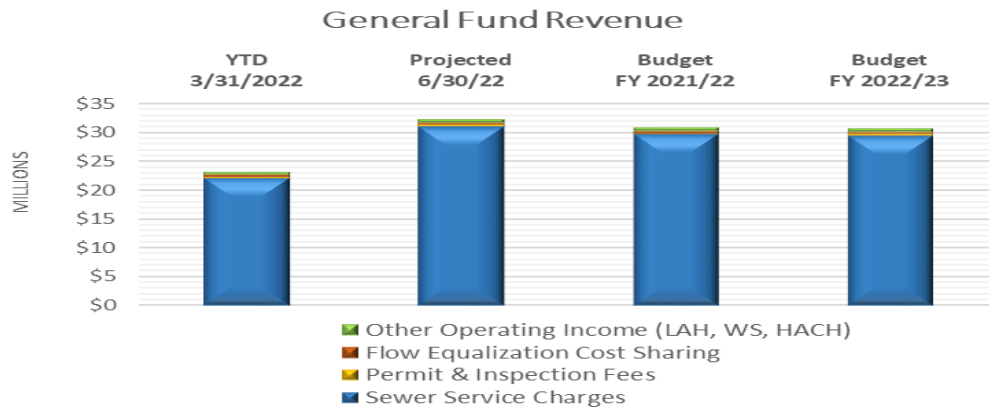
West Bay Sanitary District  
Budget Workshop  
Fiscal Year 2022-23

	Actual YTD 3/31/2022	Projected 6/30/22	Budget FY 2021/22	Budget FY 2022/23	Budget Change	% Var
<b>General Fund</b>						
<b>Operating Revenue</b>						
Non-Residential	5,385,440	7,180,587	5,193,421	4,468,387	(725,034)	-14.0%
Residential	16,856,187	23,966,720	24,547,205	25,056,267	509,062	2.1%
Sewer Service Charges	<b>22,241,628</b>	<b>31,147,307</b>	<b>29,740,626</b>	<b>29,524,654</b>	<b>(215,972)</b>	<b>-0.7%</b>
Permit & Inspection Fees	177,285	177,285	100,000	200,000	100,000	100.0%
Flow Equalization Cost Sharing	368,490	368,490	368,490	386,915	18,425	5.0%
Other Operating Income (LAH, WS, HACH)	477,113	627,768	663,781	666,390	2,609	0.4%
<b>Total Operating Revenue</b>	<b>23,264,516</b>	<b>32,320,850</b>	<b>30,872,898</b>	<b>30,777,959</b>	<b>(94,938)</b>	<b>-0.3%</b>
<b>Operating Expenditures</b>						
District Operating Expense	5,881,048	7,881,860	9,107,711	10,045,523	937,812	10.3%
SVCW Expense	10,442,090	12,233,027	12,396,490	12,177,351	(219,139)	-1.8%
<b>Total Operating Expenditures</b>	<b>16,323,139</b>	<b>20,114,887</b>	<b>21,504,201</b>	<b>22,222,874</b>	<b>718,674</b>	<b>3.3%</b>
<b>Net Operating Income (Loss)</b>	<b>6,941,377</b>	<b>12,205,963</b>	<b>9,368,697</b>	<b>8,555,085</b>	<b>(813,612)</b>	<b>-8.7%</b>
<b>Non-Operating Income (Expense)</b>						
Interest Income	407,450	543,267	350,000	500,000	150,000	42.9%
Other Non Operating Income	(753,032)	(753,032)	1,000	1,000	0	0.0%
<b>Total Non-Operating Income</b>	<b>(345,582)</b>	<b>(209,765)</b>	<b>351,000</b>	<b>501,000</b>	<b>150,000</b>	<b>42.7%</b>
Total Non-Operating Expense	0	(6,000)	(6,000)	(6,000)	0	0.0%
<b>Total Non-Operating Income (Expense)</b>	<b>(345,582)</b>	<b>(215,765)</b>	<b>345,000</b>	<b>495,000</b>	<b>150,000</b>	<b>43.5%</b>
<b>Change in Net Position</b>						
<b>General Fund</b>	6,595,795	11,990,198	9,713,697	9,050,085	(663,612)	-6.8%
<b>Capital Fund</b>	3,442,478	3,042,478	3,762,127	3,035,343	(726,784)	-19.3%
<b>Solid Waste Fund</b>	38,221	50,618	(5,590)	2,010	7,600	-136.0%
<b>Recycled Water Fund</b>	(9,504)	(162,065)	(256,155)	(299,490)	(43,335)	16.9%
<b>Change in Net Position</b>	<b>10,066,990</b>	<b>14,921,230</b>	<b>6,507,452</b>	<b>11,787,948</b>	<b>5,280,495</b>	<b>81%</b>
Prior Period Adjustment	(449,286)	(449,286)	0	0	0	
<b>Total Change in Net Position</b>	<b>9,617,704</b>	<b>14,471,943</b>	<b>6,507,452</b>	<b>11,787,948</b>	<b>5,280,495</b>	<b>81%</b>

**General Fund:**

**Revenues:**

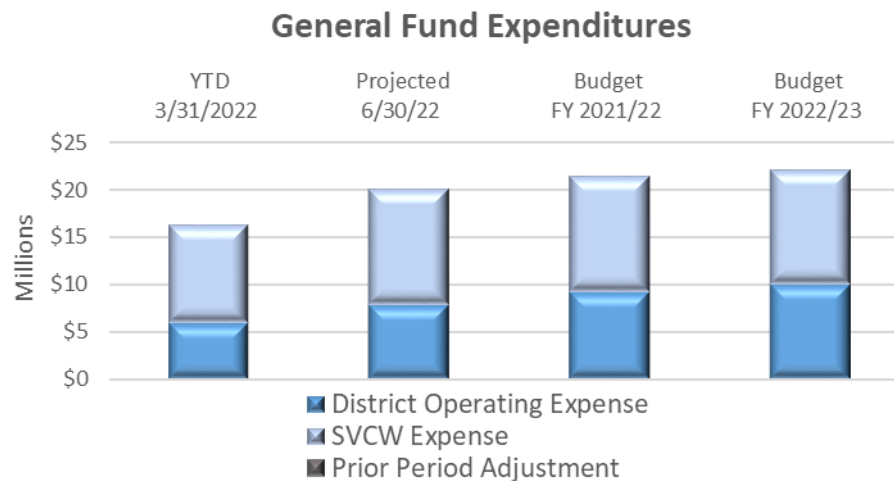
The Budget for FY 2022-23 includes total Operating Revenues of \$30,777,959 in the General Fund, reflecting a 0.3% decrease from FY 2021-22 annual budget.



- **Sewer Service Charges.** Total revenue of \$29,524,654 is estimated for FY 2022-23, reflecting a 0.7% decrease; 2.1% increase in Residential and 14% decrease in Non-Residential Sewer Service Charges, reflecting a 2% rate increase and reductions in commercial flows.
- **Permit Fees.** Permit & Inspection Fees budget is increased to \$200,000. These fees are budgeted conservatively, due to the uncertain nature of their timing and the economic environment. The average over the last five years is \$215 thousand.
- **Flow Equal.** The total Flow Equalization Cost Sharing with Silicon Valley Clean Water (SVCW) budget is \$386,915. The increase is based on the annual Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-Hayward (Bay Area), CA from April 2021 to April 2022, of 5% per the terms of the agreement with SVCW.
- **Other Operating Income.** A total of \$666,390 is estimated; a 0.4% increase from the FY 2021-22 annual budget, due to negotiated contract extensions with Los Altos Hills and Woodside.
  - Revenue from Los Altos Hills = \$430,949, a 2% increase
    - Followed by 4% x 4 years equaling over 18% in the 5 year contract
  - Revenue from Town of Woodside = \$80,191, a 4% increase
  - Revenue from HACH Service Contracts = \$155,250, fixed 3 year amount, less a two month credit for January and February 2021, which were billed in FY 2021-22, since no services were provided during this period by HACH.
  - Sampling & Monitoring by SVCW is not budgeted for. Receipts are the results of invoices paid to SVCW on behalf of our commercial customers, which the District then bills to these customers.
- **Other Non-Operating Revenues:** The District budgets for Interest Income of \$500,000 and \$1,000 in other miscellaneous non-operating revenue, for a total of \$501,000.

**Expenditures:**

Total Operating Expenditures for the General Fund is estimated at \$22,222,874, a 3.3% increase from FY 2021-22.

