

1902 - Serving Our Community for over 115 Years - 2021
WEST BAY SANITARY DISTRICT
AGENDA OF BUSINESS
REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, JUNE 23, 2021 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

District Legal Counsel

Anthony Condotti, Esq.

AGENDA OF BUSINESS

NOTICE OF PUBLIC PARTICIPATION BY TELECONFERENCE or ZOOM ONLY

Pursuant to Governor Newsom's Executive Order N-29-20, 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 or by Zoom, and may submit comments in advance by email addressed to treese@westbaysanitary.org by 4:00 p.m. on Wednesday, June 23rd.

To participate by telephone or Zoom meeting, public comments can be made by joining Zoom meeting at: <https://zoom.us/j/99210338768?pwd=ZWNGNkpQc2owYjRHd0RRWk1oWndwUT09>
Meeting ID: 992 1033 8768 Passcode: 392579

Or by phone, call: 1-669-900-6833 Meeting ID: 992 1033 8768 Passcode: 392579

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 June 9, 2021 Pg. 3A-1

4. District Manager's Report Pg. 4-1
5. Discussion and Direction on Annexation Reimbursement Agreements Pg. 5-1
6. Discussion and Direction on Annexing Certain Territories of the Town of Portola Valley into the West Bay Sanitary District Pg. 6-1
7. June 23rd Update Report on District Response to Corona Virus Pg. 7-1
8. Report and Discussion on Sharon Heights Recycled Water Plant Pg. 8-1
9. Discussion and Direction on Bayfront Recycled Water Project and Status Update Pg. 9-1
10. Report and Discussion on South Bayside Waste Management Authority (SBWMA) Pg. 10-1
11. Report and Discussion on Silicon Valley Clean Water (SVCW) Plant Pg. 11-1
12. Closed Session
 - A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR NEGOTIATORS
Agency designated representatives: District Manager/Legal Counsel
Unrepresented & Exempt employees: Exempt Staff
 - B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR NEGOTIATORS
Agency designated representatives: Board President/Legal Counsel
Unrepresented employee: District 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
13. Consideration to Adopt Resolution Establishing Rates of Pay and Related Compensation Provisions Pg. 13-1
14. Consideration of Resolution Authorizing the President and Secretary of the District Board to Restate and Amend Employment Agreement Between the West Bay Sanitary District And Sergio Ramirez (District Manager) Pg. 14-1
15. Comments or Reports from Members of the District Board and Consider Items to be Placed on Future Agenda
16. Adjournment

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



1902 - Serving Our Community for over 115 Years - 2021

**WEST BAY SANITARY DISTRICT
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, JUNE 9, 2021 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, Treasurer Thiele-Sardiña, Director Moritz

BOARD MEMBERS ABSENT: Director Otte

STAFF MEMBERS PRESENT: Ramirez, Fisher, Condotti by Zoom

Others Present: E.J. Shalaby

2. Communications from the Public: None.

3. Public Hearing - Annexing Certain Territory Within the West Bay Sanitary District's On-Site Wastewater Disposal Zone – Lands of Turnquist (4 Navajo Place, Portola Valley) Zone

Motion to Open by: Thiele-Sardiña 2nd by: Moritz Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: None.

Motion to Close by: Walker 2nd by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

4. Consideration of Adopting Resolution Ordering Annexation of Certain Parcels in the Territory of West Bay Sanitary District to the West Bay Sanitary District's On-Site Wastewater Disposal Zone Including Certain Determinations, Findings and Declarations of the District Board – Lands of Turnquist (4 Navajo Pl, Portola Valley)

Motion to Approve by: Thiele-Sardiña 2nd by: Moritz Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: None.

5. Consent Calendar

Motion to Approve by: Moritz 2nd by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

CONSIDERATION OF ITEM(S) REMOVED FROM THE CONSENT CALENDAR

Comments: None.

- A. Approval of Minutes for Regular meeting May 26, 2021
- B. Approval of the Financial Activity Report Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters thru May 31, 2021
- C. WBSD Operations and Maintenance Report – May 2021
- D. Town of Los Altos Hills Operations and Maintenance Report for Work Performed by WBSD – May 2021
- E. Town of Woodside Operations and Maintenance Report for Work Performed by WBSD – May 2021
- F. Consideration of Resolution Consenting to Annexation of Territory to the West Bay Sanitary District by the San Mateo County Local Agency Formation Commission – 4 Navajo Place, Portola Valley (077-300-130), Lands of Turnquist
- G. Consideration of Authorizing the District Manager to Consent to the Relocation of Public Utility Easement at 104 & 110 Constitution Drive and 115 Independence Drive, Menlo Park, properties of the Menlo Portal Project
- H. Bank of the West Monthly Investment Portfolio Statements

6. Consideration to Approve Contract Change Order No. 1 to Aztec Consultants, Inc. for the New Metal Storage Building Project in Menlo Park, CA

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

Comments: District Manager Ramirez reported the contractor has submitted a change order. The change order includes additional design, fire protection, mechanical modifications, added electrical, additional material costs, and permits. Secretary Walker asked to have a detailed breakdown of the change order sent to the Board of Directors.

