



*1902 - Serving Our Community for over 110 Years - 2017*

**WEST BAY SANITARY DISTRICT  
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD  
WEDNESDAY, JANUARY 11, 2017 AT 7:00 P.M.**

**1. Call to Order**

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

**2. Roll Call**

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

BOARD MEMBERS ABSENT:

STAFF MEMBERS PRESENT: Scott, Condotti, Kitajima, Ramirez

Others Present: Marva Sheehan, Rick Simonson, John Farnkopf – HF&H,  
Joe LaMariana – SBWMA, Gino Gasparini, Mike Kelly –  
Recology, various members of the public to discuss solid  
waste rates

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

**4. Public Hearing: Consideration of Proposed Solid Waste/Recycling Collection Rates for the Year 2017**

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

Comments: Marva Sheehan of HF&H outlined the solid waste rate setting process, the conclusions reached in the final rate study and the need for an increase in residential 20 and 32 gallon bin rates to help meet the cost of service. Several members of the public expressed their view that rates for 20 gallon bins should not be raised as so as to provide an incentive to use recycle and green waste bins more and that 20 gallon bins should not be eliminated. The Board agreed that 20 gallons bins will not be eliminated but new customers will not be able to select 20 gallon bins and replacements for 20 bins will not be available in the future.

Motion to close: Thiele-Sardiña 2<sup>nd</sup> by: Dehn Vote: AYE: 5 NAY: 0 Abstain: 0

**5. Consideration of Resolution to Approve Solid Waste/Recycling Collection Rates Effective April 1, 2017**

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

Comments: None

**6. Discussion on Sewer Service Charges Rate Study for 2017**

Comments: John Farnkopf of HF&H led the discussion on sewer service charges which included findings on the cost of service for commercial customer rates that they may not be paying their full cost of service. In addition, SVCW figures are in conflict and must be confirmed. DM Scott also mentioned that there is a recycled water cash flow reserve which may need to be reduced for WBSD cash flow.

**7. Consider Accepting the Sewer Connection Fee Report by HF&H LLC as corrected, and Establishing a Public Hearing Date for February 8, 2017 to Review Proposed Sewer Connection Fees for 2017**

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

Comments: John Farnkopf of HF&H outlined the rate study which included District's asset value increased from \$183M to \$249M and system capacity increased per EDU due to a decrease in standard water use from 220 to 200 gpd per EDU. SB 1069 for accessory dwelling units requires the charge shall be proportionate to the burden of the proposed accessory dwelling unit, based upon either its size or the number of its plumbing fixture units. Board approved connection fee report as corrected and established public hearing for February 8, 2017.

**8. Consent Calendar**

- A. Approval of Minutes for regular meeting December 14, 2016
- B. Approval of the Withdrawal Order Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters for January 11,
- C. WBSD Operations and Maintenance Report – December 2016
- D. Consider to Ratify and Approve Report on District's Investment Portfolio Including the Transactions of Assets Described Therein as of 12-31-16 P

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

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

Comments: None

## 9. District's Manager Report

### 1) CIP Project:

- a) Belle Haven II is approximately 35% complete. Weather poses challenges. Trying to work in backyards during rains.

### 2) Affiliate Agency/Association News:

- a) **CWEA:** January Board meeting and workshop.
- b) **CASA:** Winter conference Jan 18 to 20
- c) **SVCW:** DM and RMC wrote response to SVCW comments to LAFCo on RW project.

### 3) Upcoming Events:

- a) January 25 Board mtg. – consultant agreement with Freyer & Laureta for FEF technical feasibility study. February 8 Board mtg – Connection Fees public hearing.

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

- a) **SSOs:** 8 SSO's in 2017. 0 in November.
- b) **WBSD Winter Newsletter:** Published Dec 28.
- c) **Recycled Water:** Met Dec 19, next meeting January 13.
- d) **Personnel Changes:** CCTV Field Supervisor left November, Construction Inspector left Jan 4. Expect 2 retirements and one more exit in 2017.
- e) **1400 El Camino Real:** Pre-construction meeting was December 12 and District received utility plans last week.

### 5) Resource Sharing:

- a) **Town of Los Altos Hills:** 1 SSO in 2017. January SSO in Los Altos Hills was City of Palo Alto sewer line.
- b) **Town of Woodside:** 0 SSO's in 2017. District assisting with Pump station rehabilitation planning. Performing High Frequency cleaning. Reduced annual cleaning in in order to save costs this year. Will resume cleaning entire system annually next year.

## 10. Consider to Authorize the District Manager to Execute a Developer's Agreement with Greenheart Land Company for 1300 El Camino Real Development, Menlo Park, CA

Motion by: Dehn 2<sup>nd</sup> by: Otte Vote: AYE: 5 NAY: 0 Abstain: 0

Comments: DM Scott explained the agreement and benefits to the District.

**11. Report: Update & Discussion on Recycled Water Project and Update on Negotiations with Sharon Heights Golf Course on Long-Term Agreement**

Comments: DM Scott reported the State Board is excited about the project and would like to review the long-term agreement with SHGCC. After review of the long-term agreement the State Board would be willing to issue the finance agreement. The Board expressed their surprise at SVCW's response to LAFCo's request for a comment on the District's recycled water project given the many times the item has been agendized for SVCW TAC and District Board meetings and discussed between DM Scott and Dan Child. Phase B Project Management agreement will be considered at the February 8 meeting. DM Scott also reported the Governor's budget includes an increase of \$248 million from Prop 1 funding for the DWR for integrated regional water management projects.

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

Comments: Director Dehn reported the MRF will resume full operation January 5, the insurance reimbursements as of Dec. 21, 2016 totaled \$6,136,218.55, \$45,833.86 outstanding which will temporarily covered by agency reserves until the final claims reconciliation. Structural repairs to MRF building and roof will continue through March/April.

**13. Report & Discussion on Silicon Valley Clean Water (SVCW) and Discussion on SVCW CIP Program**

Comments: None

**14. Closed Session**

- A. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to Cal. Govt. Code §54956.9(d)(2)  
Number of potential case 1: (1) 845 Harvard Ave., Menlo Park (sewer main easement issue)
  
- B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR NEGOTIATORS  
Agency designated representatives: Board President/Legal Counsel  
Unrepresented employee: District Manager

Entered closed session at 9:39 p.m. Left closed session at 10:23 p.m.

Reportable action: None to report but the Board is prepared to take action on Item B.

**15. Consider to Approve End-of-Year Goals and Objectives Performance Compensation for the District Manager**

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

Comments: The Board approved 14% of the 16% performance compensation based on the District Manager's current salary level.

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

Comments: None

**17. Adjournment Time:** The meeting was adjourned at 10:24 PM

/s/ Fran Dehn  
Secretary (Pro-Tem)