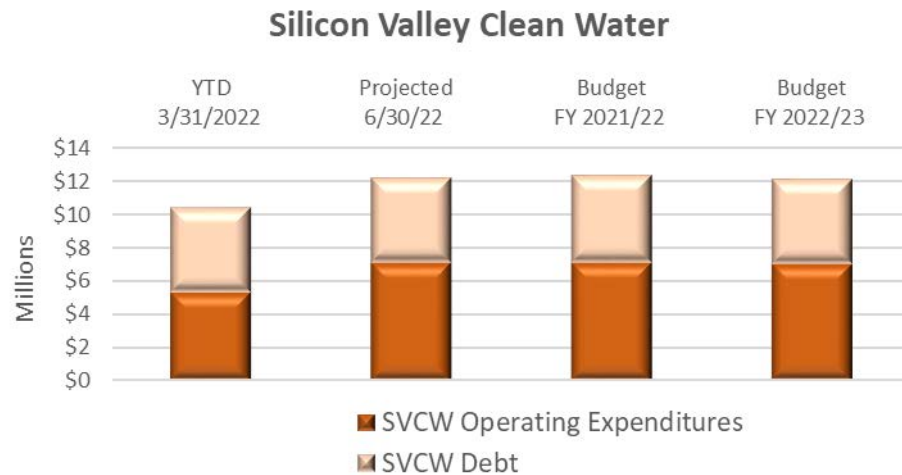


- **WBSD Direct Operating Expenses.** General Fund Expenses are \$10,045,523, a 10.3% increase from the FY 2021-22 annual budget. Expenses are shown on the Expense Analysis on page 8, with allocations to the Solid Waste and Recycled Water Fund deducted in aggregate.
  - Salaries increased 4.4%, including the labor union’s 4% annual increase and expected merit increases.
  - Benefits increased 8.5%, mainly due to expected increases in cafeteria plan, commuter program, employer payroll taxes, and contributions to the retirement and other post-employment benefit (OPEB) trust accounts. Pension costs increased only 1% as increases due to wages was offset by the employee increased contribution to 1% of employer contributions, which also decreased from an 8.53% to 8.23% average. Making employer pension costs only 2% higher than social security, which the District does not participate in. The District’s experience modification factor for workers’ compensation is 0.91, indicative our good claims management and safety practices.
  - Election expenses are budgeted at \$70,000 in biennial, even years.
  - Fuel is expected to continue to increase, therefore the District estimates a 46.4% increase in diesel and fuel costs. The CPI-U for this area is 43.2 from April 2021 through April 2022.
  - Insurance costs are expected to increase approximately 20% for property, liability, and workers’ compensation. The District is a member of California Sanitation Risk Management Authority (CSRMA), which provides self-insured and excess insurance, who has negotiated with excess carriers to keep property value trending to 7.5%, significantly lower than current trend factors, lowering overall property expense. Vehicle property coverage was discussed with the Finance Committee on 5/19/22, who recommended to increase deductible from \$2,000 to \$10,000, and the full Board on 5/25/22. Other property coverage is estimated to increase 20%, with the deductible at \$5,000. Deductible option for liability, which are paid on a calendar year, were

discussed with Finance Committee 6/2/21 and direction provided to increase liability deductible to \$100,000 and reserve savings as a self-insured reserve.

- Self-insurance reserves of \$58,638, are saving from increasing liability and property deductibles set aside for paying claims under the higher deductibles; \$52,912 for Liability Coverage deductibles from \$5,000 to \$100,000 and \$5,726 for Vehicle Property Coverage deductibles from \$2,000 to \$10,000.
- Memberships are increasing 37% to provide dual certifications for employees, which benefits the District with higher skilled employees, and additional expense for USA North 811 Service. Under government code section 4216.16 a new California Underground Facilities Safe Excavation Board (Dig Safe Board) was created, which is funded with a regulatory fee per ticket, which doubles our fees for 811 calls.
- Supplies costs are increasing 10.5% as short stock and high demand continue to add to overall inflation, especially in essential personal protective equipment (PPE).
- Contractual Services are increasing 16.8%. This category includes contract expenses to HACH, which are passed through to customers of \$197,400. There are also increasing costs for chemical services, safety garments, and county fees, plus new expenses for discharge and water analysis review and additional alarm services.
- Professional services are increasing 12.3%. This includes engineering, attorney fees, technology consulting, and other outside professional services. The District has also moved \$30,000 from the Capital Budget for the capacity flow monitoring study, which is expensed and not directly for a capital project.
- Rents and leases are increasing 16.2% to include the lease of the District Manager vehicle, radio service upgrades, and expected increases in other costs.
- Repairs and maintenance expenses are crucial to insure continued serving of the sanitary system and maintain the excellent record of less than two sewer system overflows per 100 miles of pipe, three times less than average. Costs are increasing 14% overall for vehicles, equipment, pump stations, and computer systems.
- Training, meetings, and travel are expected to double. The District has added \$30,000 to complete Standard Operating Procedures (SOPs) to update and clarify all District procedures. Department of Vehicle (DMV) changed training requirements in 2022 for Class A licenses, requiring professional courses. Two employees' training is included. The District also expects on-site training to resume after two years of closures due to Covid-19 and increases in costs for safety training.
- San Mateo Local Agency Formation Commission (LAFCo) is increased 20% to cover the annual fees charged based on reported revenue. The expense for FY 2021-22 was over budget under estimated by 11%.

- Equipment Expense is a new category to account for items under the \$20,000 Capitalization Budget. FY 2022-23 includes \$95,000 that was previously capitalized under the prior policy of \$5,000, such as pump station parts, flowdars, and server replacement. Other equipment is budgeted to replace old radios and to purchase a dump trailer to service small projects and rural roads.



- **External Operating Expenses.** This includes contributions and debt payments, for the benefit of, SVCW. Total Expenditures are \$12,177,351 for the District share of SVCW budget in FY 2022-23, a 1.8% decrease. SVCW expenditures represent 54.8% of the total annual Operating budget, excluding capital and depreciation. The District holds a 23.38% share of SVCW’s Net Position according to the SVCW’s annual Unaudited Analysis of Net Position, as of June 30, 2021. SVCW is reported as a separate Fund in FY 2021-22, to better identify direct District Operations and those of SVCW.
  - SVCW Operating & Capital Contributions are \$7,098,682. This is a 0.9% (\$639 thousand) decrease from FY 2021-22, due to decreased flows from the District to SVCW for treatment processing while other members realized an increase in flows.
  - SVCW Debt payments are \$5,078,669. The 2014 and 2015 Bonds were refinanced, along with the 2011 SRF debt, into new 2021 Bonds; with the District share of \$55.7 million. SVCW refinanced debt to take advantage of historically low rates, which are estimated to save the District \$3.25 million.
- **Non-Operating Expenses.** The District budgets \$6,000 for unanticipated Non-Operating Expenses.

**Change in Net Position:**

The General Fund Net Operating Income is estimated at \$8,555,085 for FY 2022-23. The General Fund Net Change in Position is \$9,050,085. This is the estimated amount that will be transferred to the Capital budget for capital projects.

The Change in Net Position of all Funds is \$5,802,605.