7. District Manager's Report

Comments: District Manager Ramirez reported, the County of San Mateo has now come back with two options in order to better coordinate the project on Ringwood Road. District staff asked the County to delay starting their resurfacing project. The County informed District staff it may be necessary to pay up to \$78,000 to the County for delaying their contractor. District Manager Ramirez suggested to the Board of Directors that they should consider an upcoming agenda item to discuss reimbursement agreements. He reported, the District is not recovering costs for managing these agreements. Some agreements are 25 years long and can have more than 90 people to reimburse. Some reimbursements are under fifty dollars and are too small to justify the cost of collection.

Written District Manager's Report:

1) Administrative:

- a. The California Department of Finance has concluded its audit on the District. The final exit interview was performed with staff. We are pleased to report that we received a clean audit with no official reportable items.
- b. The Board of Directors should consider a discussion regarding future development reimbursement agreements and the current annexation process. District Manager will provide a report on the matter.
- c. The proposed FY21/22 budget was presented to the Board on June 9, 2021 Regular Board Meeting.

2) Finance:

- a. The Finance Manager and District Manager reported on the Local Agency Investment Fund (LAIF) account at the June 9, 2021 Board Meeting.
- b. The Finance Advisory Committee met to review the Reserve Policy and District Counsel has reviewed the revised draft. The policy came to the Board for approval on June 9, 2021.
- c. The new Money Market Account has been opened for the WBSD/SHGCC facility funds.

3) CIP & IT Projects:

a. Levee Improvement Project:

- i. Staff will continue to work on the SRF loan application. The Financial and Technical packet to the application should be approved by the Board in the near future.
- ii. The Levee Project has made it through the first round of grant funding through the National Fish and Wildlife Association.

b. Construction Capital Improvement Program (CIP)

- i. Aztec Consultants is preparing to build the Metal Storage Building at the Flow Equalization Resource Recovery Facility.
- ii. Precision Pipeline continues to work on this year's CIP project. Staff has been working with San Mateo County to coordinate the work on Ringwood Avenue with a resurfacing project. The County has given the District two additional options in order to perform the work ahead of the county.
- iii. Freyer & Laureta is working on the Bayfront Improvement projects including the Influent Pump Station.

4) Operations and Maintenance:

a. Collection System:

- i. Crews have been working on the Town of Los Altos Hills collection system.

b. Training:

- i. Safety training has been ongoing with the assistance of a DuALL Safety consultant.

5) Water Quality:

a. Sharon Heights Golf and Country Club (SHGCC):

- i. The recycled water plant has been operating well. Staff is regularly working with SHGCC staff to better predict their water requirements.

- b. **Bayfront Recycled Water Facility (BRWF):**
 - i. After approving the EIR, the next step will be to enter into developer agreements with developers in the Bayfront Area. District Counsel has prepared the Draft Recycled Water Code and has been shared with the City of Menlo Park.
- c. **West Bay:**
 - i. Source Control Staff has been performing FOG inspections.

6) **Fleet and Facilities:**

- a. **Vehicle Maintenance:**
 - i. The District Manager's vehicle will be leased and not purchased.

7) **Personnel:**

- i. District Manager is reorganizing a portion of the Admin Staff.

8) **Upcoming Events:**

- a. **Regular Board Meeting:** June 9, 2021
- b. **Next Regular Board meetings:** June 23, 2021

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

- a. **West Bay SSOs:** Zero SSOs for May 2021.
- b. **LAH Contract:** LAH did not have SSOs in May.
- c. **Town of Woodside Contract:** Staff received the amended agreement for FY21/22.
- d. **Revenue:** The final Sewer Service Charge for FY20/21 has been received from the County in the amount of \$2.7M. To-date the District is owed approximately \$14,000 from the rate payers who are billed manually.

8. **Discussion on Local Agency Investment Fund (LAIF) Allocations**

Comments: District Manager Ramirez reported the District holds funds in LAIF. Although the account is not restricted for any one purpose, the funds are identified as reserved for specific reserve funds and liabilities. He also reported, LAIF has been used for cash flow as well as for reserves.

