



*1902 - Serving Our Community for over 110 Years - 2019*

**WEST BAY SANITARY DISTRICT  
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD  
WEDNESDAY, FEBRUARY 13, 2019 AT 7:00 P.M.**

**1. Call to Order**

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

**Roll Call**

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

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Scott, Hall

Others Present: John Farnkopf & Rick Simonson – HF&H

**2. Communications from the Public: None.**

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

Motion by: Moritz 2<sup>nd</sup> by: Walker Vote: AYE: 5 NAY: 0 Abstain: 0

Comments: Rick Simonson outlined the rate study which includes projected reserve balances for FY 18/19. The projected rate increase for single and multi-family is 4.5% and various impacts as stated in the report on non-residential.

**4. District Manager's Report**

Comments:

**1) CIP Project:**

- a. Belle Haven III CIP construction began July 23. Currently performing pipe-bursting to replace some segments of sewer main. 60% complete.
- b. FERRF Metal Storage Building Update: Preconstruction meeting held Wednesday, January 30. Construction to begin April 1.
- c. Alpine Road Pipeline Replacement Project Update: Preconstruction meeting held January 30. Construction to begin March 18.
- d. FERRF Levee Project: Government shut down prevented scheduling of a meeting to discuss the strip of CMPK land between FERRF and Bay.

**2) Affiliate Agency/Association News:**

- a. **SLAC:** District Staff and Consultant working with SLAC staff to finalize the implementation plan for meeting the BMP of the Mandatory Wastewater Discharge Permit Amended November 15, 2018. The implementation plan consists of providing

for time-delay discharge to avoid excessive salts introduced in the recycled water facility's process.

- b. **Facebook ORTP:** Staff and Consultants are working with Facebook on the permit conditions of a Discharge permit for their Onsite Reuse Treatment Plant.
- c. **LAFCo:** LAFCo Special Districts Representative nomination and election at Feb 12 meeting.
- d. **CWEA:** Sergio Ramirez received a plaque for his service as through the Chair of the Santa Clara Valley Section of the California Water Environment Association.
- e. **SVCW:** Considering a 40-year financing structure for the Pump Station Rehab and Tunneling project work.
- f. **Atherton Civic Center Project:** Project out for bid again and opening bids on 2/27.

3) **Upcoming Events:**

- a. **Board meetings:** February 27 –. May 8 5pm Budget Workshop. April 24 will need quorum for sewer service charges rates.

4) **Misc./Action Items from Previous Meeting:**

- a. **SSOs:** One SSO for January. Caused by Design/Build contractor. Warning letter sent. 2019 Total = 1.
- b. **10 Coyote Hill, PV:** Engaging Geotech firm through F&L Engineering to find cause of erosion on hillside within District easement, document and develop engineering plan for remediation.

5. **Consent Calendar**

- A. Approval of Minutes for Regular meeting January 23, 2019
- B. Approval of the Withdrawal Order Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters for January 23, 2019
- C. WBSD Operations and Maintenance Report – January 2019
- D. Town of Los Altos Hills Operations and Maintenance Report for Work Performed by WBSD – January 2019
- E. Consideration of a Resolution of Intention to Annex Certain Territory (15 Kiowa Ct, Portola Valley) to the West Bay Sanitary District On-Site Wastewater Disposal Zone and to Establish the Date and Time of Public Hearing
- F. Consideration of a Resolution of Intention to Annex Certain Territory (40 Sioux Way, Portola Valley) to the West Bay Sanitary District On-Site Wastewater Disposal Zone and to Establish the Date and Time of Public Hearing
- G. Consideration of Authorizing the District Manager to Issue Class 3 Sewer Permit No. 1086 for the Construction of Wastewater Facilities for 155 Cherokee Way, Portola Valley, California
- H. Consideration of Resolution Accepting Deed of Easement for 815 Bay Road, Menlo Park, California

Motion by: Moritz 2<sup>nd</sup> by: Theile-Sardiña Vote: AYE: 5 NAY: 0 Abstain: 0

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

Comments: None.

### **6. Consider to Approve Second Quarter Internal Financial Statements & Analysis of Financial Position as of Quarter End December 31, 2018**

Motion by: Theile-Sardiña 2<sup>nd</sup> by: Walker Vote: AYE: 5 NAY: 0 Abstain: 0

Comments: None.

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

Comments: DM Scott reported that the SFPUC permit is in process, PG& E agreements are nearly complete and Caltrans water use agreement complete allowing for the exception variance to be submitted for approval. Submitted pre-application for grant to IRWM. DM Scott will attend Membrane User Group on April 29.

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

Comments: President Dehn reported that new Board members were introduced at the last meeting from Foster City, East Palo Alto and San Carlos. The meeting included the election of Board Chair and Vice Chair for 2019: Board Chair Benton and Vice Chair Aguire were selected. The Board approved a resolution for the 2019-2020 Public Education Plan, a 2-year contract with Environmental and Energy Consultants for legislative and regulatory processes and staff provided an update on Municipal Finance advisor selection and bond refunding. Amendment One recommendations to Model Franchise Agreement will be considered by the Board at the February meeting. Joe La Mariana will present to the District Board details on the SBWMA bond funding on May 8.

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

Comments: DM Scott reported the District Board will consider the upcoming SVCW agenda items that include approval of the 9<sup>th</sup> amendment of JPA and 2<sup>nd</sup> amendment to finance agreement on March 27. SVCW SRF loan will not be closing this summer as expected. Secretary Otte reported that progress is being made on various SVCW legal items. DM Scott also reported that \$13M due in July 2019 for bond payment and asked for direction of budgeting the payment. Options include using \$7.5 from Rate stabilization fund, use SVCW line of credit or use District cash. Board consensus was to stay away from use of line of credit and pursue the other options.

## 10. Closed Session

- A. CONFERENCE WITH LABOR NEGOTIATORS  
(Pursuant to Cal. Govt. Code §54957.6) Agency designated representatives: District Manager, Legal Counsel  
Employee Organization: Exempt Employees, Unrepresented Employees, & Teamsters Local 350
- B. CONFERENCE WITH LABOR NEGOTIATORS  
(Pursuant to Cal. Govt. Code §54957.6)  
Agency designated representatives: District Manager  
Unrepresented employee – Finance Manager
- C. 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

Entered closed session at 8:45 p.m. Left closed session at 9:07 p.m.

Reportable action: None

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

Comments: Director Walker asked for staff to look into providing increased security with District emails in an effort to prevent fraud. DM Scott assured Director Walker he has explored this and everything possible is being done in this effort.

**12. Adjournment Time:** The meeting was adjourned at 9:13 PM

/s/ George Otte  
Secretary