Proposed Budget  
Fiscal Year 2022-23  
General Fund  
Expense Analysis

General Fund Expenditures	YTD 3/31/2021	Projected 6/30/21	Budget FY 2021/22	Budget FY 2022/23	Budget Variance	% Var
<b>Operating Expense</b>						
Salaries & Wages	3,046,066	3,998,491	4,463,442	4,661,639	198,197	4.4%
Employee Benefits	1,121,973	1,599,282	1,734,191	1,881,317	147,126	8.5%
<b>Total Salaries, Wages &amp; Benefits</b>	<b>4,168,039</b>	<b>5,597,774</b>	<b>6,197,633</b>	<b>6,542,956</b>	<b>345,323</b>	<b>5.6%</b>
<b>Other Operating Expense</b>						
Director Fees	25,440	33,920	42,320	44,013	1,693	4.0%
Election Expense	0	0	0	70,000	70,000	
Gasoline, Oil & Fuel	70,572	94,095	70,000	102,500	32,500	46.4%
Insurance	138,288	184,384	204,550	190,025	(14,525)	-7.1%
Self-Insurance Reserve	0	31,410	31,410	58,638	27,228	86.7%
Memberships	64,812	64,812	58,660	80,345	21,685	37.0%
Office Expense	24,661	32,882	39,600	44,157	4,557	11.5%
Operating Supplies	234,454	312,605	393,425	434,562	41,137	10.5%
Contractual Services	404,786	539,715	665,475	777,480	112,005	16.8%
Professional Services	260,981	347,975	510,220	572,979	62,759	12.3%
Printing & Publications	38,684	60,837	67,500	73,335	5,835	8.6%
Rents & Leases	28,517	38,022	51,700	60,092	8,392	16.2%
Repairs & Maintenance	198,791	265,055	338,425	385,660	47,235	14.0%
Research & Monitoring	7,014	9,352	20,000	20,000	0	0.0%
Training, Meetings & Travel	14,385	19,179	56,200	111,057	54,857	97.6%
Utilities	126,185	168,247	232,500	237,851	5,351	2.3%
LAFCO Contributions	32,610	32,610	29,400	35,280	5,880	20.0%
Other Operating Expense	63,841	85,121	219,340	231,390	12,050	5.5%
Equipment Expense	34,490	45,987	0	96,750	96,750	
Transfer Overhead to Solid Waste Reserve Fund	(42,818)	(62,839)	(105,090)	(107,990)	(2,900)	2.8%
Transfer Overhead to Recycled Water Facility	(12,684)	(19,283)	(15,557)	(15,557)	0	0.0%
<b>Total Operating Expense</b>	<b>5,881,048</b>	<b>7,881,860</b>	<b>9,107,711</b>	<b>10,045,523</b>	<b>937,812</b>	<b>10.3%</b>
<b>Related Agencies:</b>						
<b>Silicon Valley Clean Water (SVCW)</b>						
SVCW Operating Expenditures	4,668,768	6,225,024	6,225,028	6,027,944.00	(197,084)	-3.2%
SVCW Revenue Funded Capital Expenditures	301,446	401,928	401,929	376,834.00	(25,095)	-6.2%
SVCW Reserve Contributions	402,597	536,796	536,800	693,904.00	157,104	29.3%
SVCW 2018 Bond (\$55 million)	1,838,028	1,838,028	1,839,213	1,834,338.00	(4,875)	-0.3%
SVCW 2021A&B Bond (\$55.6 million)	2,724,486	2,724,486	2,743,273	2,737,566.00	(5,707)	
SVCW SRF - Control Building, C-06-5216-110	0	0	0	-	0	
SVCW SRF - WWTP Phase I, C-06-5216-120	506,765	506,765	506,765	506,765.00	(0)	0.0%
SVCW SRF - Conveyance Planning, C-06-8069-110 (\$4.1m)	0	0	143,482	-	(143,482)	
<b>Total SVCW Expenditures</b>	<b>10,442,090</b>	<b>12,233,027</b>	<b>12,396,490</b>	<b>12,177,351</b>	<b>(219,139)</b>	<b>-1.8%</b>
<b>Total Operating Expenditures</b>	<b>16,323,139</b>	<b>20,114,887</b>	<b>21,504,201</b>	<b>22,222,874</b>	<b>718,674</b>	<b>3.3%</b>

Proposed Budget  
Fiscal Year 2022-23  
General Fund  
Expense Analysis

<b>Salaries, Wages, And Benefit - Details</b>	<b>YTD 3/31/2021</b>	<b>Projected 6/30/21</b>	<b>Budget FY 2021/22</b>	<b>Budget FY 2022/23</b>	<b>Budget Variance</b>	<b>% Var</b>
<b>Salaries &amp; Wages</b>						
Collection	1,685,394	2,247,192	2,308,600	2,658,432	349,832	15.2%
Administrative	959,395	1,279,193	1,550,560	1,361,915	(188,645)	-12.2%
Temporary Employees	94,165	125,553	130,000	157,000	27,000	20.8%
<b>Subtotal</b>	<b>2,738,954</b>	<b>3,651,938</b>	<b>3,989,160</b>	<b>4,177,347</b>	<b>188,187</b>	<b>4.7%</b>
Overtime	90,172	120,230	154,690	154,700	10	0.0%
Standy-By Pay	28,150	37,533	39,520	39,520	0	0.0%
Performance Measures Program	168,090	168,090	160,000	170,000	10,000	6.3%
End Of Year Compensation	20,700	20,700	20,072	20,072	0	0.0%
Vacation Leave Accrual	0	0	100,000	100,000	0	0%
<b>Total Salaries &amp; Wages</b>	<b>3,046,066</b>	<b>3,998,491</b>	<b>4,463,442</b>	<b>4,661,639</b>	<b>198,197</b>	<b>4.4%</b>
<b>Employee Benefits</b>						
Life & Disability	56,967	75,955	34,020	34,590	570	2%
Workers' Compensation	51,138	85,230	118,230	123,927	5,697	5%
Cafeteria & Health Benefits	660,490	880,654	1,013,350	1,074,720	61,370	6%
Public Employee's Retirement System (PERS)	244,561	326,081	355,335	358,475	3,140	1%
PERS Unfunded Accrued Liability	0	0	0	0	0	
Employee Assistance & FSA Administration Fee	1,268	2,114	1,806	3,341	1,535	85%
Deferred Compensation Matching	35,883	59,805	60,150	66,450	6,300	10%
Commuter	10,679	17,799	10,000	15,240	5,240	52%
District Manager Auto Allowance	4,315	7,192	6,300	6,300	0	0%
Social Security, Medicare, State Employer Taxes	56,671	94,452	85,000	123,274	38,274	45%
Pre-Funding Retirement Unfunded Liability (PARS Trust)	0	0	0	50,000	50,000	
Pre-Funding OPEB Unfunded Liability (PARS Trust)	0	50,000	50,000	25,000	(25,000)	-50%
<b>Total Employee Benefits</b>	<b>1,121,973</b>	<b>1,599,282</b>	<b>1,734,191</b>	<b>1,881,317</b>	<b>147,126</b>	<b>8.5%</b>

**Capital Fund:**

The Capital Fund is funded with any Net Increase in Position from General Fund Operations, Connection Charges by customers, and Interest Income. Recycled Water Fund activity is reported separately. Below is the balance exclusively for the Capital Fund.

<b><u>Capital Expenditures</u></b>	<b>Actual YTD 3/31/2022</b>	<b>Projected 6/30/22</b>	<b>Budget FY 2021/22</b>	<b>Budget FY 2022/23</b>	<b>Budget Change</b>	<b>% Var</b>
<b>Fund Balance</b>						
Beginning Balance For Fiscal Year	10,546,362	10,546,362	10,546,362	24,524,691	13,978,329	133%
Revenue - Connection Charges	5,941,876	5,941,876	250,000	250,000	0	0%
Projected Transfer From General Fund	6,595,795	11,990,198	6,533,200	6,555,600	22,400	0%
<b>Total Funds Balance Available</b>	<b>23,084,034</b>	<b>28,478,436</b>	<b>17,329,562</b>	<b>31,330,290</b>	<b>14,000,729</b>	<b>81%</b>
Capital Expenditures	(3,893,654)	(3,953,745)	(12,751,750)	(14,292,500)	(1,540,750)	12%
<b>Fund Balance</b>	<b>19,190,379</b>	<b>24,524,691</b>	<b>4,577,812</b>	<b>17,037,790</b>	<b>12,459,979</b>	<b>272%</b>

**Capital Fund Revenue:**

Connection Fees of \$250,000 are budgeted; no change from FY 2021-22.

**Capital Fund Expenses:**

Total Capital Expenditures of \$14,292,500 are budgeted in FY 2022-23; a 12% increase from FY 2021-22. A detailed schedule of Capital Expenditures is included on page 12-13. Several items included in prior years under \$20,000 have been moved to expense, consistent with the District's Capitalization Policy.

- **Depreciation.** Depreciation is unchanged from the FY 2021-22 annual budget, however, it will be shown in the Capital Fund.

**Capital Assets:**

<b><u>Capital Fund Expenditures</u></b>	<b>Actual YTD 3/31/2022</b>	<b>Projected 6/30/22</b>	<b>Budget FY 2021/22</b>	<b>Budget FY 2022/23</b>	<b>Budget Change</b>	<b>% Var</b>
Administration	0	0	35,000	350,000	315,000	900%
Collection Facilities	0	0	600,000	600,000	0	0%
Vehicles & Equipment	0	0	201,750	762,500	560,750	278%
Pump Stations	0	60,000	65,000	200,000	135,000	208%
Subsurface Lines & Other Capital	43,884	43,884	130,000	100,000	(30,000)	-23%
Construction Projects	3,849,770	3,849,861	11,720,000	12,280,000	560,000	5%
<b>Total Capital Fund</b>	<b>3,893,654</b>	<b>3,953,745</b>	<b>12,751,750</b>	<b>14,292,500</b>	<b>1,540,750</b>	<b>12%</b>

- **Administration.** \$350,000 is budgeted for the ten year Master Plan. Other expenses are under \$20,000 Capitalization Policy and are included in expenditures.
- **Collection Facilities - Buildings.** The budget for Collection includes FERRF Improvements and Allowance for Unanticipated Capital Expenditures of \$600,000, no increase from the FY 2021-22 budget.