9. **Consideration to Approve the District Reserve and Authorize the District Manager to Transfer Funds as Described**

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

Comments: District Manager Ramirez reported on the District's reserves which includes the Operating Reserve Investment account of \$9.5 million and the Operating Reserves cash flow currently in LAIF. He also reported the Finance Committee recommended, increasing the Rate Stabilization Reserve from \$8 million to \$10 million and to establish a new Treatment Plant Reserve with a target level of \$12 million. The Board of Directors approved the new Reserve Policy and authorized the District Manager to reallocate the 9.5 million in the Operation Reserve Investment account to the other reserves that are not currently fully funded.

10. Consideration to Approve Budget Revision for FY 2020-21 to Reallocate Reserve Contribution from Operating Reserve to the Rate Stabilization Reserve

Motion to Approve by: Mortiz 2nd by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: District Manager Ramirez reported that the Finance Committee discussed revising the current FY20/21 budget. The Finance Committee recommended the District transfer funds to the Rate Stabilization Reserve rather than to the Operating Reserve, since it is currently fully funded. The District Manager will make the transfer prior to the end of the fiscal year.

11. Consideration to Approve Resolution Adopting FY 2021-22 Budget

Motion to Approve by: Thiele-Sardiña 2nd by: Walker Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: Finance Manager Fisher reported on the highlights of the proposed budget and changes since the Budget Workshop:

- Revenue is estimated to decrease 2.2% rather than 3.1% as reported at the Budget Workshop.
- Sewer Service Charges revised on 5/25/21, based on updated data.
- Sewer Service Charges will only decrease 3.4% rather than 4.3% as reported at the Budget Workshop.
- Salaries & Wages increased based on current rates, added steps, and current data.
- Benefits decreased due to the payoff of PERS Unfunded Accrued Liability (UAL) in FY 2020-21 and eliminated the UAL contributions in FY 2021-22.
- Insurance estimates revised based on new information from CSRMA 5/18/21.
- Increased liability deductible to \$100,000 and reserved \$31,410 of savings as a self-insured reserve.
- Rents & Leases increased \$6,000 to lease the District Manager vehicle.
- Interest Income increased from \$250,000 to \$350,000.
- Capital Assets – Removed District Manager vehicle purchase.
- Reserves
 - Increase Operations Reserve from 5 to 6 months, or \$1.2 million
 - Added new Treatment Plant Reserve and contributed \$2.5 million
 - Removed Contributions to Rate Stabilization & Capital Reserves since they are now at their target levels.

12. June 9th Update Report on District Response to Corona Virus

Comments: District Manager Ramirez reported that Staff is following the County and State updates closely as restrictions ease up. He also reported 70%+ of District employees are vaccinated with at least one shot.

13. Report and Discussion on Sharon Heights Recycled Water Plant

Comments: District Manager Ramirez reported that the flow study for the recycled water plant has been concluded and data will be available in 1-2 weeks. He also reported 8M gallons of recycled water were delivered to the Golf Course in May.

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

Comments: District Manager Ramirez reported that a draft of the recycled water code has been completed and was sent to the City of Menlo Park for review. The District will be working on developer agreements for the proposed plant. He also reported, the SRF application for the project has been submitted.

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

Comments: None.

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

Comments: District Manager Ramirez reported that the Tunnel Boring Machine (TBM) is nearing completion and should be completed by June 14th.

17. Closed Session

Entered closed session at 8:26 p.m. Left closed session at 9:30 p.m.

Reportable action: None. The Board did provide direction to receive an estimate for a Class and Compensation Study for the unrepresented employees. Further direction was to agenzize an item to consider a compensation adjustment for the District Manager.

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR NEGOTIATORS

Agency designated representatives: District Manager/Legal Counsel
Unrepresented & Exempt employees: Unrepresented & Exempt Staff

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR NEGOTIATORS

Agency designated representatives: Board President/Legal Counsel
Unrepresented employee: District Manager

18. Consideration to Adopt Resolution Establishing Rates of Pay and Related Compensation Provisions

Motion to Approve by: _____ 2nd by: _____ Vote: AYE: _____ NAY: _____ Abstain: _____

Comments: Board consensus was to table this item until the June 23rd Board meeting and gave direction to raise all rates of pay by the set 4% per the MOU.

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

Comments: Upcoming items will include discussion on reimbursement agreements and annexation of certain territories in Portola Valley.

20. Adjournment Time: The meeting was adjourned at 9:42 PM

Secretary

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WEST BAY SANITARY DISTRICT AGENDA ITEM 4

To: *Board of Directors*

From: *Sergio Ramirez, District Manager*

Subject: *District Manager's Report*

1) Administrative:

- a. The Board of Directors will have a discussion regarding future development reimbursement agreements and the current annexation process. The District Manager will provide a report on the matter. LAFCO will present on the annexation process.
- b. The proposed FY21/22 budget was approved by the Board of Directors on June 9, 2021 Regular Board Meeting.

2) Finance:

- a. The Finance Manager reported on the Local Agency Investment Fund (LAIF) account at the June 9, 2021 Board Meeting.
- b. The Board of Directors approved a FY20/21 budget revision on June 9, 2021 in order to redirect a transfer from the Operation Reserve that was fully funded into the Rate Stabilization Reserve that is not at its target level.
- c. The new FY21/22 budget has been distributed to the management staff.

3) CIP & IT Projects:

a. Levee Improvement Project:

- i. Since the Environmental Impact Review for the Levee Improvement and Bayfront Recycled Water Treatment Facility Project at the Flow Equalization and Resource Recovery Facility (FERRF) has been certified and approved, staff will continue to work on the SRF loan application.
- ii. The Levee Project has made it through the first round of grant funding through the National Fish and Wildlife Foundation.

b. Construction Capital Improvement Program (CIP)

- i. Aztec Consultants has begun the construction of the new Metal Storage Building at the Flow Equalization Resource Recovery Facility.
- ii. Precision Pipeline has begun the reconstruction of the Ringwood Avenue pipeline, originally installed in 1904. Precision is also installing recycled water pipe as part of the project.
- iii. Freyer & Laureta is working on the Bay Front Improvement projects including the Influent Pump Station design.

- 4) **Operations and Maintenance:**
 - a. **Collection System:**
 - i. Crews have been working with homeowners on Willow Road to help assess the condition of their private sewer laterals in order to expedite repairs on Willow Road ahead of the City's resurfacing project.
 - ii. Two temporary maintenance workers have been interviewed and are undergoing the hiring process. The Board could consider adding two more temporary maintenance workers in order to catch up on maintenance schedules.
 - b. **Training:**
 - i. Safety training has been ongoing with the assistance of a DuALL Safety consultant.
- 5) **Water Quality:**
 - a. **Sharon Heights Golf and Country Club (SHGCC):**
 - i. The recycled water plant has been operating well. Staff delivered eight million gallons of recycled water in the month of May.
 - b. **Bayfront Recycled Water Facility (BRWF):**
 - i. After approving the EIR, the next step will be to enter into developer agreements with developers in the Bayfront Area. Developers have been made aware by the District Manager that the District will not consider reimbursement agreements for this project, as it will be a public facility.
 - c. **West Bay:**
 - i. Source Control Staff have been supporting the flow study efforts at Avy Ave. and Altschul Ave.
- 6) **Fleet and Facilities:**
 - a. **Vehicle Maintenance:**
 - i. After reviewing the option to lease a hybrid vehicle it makes sense to do so and will be proposed in the Budget.
- 7) **Personnel:**
 - i. New Personnel Policy training will be scheduled by the end of June.
- 8) **Upcoming Events:**
 - a. **Regular Board Meeting:** June 23, 2021
 - b. **Next Regular Board meetings:** July, 14 2021.
 - c. Board of Directors could consider canceling the July 28, 2021 Regular Board Meeting.
- 9) **Misc./Action Items from Previous Meeting:**
 - a. **West Bay SSOs:** Two SSOs in June 2021 due to maintenance delays.
 - b. **LAH Contract:** LAH did not have SSOs in May.
 - c. **Town of Woodside Contract:** Staff received the amended agreement for FY21/22.
 - d. **Revenue:** To-date the District is owed less than \$14,000 of the over \$200,000 it manually billed for sewer service charges.



WEST BAY SANITARY DISTRICT AGENDA ITEM 5

To: *Board of Directors*

From: *Sergio Ramirez, District Manager*

Subject: *Discussion and Direction on Reimbursement Agreements*

Background

Over the past twenty years, more and more Portola Valley property owners have annexed into the District and have asked to connect to the public sanitary sewer system. In some cases, the public sanitary sewer system pipelines require extensions in order to serve those properties. These extensions are allowed at the request of the property owners or developers. West Bay Sanitary District does not initiate the said pipeline extensions. When a property owner or developer extends the public sanitary sewer system they will often ask to enter into a reimbursement agreement, in order to recover the cost of extending the system. These reimbursement agreements can last twenty five years and consume considerable staff time, which has not been recovered in the past. The District has drafted, reviewed, and entered into agreements without necessarily recovering the cost of setting up these agreements. Furthermore, once the agreements are to be reimbursed to the original property owners or developers, the process is conducted and checks are mailed out without charging appropriate fees, until recently. In some cases, over ninety people require reimbursement without paying a processing fee. Additionally, at times the District is reimbursing for twenty five year old pipe which has reached approximately fifty percent of its useful life.