- **Vehicle & Equipment.** The budget for vehicles and equipment is \$762,500, a 278% increase over FY 2021-22 budget.
  - Equipment:
    - CCTV Transporter & Track Module: \$22,500
    - Flo Dar Equipment: Moved to Equipment Expense from the Capital Fund, as each costs approximately \$18,375, under the new capitalization policy of \$20 thousand.
  - Vehicles:
    - Replace Vehicle 201, District Manager vehicle.
      - Lease Ford Mach E at \$735 month, included in Rents & Leases
    - Carryover \$165,000 for Vehicle 228, Jet Truck, Superduty F550 4x4, 1/2in Jetter, as vehicle order is delayed.
    - Replace Unit 205, Aquatech Vacuum Combo Unit \$500,000.
    - Add Source Control Ford F150 Lightning (EV), or equivalent, to replace Unit 214; \$75,000.
  - Contribution to Equipment Replacement Reserve: Increased 3% to \$382,454.
- **Subsurface Lines & Other Capital.** The budget is increased 54% to \$300,000. Some Pump Station repairs and maintenance have been moved to expenses, as they are under the \$20,000 Capitalization Policy.
  - \$55,000 Pump for Hamilton Henderson Pump Station
  - \$145,000 Additional Pump & Valve Replacement
  - No change in \$100,000 for Manhole Raising on paving projects
- **Construction in Progress (CIP).** These are new constructions projects that are recorded separately and capitalized when completed. CIP is not depreciated until completed. \$12,280,000 is budgeted for CIP, with \$6,350,000 carried over from FY 2021-22 capital budget.
  - Levee Project: The District received a \$4,884,112 grant from the National Fish and Wildlife Foundation for the construction of a living shoreline. These are matching funds requiring a 112% contribution by the District (\$5.5 million).
  - Corporate Yard Renovation Design, \$350,000.
  - Misc. CIP, \$80,000.
  - Pipeline Replacement & Rehab Engineering, \$900,000.
  - Pipeline Replacement & Rehab Construction, \$3,950,000
- **Resource Recovery.** Recycled water facilities projects recorded under the Recycled Water Fund.

Proposed Budget  
Fiscal Year 2022-23  
Capital Fund

Capital Expenditure - Detail	YTD 3/31/2021	Projected 6/30/2021	Budget FY 2021/22	Budget FY 2022/23	Budget Variance	% Var
<b><u>Administration</u></b>						
District Office Interior			10,000	0	(10,000)	-100%
District Office Exterior			10,000	0	(10,000)	-100%
Server Replacement Program			15,000	0	(15,000)	-100%
10 Year Master Plan - Deferred			0	350,000	350,000	
<b>Total Administration</b>	<b>0</b>	<b>0</b>	<b>35,000</b>	<b>350,000</b>	<b>315,000</b>	<b>900%</b>
<b><u>Collection Facilities</u></b>						
FERRF Improvements	0	0	500,000	500,000	0	0%
Allowance For Unanticipated Capital Expenditures	0	0	100,000	100,000	0	0%
<b>Subtotal Collection Facilities</b>	<b>0</b>	<b>0</b>	<b>600,000</b>	<b>600,000</b>	<b>0</b>	<b>0%</b>
<b><u>Equipment Replacement - Funded From The Equipment Replacement Fund</u></b>						
<b><u>Equipment</u></b>						
CCTV Transporter & Track Module				22,500	22,500	
Flo Dar Equipment (Flow Meters)		0	36,750	0	(36,750)	-100%
<b><u>Vehicles</u></b>						
District Manager Vehicle (2013) - Lease Unit 230			0	0	0	
Jet Truck, Superduty F550 4x4, 1/2in Jetter - Unit 228			165,000	165,000	0	0%
Combo Vacuum/Jetter Truck - Unit 229 (Replace Unit 205)				500,000	500,000	
Source Control - Ford F250 Lightning (Replace Unit 214)				75,000	75,000	
<b>Total Equipment Replacement</b>	<b>0</b>	<b>0</b>	<b>201,750</b>	<b>762,500</b>	<b>560,750</b>	<b>278%</b>
Sales of Vehicles	(45,686)	(45,686)				
<b>Net Vehicles &amp; Equipment Expense</b>	<b>(45,686)</b>	<b>(45,686)</b>	<b>201,750</b>	<b>762,500</b>	<b>560,750</b>	<b>278%</b>
Equipment Replacement Reserve	0	(371,315)	(371,315)	(389,881)	(18,566)	5%
<b>Net Vehicles &amp; Equipment Account</b>	<b>(45,686)</b>	<b>(417,001)</b>	<b>(169,565)</b>	<b>372,619</b>	<b>542,184</b>	<b>-320%</b>
<b><u>Subsurface Lines &amp; Other Capital</u></b>						
<b><u>Pump Stations</u></b>						
Pump Equipment Replacement Program		40,000	45,000	200,000	155,000	344%
Private Pump & Panel Replacements		20,000	15,000	0	(15,000)	-100%
Pump Station Repair & Replacements		0	5,000	0	(5,000)	-100%
<b>Total Pump Stations</b>	<b>0</b>	<b>60,000</b>	<b>65,000</b>	<b>200,000</b>	<b>135,000</b>	<b>208%</b>
Flow Monitoring Study			30,000	0	(30,000)	-100%
Smart Covers (2)			0	0	0	#DIV/0!
Manhole Raising (Paving Projects)	43,884	43,884	100,000	100,000	0	0%
<b>Total Subsurface Lines and Other</b>	<b>43,884</b>	<b>103,884</b>	<b>195,000</b>	<b>300,000</b>	<b>105,000</b>	<b>54%</b>

Proposed Budget  
Fiscal Year 2022-23  
Capital Fund

Capital Expenditure - Detail	YTD 3/31/2021	Projected 6/30/2021	Budget FY 2021/22	Budget FY 2022/23	Budget Variance	% Var
<b><u>Construction in Progress</u></b>						
Levee Survey & GPS Update	228,861	228,861	60,000	60,000	0	0%
Levee Improvement Project		0	6,000,000	7,000,000	1,000,000	17%
Replace Metal Storage Building Phase 1	1,075,998	1,075,998	852,550		(852,550)	-100%
Replace Metal Storage Building Phase 2			247,450		(247,450)	-100%
<b><u>Pipeline Replacement &amp; Rehab Engineering</u></b>						
Corporate Yard Renovation Design			350,000	350,000	0	0%
Construction Projects Environmental Review			10,000	20,000	10,000	100%
Spot Repair Design (High Frequency List)				350,000	350,000	
Pipeline Replacement Design				350,000	350,000	
Stowe Lane Design			200,000	200,000	0	0%
<b><u>Pipeline Replacement &amp; Rehab Construction</u></b>						
Isabella, Gilbert & Bay North - Phase 2 (Carryover \$1.5m)			2,500,000		(2,500,000)	-100%
Lower Ringwood / North Bay (Carryover \$1.5m)	2,500,625	2,500,625	1,500,000		(1,500,000)	-100%
Willow Pump Station Rehabilitation				700,000	700,000	
Bayfront Park Sanitary Sewer Improvements				1,250,000		
Misc Point Repairs (High Freq. List Repairs)			0	2,000,000	2,000,000	
<b>Total Construction in Progress</b>	<b>3,849,770</b>	<b>3,849,861</b>	<b>11,720,000</b>	<b>12,280,000</b>	<b>3,410,000</b>	<b>29%</b>
<b>Total Capital Fund Expenditures</b>	<b>3,893,654</b>	<b>3,953,745</b>	<b>12,751,750</b>	<b>14,292,500</b>	<b>4,864,500</b>	<b>38%</b>

**Reserves:**

The District reserves funds to protect cash flow between sewer service fee payments from the county, maintain fiscal stability, and reserve for future projects. The District has six individual investment accounts to reserve funds for various aspects of operations, plus two money market accounts, including the two accounts which are restricted and hold deposits from Sharon Heights Golf & Country Club (SHGCC) for the SRF loan on the Sharon Heights Recycled Water Facility (SHRWF). In addition, the District has two checking accounts and holds funds in Local Agency Investment Fund (LAIF), which are liquid and available to fund current Operations and Capital Projects.