District staff is currently managing over twenty reimbursement agreements. There are no legal requirements to enter into such agreements going forward. Property owners and developers who apply to annex and connect to the public sanitary sewer system are generally benefiting by improving their property, therefore, reimbursement agreements are not necessary. Reimbursement agreements are between individuals rather than with the parcel. In some cases, individuals have moved out of the community but still receive reimbursement payments.

Lastly, there are many individuals in the Town of Portola Valley who would connect to the public sanitary sewer system, but are burdened by the high cost of reimbursement agreements.

According to the District's mission statement, *"The West Bay Sanitary District is dedicated to protecting the public health and the environment by providing cost effective sanitary sewer service."*

Analysis

The District Manager will provide information on the current practice of reimbursement agreements and whether they have become too burdensome on the community as a whole.

The Board of Directors could consider:

- Not entering into new reimbursement agreements.
- Limiting the duration of reimbursement agreements to 5 years.
- Not allow reimbursement agreements to transfer and require they remain with the original parcel rather than an individual.
- Consider whether reimbursement agreements have made it too costly to join the public sanitary sewer system.
- Consider whether reimbursement agreements go against protecting the public health and the environment as a whole.

This item is for discussion only with no formal approval required.

Fiscal Impact

There is no fiscal impact at this time.

Recommendation

The District Manager recommends the Board of Directors discuss and provide direction on the future of reimbursement agreements.



WEST BAY SANITARY DISTRICT AGENDA ITEM 6

To: *Board of Directors*

From: *Sergio Ramirez, District Manager*

Subject: *Discussion and Direction on Annexing Certain Territories of the Town of Portola Valley into the West Bay Sanitary District*

Background

Over the past twenty years, more and more property owners have applied to annex into the District by submitting applications to the San Mateo County, Local Agency Formation Commission (LAFCO). Many properties have annexed into the District so that they may be served by the public sanitary sewer system rather than continuing on septic tanks with wastewater leach fields.

Individual parcels are generally allowed to annex into the District and then connect to the public sanitary sewer system. This individual annexation process is not efficient and uses considerable District staff time. Apparently, it also regularly uses LAFCO resources. There are several public hearings held throughout the year for every parcel at both agencies.

The District will have to perform outreach to the Town of Portola Valley so that it may address concerns by the public. There appears to be several competing elements in the community and it's important to understand them. The purpose of the annexations is to build in efficiencies in local government.

Analysis

At the June 9, 2021 Regular Board Meeting, the Board of Directors asked to place the item on the next Regular Board Meeting Agenda in order to discuss annexing certain territories of Portola Valley rather than individual parcels.

There may be a mechanism to annex certain territories of Portola Valley into the District without requiring those properties to connect to the public sanitary sewer system. This could require an amendment to the Code of General Regulations.

LAFCO has been asked to attend the Regular Board Meeting to help explain the process prior to considering the matter any further.

The item is a discussion topic only and does not require formal action.

Fiscal Impact

There is no fiscal impact at this time.

Recommendation

The District Manager recommends the Board of Directors discuss annexing certain territories into the District rather than doing so by individual parcel.



WEST BAY SANITARY DISTRICT AGENDA ITEM 7

To: *Board of Directors*

From: *Sergio Ramirez, District Manager*

Subject: *June 23rd, 2021 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 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.

Report to the District Board for the Regular Meeting of June 23, 2021

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 3rd 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.

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 could be substantially 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.

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.

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WEST BAY SANITARY DISTRICT AGENDA ITEM 8

To: *Board of Directors*

From: *Sergio Ramirez, District Manager*

Subject: *Report and Discussion 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.

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.

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**WEST BAY SANITARY DISTRICT
AGENDA ITEM 9**

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 legal counsel.

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**WEST BAY SANITARY DISTRICT
AGENDA ITEM 10**

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.

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**WEST BAY SANITARY DISTRICT
AGENDA ITEM 11**

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 23, 2021

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**WEST BAY SANITARY DISTRICT
AGENDA ITEM 13**

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 June 26, 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 June 1, 2019. Increases are determined for the five-year term of the MOU. The 4% increase per year is effective on June 1, 2019 and is based on the approved MOU.

On March 25, 2020 the Board approved the Resolution Establishing the Rates of Pay to include the adjusted salary ranges for the Water Quality Manager and the Water Quality Supervisor/Chief Plant Operator. Subsequently, the Board approved the current Rates of Pay schedule on June 24, 2020.

During the Budget Workshop on May 5, 2021 staff proposed hiring a Utility Worker/ Operator in Training to provide support for the Chief Plant Operator and the Pump Station crew. It was reported the new position would be funded by the STEP/Grinder fees and recycled water projects. The position would be filled only if approved by the Board during the budget process.