Budget  
Fiscal Year 2022-23  
Reserve Contributions

<b><i>Reserve Contributions</i></b>	<b>Actual YTD 3/31/2022</b>	<b>Projected 6/30/22</b>	<b>Budget FY 2021/22</b>	<b>Budget FY 2022/23</b>	<b>Budget Change</b>	<b>% Var</b>
Operating Reserves Transfers (Target 6mo/Ops)	1,221,197	361,837	1,221,197	359,337	(861,860)	-71%
Rate Stabilization/Bond Reserve (Target \$10m)	0	0	0	300,000	300,000	
Treatment Plant Reserve (Target \$12m)	2,500,000	2,500,000	2,500,000	2,500,000	0	0%
Self-Insurance Reserve	0	31,410	31,410	58,638	27,228	87%
<b><u>Restricted Reserves</u></b>						
PARS Irrevocable Trust - Retirement	0	0	0	50,000	50,000	
PARS Irrevocable Trust - OPEB	0	50,000	50,000	25,000	(25,000)	-50%
<b><u>Capital Fund Reserves</u></b>						
Capital Project Reserves Transfers (Target \$6m)	0	0	0	200,000	200,000	
Emergency Capital Reserves Transfer (Target \$5m)	0	0	0	200,000	200,000	
Vehicle & Equip Replacement Reserve	371,315	371,315	371,315	389,881	18,566	5%
<b><u>Recycled Water Fund Reserves</u></b>						
Recycled Water Cash Flow Reserve (Target \$8m)	0	0	0	200,000	200,000	
Recycled Water SRF Reserve - Restricted (\$1.46k)	0	0	0	0	0	
<b>Total Reserve Contributions</b>	<b>4,092,512</b>	<b>3,314,562</b>	<b>4,173,922</b>	<b>4,282,856</b>	<b>108,934</b>	<b>3%</b>

**Reserves:**

The District has eight separate reserve accounts, with remaining reserves held in LAIF, including the Operating Reserve. District staff meets regularly with the Finance Committee to discuss reserves and takes their recommendations to the full Board for approval.

Annual contributions are considered to fund target reserves over short or long periods, based on the needs of the District. To fully fund all targets, the District would need approximately \$53.57 million designated to reserves. Based on the balances in all accounts, as of 3/31/22, the District has a net \$12 million over all targets, excluding \$4.4 million in liabilities for customer deposits.

- **Reserves.** Total reserve designations and transfers are \$3.2 million in FY 2022-23.
  - **Operating Reserve:** Designate \$359,337
    - Six months of operations provides cash flow between July and December, when the first sewer service charges are received.
    - Operating Reserves are held in LAIF, where they are available for cash flow.

- **Rate Stabilization Reserve:** \$300,000 to reach target.
- **Treatment Plant Reserve:** \$2,500,000 in FY 2022-23.
  - The District estimates funding reserve \$2.5 million annual, for five years beginning FY 2021-22, by direction from the Board approved June 9, 2021.
  - The District anticipates the need for \$7.1 million to avoid further SVCW debt, between FY 2024-25 and FY 2029-30.
- **Self-Insurance Reserve:** The \$58,638 savings from increased deductibles will be reserved for claim payments under the new higher deductibles.
- **Restricted Reserves.**
  - **Public Agency Retirement Services (PARS) Trust:**
    - **Retirement:** \$50,000 to reserve for future CalPERS retirement liability.
    - **Other Post-Employment Benefits:** \$25,000 to keep pace with increasing liability.
- **Capital Reserves.**
  - **Capital Project Reserve:** \$200,000 to reach target.
  - **Emergency Capital Project Reserve:** \$200,000 to reach target.
  - **Vehicle & Equip Replacement Reserve:** \$389,881, increased 5% annually.
- **Recycled Water Reserves.**
  - **Recycled Water Cash Flow Reserve:** \$200,000 to reach target.

**Solid Waste:**

The Solid Waste Fund has a net increase of \$2,010, a \$7,600 change from FY 2021-22. The Fund will have a Net Position of \$296,033.

- ***Solid Waste Fund Revenue.*** Franchise fees are received from Recology, which manages solid waste collection for the District. The budget is estimated at a 10% increase from FY 2021-22. Recology may have other changes, which are uncertain at this time; additional costs associated with implementation of California’s Short-Lived Climate Pollutant (SLCP) Reduction Strategy, SB 1383 and disposal costs at the Shoreway Environmental Center.
- ***Solid Waste Fund Expense.*** Allocated expenses for the Solid Waste program of \$107,990 is budgeted for rate studies, annual notification mailing, and overhead allocation. The annual Rate Study is based on the contract for this service, it was not done in FY 2021-22. The overhead to manage the Fund has increased by the Consumer Price Index of 4.2%, for the San Francisco-Oakland-Hayward Area, for the twelve months ending December 2021.

Budget  
Fiscal Year 2022-23  
Solid Waste Fund

	YTD 3/31/2022	Projected 6/30/22	Budget FY 2021/22	Budget FY 2022/23	Budget Variance	% Var
<b><u>Operating Income</u></b>						
Franchises	84,137	110,807	100,000	110,000	10,000	10%
<b>Total Income</b>	<b>84,137</b>	<b>110,807</b>	<b>100,000</b>	<b>110,000</b>	<b>10,000</b>	<b>10%</b>
<b><u>Expenditures</u></b>						
Rate Studies	0	0	42,000	42,000	0	0%
Mailings	1,911	1,911	5,000	5,000	0	0%
Public Relations	1,188	1,188	1,500	1,500	0	0%
Overhead Expense Allocation - General	42,818	57,090	57,090	59,490	2,400	4%
<b>Total Allocated Operating Expense</b>	<b>45,917</b>	<b>60,189</b>	<b>105,590</b>	<b>107,990</b>	<b>2,400</b>	<b>2%</b>
<b>Solid Waste Fund Beginning Balance</b>	<b>243,405</b>	<b>243,405</b>	<b>253,584</b>	<b>294,023</b>	<b>40,440</b>	<b>16%</b>
<b>Contribution To Solid Waste Fund</b>	<b>38,221</b>	<b>50,618</b>	<b>(5,590)</b>	<b>2,010</b>	<b>7,600</b>	<b>-136%</b>
<b>Solid Waste Fund Balance</b>	<b>281,626</b>	<b>294,023</b>	<b>247,994</b>	<b>296,033</b>	<b>48,040</b>	<b>19%</b>

**Recycled Water:*****Bayfront Recycled Water Project***

The proposed Bayfront Recycled Water Project is in early developments, with \$2.25 million capital budget in FY 2022-23; \$1 million for recycled water facility projected management and \$1.25 million for reclaimed water pipelines.

***Sharon Heights Recycled Water Facility***

The Sharon Heights Recycled Water Facility (SHRWF) was completed in FY 2021-22, for a project total of \$22,647,052. \$22,267,257 has been received from the State Revolving Fund, including a \$5,259,800 Water Recycling Funding Program Construction Grant and a State Revolving Fund (SRF) Loan of \$17,117,420. The District assumed full management of the facility beginning January 27, 2021. The current SRF loan balance is \$16,119,635, after two payments funded by Sharon Heights Golf & Country Club (SHGCC). Summary Recycled Water Fund statements are included on page 18-19, including detailed expenditures.

- **Revenue.** All costs of the facility are paid by the District and ultimately reimbursed by SHGCC. The revenue budget for FY 2022-23 is \$518,064, which represents the budget agreement with SHGCC, although SHGCC will reimburse for all costs associated with the SHRWF, including over budget. The District provided SHGCC with a projected budget in January 2022, which estimated annual calendar year operations and maintenance and is billed in equal monthly installments. The difference is reconciled and billed annually to SHGCC.
- **Expense.** Total Operating expenditures are estimated at \$1,320,869 for FY 2022-23, including \$752,805 in depreciation of the recycled water facility.
  - Operating Expenses were \$568,064.
    - Direct District expenses are budgeted at \$568,064, an 11% increase over FY 2021-22. This is aligned with the O&M Budget developed with SHGCC, with the addition of \$50,000 in Contractual Services for vendor maintenance packages.
    - Indirect Administration is \$19,620, 26% higher than FY 2021-22 budget and 11.6% higher than FY 2022-23 actual.
  - Depreciation expense is \$754,805 annually.
- **Non-Operating Income & Expenses.**
  - Non-Operating Income
    - \$1,600 in estimated interest income on the SHGCC SRF deposit.
  - Non-Operating Expenses
    - Although \$662,911 represent the principal and interest on the SRF loan payment, only the interest of \$161,196 is expensed. The principal amount reduces the loan balance.
- **Capital Contributions.**
  - \$662,911 represents the contributions from SHGCC for the SRF loan payments, due March 30 each year.