On June 9, 2021 the Board of Directors instructed the District Manager to submit a proposed rates of pay scheduled incorporating the 4% as described above for all positions. The 4% increase will be effective on July 1, 2021 if approved.

Analysis

The attached Resolution is required to adjust the individual salary ranges by 4% and related compensation provisions for represented, unrepresented, and management employees, including the new salary ranges as approved by the Board of Directors.

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, 2020, 0.5%; effective July 1, 2021, 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% Classic Tier II, and 6.75% of pay for PEPRA staff).

To-date thirteen employees are in Tier I, one employee is in Tier II, and seventeen employees are in PEPRA.

Recommendation

The District Manager recommends adoption of the attached Resolution.

RESOLUTION NO. ____ (2021)

**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.

Position	Salary Rate
District Manager	16,727 - 20,072

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.

Position	Salary Rate
Projects & IT Manager	11,193 - 15,669
Operations Superintendent	10,427 - 15,119
Water Quality Manager	10,114 - 15,119
Finance Manager	11,034 - 14,789
Office & Communications Manager	6,918 - 10,032

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.

Position	Salary Rate
Assistant Operations Superintendent	9,036 - 12,199
Water Quality Supervisor/Operator	9,036 - 12,199
Pump Facility Supervisor	9,106 - 11,781
Operations Supervisor	9,106 - 11,781
Information Technology Analyst	6,722 – 10,086
Engineering Technician	7,940 - 11,063
Personnel & Accounting Specialist	6,974 - 9,102
Administrative Technician	5,673 - 7,942
Part-Time Clerical Assistant	21 - 26/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.

Position	Salary Rate
Construction Inspector	7,938 - 11,065
Source Control Inspector	7,938 - 11,065
Field Supervisor	6,614 - 10,086
Rehabilitation Technician	6,073 - 9,016
Pipeline Inspection Technician	6,073 - 9,016
Maintenance Mechanic	6,073 - 9,016
Utility Worker / Operator in Training	6,073 - 9,016
Maintenance Worker	5,515 - 7,942
Temporary Maintenance Worker	27/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, 2021, 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 PEPRAs 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, 2021.

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 23rd day of June, 2021 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 14**

To: *Board of Directors*

From: *Sergio Ramirez, District Manager*

Subject: **Consideration of Resolution Authorizing the President and Secretary of the District Board to Restate and Amend Employment Agreement between the West Bay Sanitary District and Sergio Ramirez (District Manager)**

As a result of the Regular Board Meeting on June 9, 2021 the Board asked to agendize a compensation adjustment for the District Manager at the next Regular Board Meeting, on June 23, 2021 following the closed session portion of the meeting.

The compensation adjustment to the District Manager's Employment Agreement will be reflected on the employment agreement and effective on July 1, 2021.

The District's Legal Counsel will present this topic to the Board, at which point, the Board may consider reflecting any change to the employment agreement.

The attached Resolution authorizes the President and Secretary of the District Board to restate and amend the agreement on behalf of the District.

Attachments: Resolution
Employment Agreement

RESOLUTION NO. ____ (2021)

IN THE DISTRICT BOARD OF THE WEST BAY SANITARY DISTRICT

COUNTY OF SAN MATEO, STATE OF CALIFORNIA

BE IT RESOLVED that the President and Secretary of the West Bay Sanitary District be and are hereby authorized to execute Employment Agreement Restatement and Amendment No.1 to the Employment Agreement Between the West Bay Sanitary District and Sergio Ramirez (District Manager), Exhibit A.

Passed and adopted by the District Board of the West Bay Sanitary District at a regular meeting thereof held on the 23rd day of June 2021, 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

Employment Agreement Restatement and Amendment No. 1
Between the West Bay Sanitary District
and
Sergio Ramirez (District Manager)

THIS EMPLOYMENT AGREEMENT RESTATEMENT AND AMENDMENT NO. 1, made and entered into on the date it has been executed by all parties hereto (the “Effective Date”) is a restatement and amendment to that certain Agreement dated May 13, 2020, by and between the West Bay Sanitary District, a special district organized and existing under the laws of the State of California, hereinafter called “Employer”, and Sergio Ramirez, hereinafter called “Employee”, both of whom understand and agree to restate and amend the Agreement as follows:

WITNESSETH:

WHEREAS, Employer desires to employ the services of Sergio Ramirez as District Manager of the West Bay Sanitary District, as provided by Section 105(14) of the Code of General Regulations of the West Bay Sanitary District; and

WHEREAS, it is the desire of the District Board, hereinafter called “Board”, to provide certain benefits, to establish certain conditions of employment, and to set working conditions of said Employee; and

WHEREAS, Employee desires to accept employment as District Manager of the West Bay Sanitary District.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1: Duties

Employer hereby agrees to employ Sergio Ramirez as District Manager, beginning July 1, 2020, to perform the functions and duties specified in the Code of General Regulations and to perform other legally permissible and proper duties and function as the Board shall from time to time assign.