West Bay Sanitary District  
 Recycled Water Fund  
 Sharron Heights Recycled Water Facility  
 Budget  
 Fiscal Year 2022-23

	Actual YTD 3/31/2022	Projected 6/30/22	Budget FY 2021/22	Budget FY 2022/23	Budget Variance	% Var
<b>Fund Income</b>						
Operating Income						
Sharon Heights Golf & Country Club	409,254	545,672	509,860	704,940	195,081	38%
SHGCC - Avy Pump Station	202	202	0	0	0	
<b>Total Operating Income</b>	<b>409,456</b>	<b>545,874</b>	<b>509,860</b>	<b>704,940</b>	<b>195,081</b>	<b>38%</b>
<b>Fund Expenditures</b>						
Operating Expense	336,705	449,617	509,860	754,940	245,081	48%
Depreciation	566,176	752,805	754,902	752,805	(2,097)	0%
<b>Total Fund Expenditures</b>	<b>902,881</b>	<b>1,202,422</b>	<b>1,264,762</b>	<b>1,507,745</b>	<b>242,983</b>	<b>19%</b>
<b>Non-Operating Income (Expense)</b>						
Non-Operating Income	(2,265)	(2,265)	2,000	1,600	(400)	-20%
Non-Operating Expense	(166,164)	(166,164)	(166,164)	(161,196)	4,968	-3%
<b>Total Non-Operating Income</b>	<b>(168,428)</b>	<b>(168,428)</b>	<b>(164,164)</b>	<b>(159,596)</b>	<b>4,568</b>	<b>-3%</b>
<b>Capital Contributions</b>						
SHGCC Contribution for SRF Loan	662,911	662,911	662,911	662,911	0	0%
<b>Change in Net Position</b>	<b>1,058</b>	<b>(162,065)</b>	<b>(256,155)</b>	<b>(299,490)</b>	<b>(43,335)</b>	<b>17%</b>



West Bay Sanitary District  
Recycled Water Fund  
Sharron Heights Recycled Water Facility  
Budget  
Fiscal Year 2022-23

Fund Expenditures - Detail	Actual YTD 3/31/2022	Projected 6/30/22	Budget FY 2021/22	Budget FY 2022/23	Budget Variance	% Var
<b><u>Operating Expense</u></b>						
Salaries & Wages	53,028	70,704	110,819	90,037	(20,782)	-19%
Employee Benefits	26,710	35,613	47,572	27,083	(20,489)	-43%
Indirect Labor	24,571	32,761	29,817	19,992	(9,825)	-33%
Standby	13,300	17,733	2,173	19,764	17,591	810%
Overtime	15,150	20,201	10,000	30,000	20,000	200%
<b>Total Salaries, Wages &amp; Benefits</b>	<b>132,759</b>	<b>177,012</b>	<b>200,381</b>	<b>186,876</b>	<b>(13,505)</b>	<b>-7%</b>
<b><u>Other Operating Expense</u></b>						
Fuel	0	0	0	0	0	
Insurance	22,182	29,576	25,095	35,000	9,905	39%
Memberships	0	0	0	0	0	
Office Expense	33	45	0	0	0	
Operating Supplies	13,921	18,561	12,600	16,200	3,600	29%
Contractual Services	0	0	0	50,000	50,000	
Professional Services	18,459	24,611	10,000	10,000	0	0%
Printing & Publications	0	0	0	0	0	
Rents & Leases	0	0	0	0	0	
Repairs & Maintenance	17,181	22,908	12,000	12,408	408	3%
Research & Monitoring	13,430	17,907	27,375	22,440	(4,935)	-18%
Training, Meetings & Travel	0	0	0	0	0	
Utilities	101,435	135,246	194,352	205,520	11,168	6%
Licenses & Permits	4,622	6,163	12,500	10,000	(2,500)	-20%
Other Operating Expenses	0	0	0	0	0	
<b>Subtotal Operating Expenses</b>	<b>324,021</b>	<b>432,028</b>	<b>494,303</b>	<b>548,444</b>	<b>54,142</b>	<b>11%</b>
Administrative Expense	12,684	17,589	15,557	19,620	4,063	26.12%
<b>Direct Expenditures</b>	<b>336,705</b>	<b>449,617</b>	<b>509,860</b>	<b>754,940</b>	<b>245,081</b>	<b>48%</b>
Depreciation	566,176	752,805	754,902	752,805	(2,097)	0%
<b>Total Operating Expense</b>	<b>902,881</b>	<b>1,202,422</b>	<b>1,264,762</b>	<b>1,507,745</b>	<b>242,983</b>	<b>19%</b>
<b><u>Non-Operating Income &amp; Expense</u></b>						
<b><u>Other Non-Operating Income</u></b>						
Interest Income, Gains on Investments	(2,265)	(2,265)	2,000	1,600	(400)	-20%
<b>Total Non-Operating Income</b>	<b>(2,265)</b>	<b>(2,265)</b>	<b>2,000</b>	<b>1,600</b>	<b>(400)</b>	<b>-20%</b>
<b><u>Other Non-Operating Expense</u></b>						
SRF Loan Payment - Principal	(496,747)	(496,747)	(496,747)	(501,715)	(4,968)	1%
SRF Loan Payment - Interest	(166,164)	(166,164)	(166,164)	(161,196)	4,968	-3%
<b>Total Non-Operating Expense</b>	<b>(166,164)</b>	<b>(166,164)</b>	<b>(166,164)</b>	<b>(161,196)</b>	<b>4,968</b>	<b>-3%</b>

**RESOLUTION NO. \_\_\_\_\_ (2022)**

IN THE DISTRICT BOARD OF THE WEST BAY SANITARY DISTRICT

COUNTY OF SAN MATEO, STATE OF CALIFORNIA

\*\*\*\*\*

BE IT RESOLVED that the annexed Fiscal Year 2022/2023 General Fund, Capital Assets Fund, Solid Waste Fund, and Recycled Water Fund Budgets, for West Bay Sanitary District is hereby approved.

\*\*\*\*\*

Passed and adopted by the District Board of the West Bay Sanitary District at a regular meeting thereof held on the 8<sup>th</sup> day of June, 2022, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

---

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



## WEST BAY SANITARY DISTRICT AGENDA ITEM 7

**To:** *Board of Directors*

**From:** *Sergio Ramirez, District Manager*  
*Debra Fisher, Finance Manager*

**Subject:** *Consideration to Adopt Resolution Establishing Rates of Pay and Related Compensation Provisions*

---

### Background

On July 17, 2019, the Board adopted a Memorandum of Understanding (MOU) between the District and Teamsters Local 350. The provisions in the MOU include approved pay increases, effective July 1, 2019. Increases were determined for the five-year term of the MOU. The 4% increase per year is effective on July 1 of every year and is based on the approved MOU.

Subsequently, the Board approved the current Rates of Pay schedule on June 23, 2021.

### Analysis

The attached Resolution is required to adjust the individual salary ranges by 4% and related compensation provisions for represented, unrepresented, and management employees. This will be the 4<sup>th</sup> adjustment to salaries under the current contract with one remaining 4% increase in July 1, 2023.

The current MOU contract expires on June 30, 2024.

### Fiscal Impact

Salaries and employee benefits will increase per the terms of the MOU and as approved by the Board of Directors. Employees will continue to contribute to the employer's PERS portion at a rate of .25% per year beginning July 1, 2019. Effective July 1, 2022, the total rate is now 1.00%. Additionally, the employee shall pay to PERS the employee's portion of the total required contribution (i.e. 8% of pay for Classic Tier I, 7% Classic Tier II, and 6.75% of pay for PEPRA staff). Currently twelve employees are in Tier I, one employee is in Tier II, and sixteen employees are in PEPRA.

### Recommendation

The District Manager recommends adoption of the attached Resolution.

---

**RESOLUTION NO. \_\_\_\_ (2022)**

**RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION  
PROVISIONS FOR CERTAIN EMPLOYEES OF THE WEST BAY SANITARY DISTRICT**

\*\*\*

*BE IT RESOLVED BY THE DISTRICT BOARD OF THE WEST BAY SANITARY DISTRICT,  
COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AS FOLLOWS:*

1. Executive Employees (FLSA exempt). The following monthly salary rates in dollars are hereby established for each of the employee positions within the executive employee category as hereinafter set forth, and the individuals duly appointed to said positions of employment shall be compensated at such rates for all services rendered to this District.

<b>Position</b>	<b>Salary Rate</b>
District Manager	17,396 – 21,875

2. Management Employees (FLSA exempt). The following monthly salary rates in dollars are hereby established for each of the employee positions within the management employee category as hereinafter set forth, and the individuals duly appointed to said positions of employment shall be compensated at such rates for all services rendered to this District.

<b>Position</b>	<b>Salary Rate</b>
Projects & IT Manager	11,641 - 16,296
Operations Superintendent	10,844 - 15,724
Water Quality Manager	10,519 - 15,724
Finance Manager	11,475 – 15,381
Office & Communications Manager	7,195 - 10,433

3. General Employees (unrepresented). The following monthly salary rates in dollars are hereby established for each of the listed employee positions within the general employee (unrepresented) category as hereinafter set forth, and the individuals duly appointed to said positions of employment shall be compensated within such rates for all services rendered to this District.

<b>Position</b>	<b>Salary Rate</b>
Assistant Operations Superintendent	9,397 - 12,687
Water Quality Supervisor/Operator	9,397 - 12,687
Pump Facility Supervisor	9,470 - 12,252
Operations Supervisor	9,470 - 12,252
Information Technology Analyst	6,991 – 10,489
Engineering Technician	8,258 - 11,506
Personnel & Accounting Specialist	7,253 - 9,466
Administrative Technician	5,900 - 8,260
Part-Time Clerical Assistant	22 - 27/hour

4. General Employees (represented). The following monthly salary rates in dollars are hereby established for each of the listed employee positions within the general employee (represented) category as hereinafter set forth, and the individuals duly appointed to said positions of employment shall be compensated within such rates for all services rendered to this District.

<b>Position</b>	<b>Salary Rate</b>
Construction Inspector	8,256 - 11,508
Source Control Inspector	8,256 - 11,508
Field Supervisor	6,879 - 10,489
Rehabilitation Technician	6,316 - 9,377
Pipeline Inspection Technician	6,316 - 9,377
Maintenance Mechanic	6,316 - 9,377
Utility Worker / Operator in Training	6,316 - 9,377
Maintenance Worker	5,736 - 8,260
Temporary Maintenance Worker	27-36/hour

5. Health Benefits Plan.

(a) Subject to all terms and conditions of any agreement which may be entered into between this District and any organization or organizations offering health, dental and/or vision insurance and the provisions of the Public Employees' Medical and Hospital Care Act, the District shall contribute for each employee enrolled the amount necessary to pay for the full cost of his or her enrollment, including the enrollment of his or her family members in a health benefits plan up to the amount required pursuant to Section 22892 of the Government Code.

(b) Subject to all terms and conditions of any agreement which may be entered into between this District and any organization or organizations offering health, dental and/or vision insurance and the provisions of the Public Employees' Medical and Hospital Care Act, the District shall contribute for each annuitant the amount required pursuant to Section 22892 of the Government Code.

(c) The District may, at its sole discretion, enter into, amend, or cancel any agreement between this District and any organization or organizations offering health, dental and/or vision insurance.

6. Optional Benefits Package ("Cafeteria Plan"). Subject to all terms and conditions of any agreement which may be entered into at the employees' option between employees and any organization offering either health, dental, vision and/or universal life insurance benefits, the District shall pay to all represented and unrepresented employees the amount specified in the adopted Memorandum of Understanding Between the West Bay Sanitary District and Teamsters Local 350 adopted by the Board of Directors for the premium of such optional benefits attributable to management, represented, and unrepresented employees of the District.

7. Life Insurance. Subject to all terms and conditions of any agreement which may be entered into between this District and any organization or organizations offering life insurance coverage benefits, the District shall furnish to each employee general life

insurance coverage, the face amount of which shall be equal to one and a half (1.5) times the annual salary of the employee.

8. Deferred Compensation. The District will provide matching contributions for unrepresented employees at a one (1) to 0.75 ratio to a maximum of 3% of salary. I.E. If an employee contributes 4% of their salary to a 457 Deferred Compensation plan the District will contribute 3% of salary equivalent to the employee's 457 Deferred Compensation plan.

9. Retention Plan. In order to promote the retention of "Critical Positions" within the District, the District Manager is authorized to exceed the salary ranges for individuals within this category up to 1-1/2% of base salaries for the positions deemed critical to be distributed at the District Manager's discretion based on achievement of performance goals established for the individuals within the category. Positions deemed critical are determined by recommendation of the District Manager and approved by the District Board.

10. Retirement Plan. Subject to the provisions of this Resolution, retirement benefits for employees qualifying therefore shall be provided in accordance with, and pursuant to that certain contract between the Board of Administration of the Public Employees' Retirement System ("PERS") of the State of California and the District Board of this District, and amendments thereto approved by Resolution No. 628, adopted March 26, 1973 and subsequent Resolutions.

Subject to other provisions of the contract and Resolutions referred to above, the District shall pay to PERS the employer portion. Employees will contribute to the employer's PERS portion at a rate of .25% per year affective July 1, 2019. Effective July 1, 2020, 0.5%; effective July 1, 2022, 0.75%; effective July 1, 2022, 1.00%; and effective July 1, 2023 1.25%. Additionally, the employee shall pay to PERS the employee's portion of the total required contribution (i.e. 8% of pay for Classic Tier I, 7% for Classic Tier II, and 6.75% for PEPRA members).

11. Interpretation. The provisions of the Resolution shall be administered and interpreted in accordance with and pursuant to Resolution No. 759 of this District, adopted June 13, 1977 (and as amended). Nothing herein shall be deemed a limitation upon any other term and condition of employment, or agreements, or provisions relating thereto, except as specifically herein contained.

12. Effective Date. This Resolution shall be effective on July 1, 2022.

BE IT FURTHER RESOLVED that any and all previously adopted Resolutions or provisions thereof in conflict with the provisions herein contained, be and are hereby, rescinded.

\*\*\*\*\*

Passed and adopted by the District Board of the West Bay Sanitary District at a regular meeting thereof held on the 8<sup>th</sup> day of June, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
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

THIS PAGE LEFT INTENTIONALLY BLANK





## WEST BAY SANITARY DISTRICT AGENDA ITEM 8

**To:** *Board of Directors*

**From:** *Sergio Ramirez, District Manager*

**Subject:** *June 8<sup>th</sup>, 2022 Update Report on District Response to Corona Virus*

---

### **Background**

In early March of 2020, the outbreak of Corona Virus in the USA caused Federal, State and Local governments to enact several laws, regulations and guidelines to mitigate the impact of the spread and severity of the virus including Shelter in Place. The District has been busy employing measures to meet those regulations and guidelines as well as taking action to ensure the safe working conditions of staff and minimize exposure of and interaction with the public.

### **Analysis**

The District has thus far taken action in regards to: Shelter in Place, Social Distancing, Personal Protective Equipment, and the Injury and Illness Prevention Program (IIPP).

*Shelter in Place:* The District as a wastewater agency has been designated as an “Essential Service” and supplied employees with letters drafted by legal counsel that can be shown to legal authorities, if required, to justify their travel to, during and from work. In addition, the District has developed a Modified Work Schedule that requires individuals to stay at home or telecommute in order to reduce interaction and thus the potential of any spread of the virus among District staff. The District has also implemented the use of Zoom for meetings to reduce the need for consultants, partners, the public and Board member to attend in person. A camera and large screen have been installed to accommodate this mode of virtual meetings.

*Social Distancing:* District staff has employed several measures related to Social Distancing including; limiting meeting size to 10, marking seating spots at tables with 6 foot separation, signage encouraging 6 foot distancing, separation of reporting stations

---

**Report to the District Board for the Regular Meeting of June 8, 2022**

to include the FERRF, Plexi-glass shields at the counter and between workspaces that cannot achieve 6 foot distancing, and closing of the District Office to the public unless by appointment.

*Personal Protective Equipment (PPE):* The District has been engaged in supplying employees and Board members with several forms of Personal Protective Equipment and emphasizing the frequent and regular use of this equipment. These items include: The distribution of hand sanitizer to employees and Board members, wipes for counters, chairs and tables, installation of hand sanitizer at counter, tables and offices, N95 masks to all employees, increased counts coveralls, face shields, goggles etc.

This has caused the District to reassess its inventory and at what levels of existing stock should trigger new orders so that the District can maintain adequate levels of important supplies to carry us not only through traditionally thought of natural disasters but pandemics such as this. To that end staff has developed an improved inventory check list that includes contact information for ordering, expected lag times in ordering, minimum levels of stock, Trigger-levels for ordering, dates of stock added to inventory and so on. This should help us be better prepared for future events where PPE can be in short supply or difficult to obtain and District operations can continue uninterrupted.

*Injury and Illness Prevention Program:* The District has made a significant effort in the way of training employees in how to deal with the COVID 19 response. We have developed SOP's for both field staff and office staff in dealing with customers while maintaining social distancing, utilizing PPE, and remote permitting etc. We have complied with local health officials requirement to complete and post at all entrances the Social Distancing Protocols and used that and our SOP's as a basis for developing a comprehensive COVID 19 Preparedness and Response program.

The District has taken great efforts to inform the public of changes in business procedures during this time including website postings, posting notices and information on all entrance doors, mailings of letters and flyers to residents, and ads in Facebook and YouTube. The use of Wipes has emerged as a huge problem for the District and our outreach has included addressing this problem in the flyers, ads, and correspondence to persuade our constituents to refrain from flushing wipes.

*May 13 update:* The District has found that it takes at least 3 weeks from the date of order to delivery of consumable PPE items such as; N95 face masks (we have received 2,000 masks since the first March order), 500 face shields, and 150 goggles to protect the field staff from droplets and mist while cleaning the sewer lines.

The District will now be faced with transitioning back to normal operations. The District Office is open on Friday by appointment only. Construction activities are increasing and inspections are being scheduled much more frequently. Social Distancing and PPE will continue to be key elements of District life for the foreseeable future.

*May 27 update:* The District has opened the office to the public on Tuesdays and Thursdays. Stickers on the floors and notices on the doors and shields at the counters have been placed to remain compliant with the Health Dept. Wipes and signs have been placed in the bathrooms. All the departments except Administration have returned to normal work hours (which are mostly 9/80 schedule but crews are still separated with the Satellite Office/Corp Yard. As a result of these changes have updated the COVID 19 response plan and affixed to entry doors as required.