As District Manager, Employee shall be in charge of and responsible for the operation of and management of the District and the general business and governmental affairs of the West Bay Sanitary District in accordance with the laws of the United States of America and the State of California governing special districts, and the District’s rules and regulations. Employee shall do and perform all services, acts, or functions necessary or advisable to manage and conduct the business and governmental affairs of the District, and as may be from time to time determined by the Board of Directors. Employee shall perform all duties with due diligence and with the best interest of the District in mind.

Section 2: Term

A. Employment pursuant to the terms of this agreement is “at will”. The term of this

agreement shall commence effective on the Effective Date, and shall continue through and including June 30, 2022, unless terminated earlier by either party as provided for herein or extended by mutual agreement of the parties.

- B. Employee agrees to remain in the exclusive employ of Employer throughout the life of this agreement and to neither accept other employment nor to become employed by any other employer. Employee shall not engage in any other employment, business or profession for pay while employed by the District.
- C. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the services of employee at any time, subject only to the provisions set forth in Section 7 of this agreement.
- D. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provisions set forth in Section 7 of this agreement.

Section 3: Compensation

- A. Effective July 1, 2020, Employer agrees to compensate Employee for his services rendered pursuant hereto as follows:
 - 1. At an annual base salary of one hundred ninety-three thousand dollars (\$193,000), payable in bi-weekly installments.
 - 2. In addition, Employee shall be eligible for an end-of-year performance payment in an amount up to five percent (5%) of Employee's base salary based on the Board of Directors' assessment of performance in meeting Employee's goals and objectives for the second half of calendar year 2020, payable on or after January 1, 2021.
- B. Effective July 1, 2021, Employer agrees to compensate Employee for his services rendered pursuant hereto as follows:
 - 1. At an annual base salary of _____ dollars (\$_____), payable in bi-weekly installments.
 - 2. In addition, Employee shall be eligible for an end-of-year performance payment in an amount up to ten percent (10%) of Employee's base salary based on the Board of Directors' assessment of performance in meeting Employee's goals and objectives for calendar year 2021, payable on or after January 1, 2022.
- C. The performance payment referenced in sub-paragraphs A.2 and B.2, above, shall not be considered toward the amount of Employee's compensation for purposes of calculating Employee's retirement compensation through CalPERS.
- D. The District will match on a 1:1 ratio contribution up to three percent (3%) of Employee's annual salary into a qualified Section 457 plan or 401 (a) plan.

Section 4: Management Benefits

Employee shall receive the following fringe benefits:

- A. Employee shall accrue vacation in accordance with the District's personnel policy.
- B. Employee shall accrue 10 administrative leave days per calendar year. This benefit must be used during the calendar year and does not accrue from year to year.
- C. Employee shall accrue sick leave in accordance with the District's personnel policy. In the event of retirement, permanent disability or death, the District shall pay the employee, or the heirs or estate of Employee, accrued sick leave in accordance with District's personnel policy.
- D. Health, dental, life, accidental death and dismemberment, and other health-related insurances, retirement, reimbursement for authorized District related expenses, and disability leave shall all be allowed in accordance with the District's personnel policy.
- E. Employee shall be entitled to all holiday leave, jury duty, bereavement leave and other leave stipulated available to management employees as defined by the District's personnel policy.
- F. Automobile allowance. Five hundred dollars (\$500.00) per month. Travel required for District business shall be reimbursed pursuant to District policy.
- G. This agreement is not intended to and in fact does not entitle the District Manager to any benefits other than those stated in this agreement.

Section 5: Performance Evaluation

- A. Board of Directors shall review and evaluate Employee's performance, and establish goals and priorities for the upcoming year, after the first six months of employment, and thereafter at least annually. Said review and evaluation may be in accordance with specific criteria developed jointly by Employee and the Board of Directors.
- B. The Board of Directors and Employee may define, in writing, such goals and performance objectives for Employee as the Board determines are determined necessary for the proper operation of the District and in the attainment of the Board of Directors' policy objectives, which may include establishment of priorities among those various goals and objectives.
- C. Employee will be responsible for placing performance evaluations provided for in this Section on the Board of Directors' agenda, with the concurrence of the Board President.
- D. The provisions of this Section notwithstanding, the specific timing and content of Employee's performance evaluations shall be subject to the discretion of the Board, and nothing contained herein shall be deemed to alter the at-will nature of the employment relationship between Employee and Agency.