*June 10 update:* Staff is resuming normal Pre-COVID 19 work schedules beginning June 8, with the exception of some of the Admin staff. Office hours will open up to Monday through Thursday 9am to 3pm.

*June 24 update:* As of Friday, June 12 the Administration Office was open by appointment. Office hours continue to be open Monday through Thursday 9am to 3pm. Staff is continuing to make a concerted effort to be available to the public and contractors for business.

*July 8 update:* The current YouTube advertisement advising customers not to flush wipes or towels has been viewed by 220,653 people and 24% or 50,759 have viewed the video to completion.

*August 12 update:* When an employee has been in contact with a known or possible COVID 19 positive patient or been in contact with someone who has been in contact with a confirmed COVID 19 positive patient they will asked to stay home for a 14-day self-quarantine period and will be asked to be tested for COVID 19. If the employee is well enough during the self-quarantine period, they will work from home during this time. As soon as the employee is COVID 19 negative, they will be asked to return to work.

*September 9 update:* The District's COVID-19 Preparedness and Response Program has been updated through DuAll Safety to include usage of current San Mateo County Health Department signage, updated social distancing protocol (verbiage and links for continuing SIP order), CDC updates on Coronavirus symptoms, addition of cloth face mask and San Mateo County Health guidelines. Training to be scheduled for September with DuAll Safety (by ZOOM) for all current updates. Staff has purchased two disinfecting fog machines to disinfect surfaces in the Admin and Maintenance Buildings, and Operations Building at FERFF. Disinfection of surface are being done weekly.

*September 23 update:* Two employees are currently out sick and in quarantine due to a possible exposure to COVID-19 per District's protocol memorialized in our August 12, 2020 update (above) "*When an employee has been in contact with a known or possible COVID 19 positive patient or been in contact with someone who has been in contact with a confirmed COVID 19 positive patient they will asked to stay home for a 14-day self-quarantine period and will be asked to be tested for COVID 19.*" Once the

employees test negative for COVID-19, or quarantine for 14 days, they will be allowed back to work.

*October 14 update:* No updates at this time.

*October 28 update:* Updated training on the Response Program will be conducted in October. Two office employees were experiencing COVID-19 symptoms and were asked to work from home until test results were available. Both employees tested negative and have returned to work.

*November 18 update:* Updated training on the Response Program will be conducted on November 16.

*December 9 update:* The District is following all County of San Mateo increased COVID-19 restrictions and has cancelled our Holiday Luncheon out of an abundance of caution.

*January 13, 2021 update:* The front office is now limiting customers inside the lobby to no more than one. Others are asked to socially distance outside while they wait. Staff is working on the new COVID-19 Prevention Emergency Temporary Standards regarding prevention and reporting outbreaks.

*January 27, 2021 update:* The new COVID-19 Prevention Plan is complete and staff will receive training shortly.

*February 10, 2021 update:* Updated training on the Response Program was provided on February 2.

*February 24, 2021 update:* District Manager issued COVID-19 Vaccine letter to staff so they may schedule their vaccine on or after February 22, 2021 as part of the Phase 1B.

*March 10, 2021 update:* To date 7 employees have received at least one vaccine shot and approximately 3 others have received appointments.

*March 24, 2021 update:* Approximately 10 employees have been vaccinated.

*April 14, 2021 update:* The front office is back open to the public with limited hours of 9am-3pm Monday thru Friday with one customer being allowed in the lobby at a time. All four front office staff have received their second vaccine. Approximately, 33% of all staff have received one or more vaccine shots.

*April 28, 2021 update:* Approximately 50% of West Staff has been vaccinated. Effective May 3<sup>rd</sup> the Administrative staff will begin to work in the office full time, rather than from home, as they were for one to two days per week.

*May 12, 2021 update:* West Bay staff is back to working in the office full time and we are continuing have the front office opened to the public Monday through Friday. Over 50% of all staff are now vaccinated.

*May 26, 2021 update:* According to voluntary data, approximately 70% of West Bay staff have been vaccinated. Staff continues to follow Health Department guidelines.

*June 9, 2021 update:* Staff is following the County and State updates closely as restrictions ease up.

*June 23, 2021 update:* The District has made no changes to our existing COVID-19 policy but it is currently under review for updates and we are following Cal/OSHA and County of San Mateo requirements.

*July 14, 2021 update:* Staff is working with legal counsel and Du-All Safety to update the COVID 19 Response Plan. Training will take place in July on the updated plan.

*July 28, 2021 update:* There is no update since the July 14, 2021 Board meeting.

*August 18, 2021 update:* There is no further update since the July 14, 2021 Board Meeting.

*September 8, 2021 update:* The District is considering mandatory vaccination for staff.

*September 22, 2021 update:* District Manager and Legal Counsel will meet with Teamsters Local 350 to discuss mandatory vaccination.

*October 13, 2021 update:* There is no further update since the September 22, 2021 Board meeting.

*October 27, 2021 update:* There is no further update since the October 13, 2021 Board meeting.

*November 10, 2021 update:* An email was sent to staff letting them know that West Bay will mandate COVID-19 vaccinations.

*December 8, 2021 update:* On November 8, 2021 the District Manager and Safety Officer (Water Quality Manager) held training regarding the COVID-19 vaccine mandate. Staff has been submitting proof of vaccination to Human Resources since the training was held.

*January 12, 2022 update:* All employees and Board Members have provided proof of vaccination by the December 30 deadline.

*January 26, 2022 update:* State indoor mask mandate in effect until February 15. Front office staff is working from home two days per week to limit exposure.

*February 9, 2022 update:* Staff is working with DuALL Safety to update the response plan and will incorporate the latest CDC guidelines and requirements.

*February 23, 2022 update:* Staff is working with District Counsel to incorporate all of the recent guidelines with the various government bodies, if possible.

*March 9, 2022 update:* The office staff has returned to an in-full office work schedule after the latest COVID-19 surge. The District has prepared an update to COVID-19 Response Plan and will hold training in March.

*March 23, 2022 update:* Staff was trained on updated COVID-19 Response Plan on March 10. Masks are no longer required at this time unless staff is helping the public.

*June 8, 2022 update:* With the recent surge in COVID-19 cases, the District has two employees out with COVID-19 and three others working from home as a precaution.

### **Fiscal Impact**

While there has been considerable expense to implementing some of the COVID 19 mitigation measures such as; converting the FERRF office space (approx. \$2,000), purchasing PPE for stock (\$8,000 to \$10,000), Public Outreach (\$10,500), Zoom Meeting Equipment (approx. \$6,000) these expenses were absorbed in the Operating budget. The FY2020-21 Budget was impacted by the effects of the national COVID 19 response. To date approximately \$5300.00 has been spent in PPE, \$2000.00 in disinfecting equipment, and \$1927.00 in producing and updating the COVID 19 Response Plan. Cost are continuing to be tracked in FY2021-22.

### **Recommendation**

The District Manager recommends the Board accept this report and provide comments to the District Manager in regards to the report. Additional information may be available at the Board meeting as conditions and responses are rapidly changing throughout the COVID-19 pandemic.



**WEST BAY SANITARY DISTRICT  
AGENDA ITEM 9**

**To: Board of Directors**

**From: Sergio Ramirez, District 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 opportunity to provide direction to staff and legal counsel.

**Recycled Water Facility Production Data:**

<b>2020</b>	<b>Treated</b>	<b>Delivered</b>
August	8.8MG	8.2MG
September	8.2MG	5.1MG
October	7.4MG	4.5MG
November	5MG	1.4MG
December	4.7MG	.55MG
<b>2021</b>	<b>Treated</b>	<b>Delivered</b>
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
<b>2022</b>	<b>Treated</b>	<b>Delivered</b>
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

\* 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 10**

**To:***Board of Directors*

**From:***Sergio Ramirez, District 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 opportunity to provide direction to staff and general counsel.

THIS PAGE LEFT INTENTIONALLY BLANK



**WEST BAY SANITARY DISTRICT  
AGENDA ITEM 11**

**To: Board of Directors**

**From: Sergio Ramirez, District Manager**

**Subject: Report and Discussion on South Bayside Waste Management Authority (SBWMA)**

---

The District's representative to South Bayside Waste Management Authority (SBWMA), President Fran Dehn, will report on any pertinent items regarding SBWMA business.

THIS PAGE LEFT INTENTIONALLY BLANK



**WEST BAY SANITARY DISTRICT  
AGENDA ITEM 12**

**To:            *Board of Directors***

**From:         *Sergio Ramirez, District 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 June 8, 2022**

THIS PAGE LEFT INTENTIONALLY BLANK