Section 6: Professional Development

- A. Employer agrees to budget for and to pay for professional dues and subscriptions of Employee reasonably necessary for his continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement, and for the good of the Employer.
- B. Employer hereby agrees to budget for and to pay for reasonable travel and subsistence expenses of Employee for professional and office travel, meetings, and occasions necessary to continue the professional development of Employee, and to adequately pursue necessary functions for Employer, including but not limited to CASA, WEF, CWEA, CSDA, and such other appropriate, regional, state and local governmental groups and committees hereof which Employee serves as a member on behalf of the District.
- C. Employer also agrees to budget for and to pay for reasonable travel and subsistence expenses of Employee for short courses, institutes, and seminars that are necessary for his professional development and for the good of the Employer.
- D. Employee shall obtain prior Board approval for any expenses in this Section which are not budgeted for and for all out-of-state functions.

Section 7: Termination of Agreement and Severance Pay

This agreement shall be terminated if any of the following occurs:

- A. Whenever Employee and Employer mutually agree in writing.
- B. Without cause, whenever either party shall give thirty (30) days notice to the other of the party's desire to terminate this Agreement.
- C. Upon the death or permanent disability of Employee.
- D. For Cause. In the event Employee is terminated for cause, the Employee shall be given written notice setting forth the reasons for such termination. Said termination shall take effect immediately or as specified by Employer in the Notice of Termination. No severance or termination pay shall be awarded to the employee if Employee is terminated for cause. For purposes of this Agreement, the term "For Cause" shall mean Employee's fraudulent or dishonest acts, gross abuse of authority or indiscretion with respect to Employer, failure or inability to perform Employee's duties in a competent manner, or willful breach or habitual neglect of Employer's employment duties.
- E. If employee is terminated without cause by Employer pursuant to Paragraph B, above, Employee shall be entitled to severance pay, measured from the last day of employment, in an amount equal to: (i) six (6) months base salary at the rate in effect at the time of termination, if terminated without cause within first two years of Employee's appointment as District Manager; and (ii) three (3) months base salary if terminated

without cause more than two years after Employee's appointment as District Manager.

- F. In the Event Employee is terminated by Employer pursuant to either paragraph B or D, above, the Employee shall receive accrued but unused vacation and administrative leave days. Accrued sick leave benefits shall be paid in accordance with the District personnel policy.
- G. Employer agrees not to reduce Employee's pay or benefits to a proportionately greater extent than any reduction for other management employees. If Employee resigns at the request of the Board, or in the face of such disproportionate pay reductions, Employee shall be deemed to be terminated and shall be entitled to severance under Section E.

Section 8: Notices

Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

- A. West Bay Sanitary District, 500 Laurel Avenue, Menlo Park, CA 94025
- B. Sergio Ramirez, c/o West Bay Sanitary District, 500 Laurel Avenue, Menlo Park, CA 94025. Alternatively, notices required pursuant to this agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 9: General Provisions

- A. The text herein shall constitute the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing between the District and the Employee and contains all of the covenants and agreement between the parties with respect to such employment in any manner whatsoever.
- B. Each party to this agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not embodied herein, and no other agreement, statement or promise not contained in this agreement shall be valid or binding. Any modification of this agreement will be effective only if it is in writing and signed by both the District and the Employee.
- C. This agreement shall be binding on and inure to the benefit of the heirs at law and executors of the Employee.
- D. If any provision, or any portion thereof, contained in this agreement is held unconstitutional, invalid or unenforceable, the remainder of this agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.
- E. The parties agree to submit any and all disputes regarding this contract or the

employment relationship to binding arbitration with the American Arbitration Association, pursuant to their rules for Employee/Employer matters. In the event of such litigation arising out of this agreement, reasonable attorneys' fees shall be awarded to the prevailing party.

- F. This agreement shall be interpreted under the laws of the State of California.
- G. Employee understands that the Board may, from time to time, revise the District's personnel policies. Employee understands that he is subject to those policies and procedures when they are not in conflict with the contents of this agreement.

IN WITNESS WHEREOF, West Bay Sanitary District, has caused this agreement to be signed and executed in its behalf by its Board president, and duly attested by its Secretary, and the Employee has signed and executed this agreement, both in duplicate, the day and year first above written.

EMPLOYEE

Dated: _____
SERGIO RAMIREZ

EMPLOYER

WEST BAY SANITARYDISTRICT

Dated: _____ By: _____
FRAN DEHN
Board President

Attest:

Secretary

Approved as to form:

By: _____
Anthony P. Condotti
District Counsel

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