



1902 - Serving Our Community for over 110 Years - 2019

**WEST BAY SANITARY DISTRICT
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, MAY 8, 2019 AT 7:00 P.M.**

1. Call to Order

President Dehn called the meeting to order at 7:08 PM

Roll Call

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

BOARD MEMBERS ABSENT:

STAFF MEMBERS PRESENT: Scott, Condotti, Kitajima, Ramirez

Others Present: Rich Laureta – Freyer & Laureta
John Mangini, Joe La Mariana – SBWMA
Melissa Schick – K&M Public Finance

2. Communications from the Public: None.

3. SBWMA Presentation & Discussion on Bond Issue Re-Financing

Comments: Joe La Mariana of SBWMA provided an introduction to the topic and purpose of the bond refinancing. John Mangini of SBWMA guided the Board through a PowerPoint presentation assisted by Melissa Schick of D&M Public Finance. Current bonds terminate in 2036 and the recommendation is 2043 to lessen the impact to rate payers. The verification process is underway for this to be a Green Bond which is earmarked for environmental projects. The recycling plant will be modernized with high speed robotic and artificial intelligence that will process more material faster and a much cleaner rate. Also, a pilot program has been approved by the SBWMA Board an Organics to Energy Project that is processed at the SVCW plant providing a green energy source for Recology vehicles. The District Board approved the bond issue of \$64M. \$45M for refinance of bonds and \$19M for CIPs. The District Board is not approving specific CIPs only financing. SBWMA will also be applying for grants. Mr. La Mariana also gave an update with his meeting with LAFCo in which topics included the impact to rate payers by transferring the District solid waste franchise to San Mateo County.

4. Consider Approval of Combining the FERRF Levee Improvement Project and the Bayfront Recycled Water Treatment Facility Project

Motion to Approve by: Moritz 2nd by: Otte Vote: AYE: 5 NAY: 0 Abstain: 0

Comments: Rich Laureta of Freyer & Laureta presented an overview of the project. Board consensus is to combine the projects and commence with a Programmatic Environmental Impact Report.

5. Progress Report on Alpine Road Sewer CIP Project

Comments: Project & IT Manager Kitajima presented an update of the project which included traffic control set-up, excavation of existing sewer main, the removal of sewer wrapped for disposal, installation of new sewer and the backfill and compaction.

6. District Manager's Report

1) CIP Project:

- a. **Belle Haven III:** CIP construction began July 23. 95% complete. Project ran into Whiskey Hill geo-formation which is very poor and runny soil. Reduced scope of project slightly to mitigate costs.
- b. **FERRF Metal Storage Building Update:** Modifying design to accommodate for soils report.
- c. **Alpine Road Pipeline Replacement Project Update:** Construction rapidly progressing along Alpine near Holbrook Drive.
- d. **FERRF Levee Project:** Scheduling a meeting with Army Corp and Regional Board to discuss the strip of CMPK land between FERRF and Bay and whether sheet piling will be acceptable.

2) Affiliate Agency/Association News:

- a. **Facebook ORTP:** A draft provisional Discharge permit has been written and is being reviewed for Facebook for their Onsite Reuse Treatment Plant. Cannot issue the provisional permit until the State has fully permitted operation of the plant.
- b. **Belle Haven Spring Fair:** April 27. Staff had a booth for public outreach.

3) Upcoming Events:

- a. **Board meetings:** Next mtg: 7 pm, May 22.
- b. **Union Negotiations:** Second meeting scheduled for May 16.

4) Misc./Action Items from Previous Meeting:

- a. **SSOs:** One SSO for April. 2019 Total = 3.
- b. **10 Coyote Hill, PV:** Geotech firm through F&L Engineering performed soil boring March 29th, to help determine cause of erosion on hillside within District easement, document and develop engineering plan for remediation. Awaiting results.

7. Consent Calendar

- A. Approval of Minutes for Regular meeting April 24, 2019
- B. Approval of the Withdrawal Order Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters for May 8, 2019
- C. WBSD Operations and Maintenance Report – April 2019
- D. Town of Los Altos Hills Operations and Maintenance Report for Work Performed by WBSD – April 2019

Motion to Approve by: Moritz 2nd by: Otte Vote: AYE: 5 NAY: 0 Abstain: 0

CONSIDERATION OF ITEM(S) REMOVED FROM THE CONSENT CALENDAR

Comments: Motion to approve with amended minutes.

8. Consideration to Accept Third Quarter Internal Financial Statements & Analysis of Financial Position as of Quarter End March 31, 2019

Motion to Approve by: Moritz 2nd by: Thiele-Sardiña Vote: AYE: 5 NAY: 0 Abstain: 0

Comments: DM Scott presented the report to the Board.

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

Comments: DM Scott reported that the District recently received \$1.1M in State funds for the project. He reported the SFPUC permit is in process and Caltrans encroachment permit is proceeding and preliminary work on the IRWM grant application has begun.

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

Comments: None.

11. Update on SVCW WIFIA Loan and Second Amendment to the Finance Agreement

Comments: DM Scott and DC Condotti provided an update on the SVCW WIFIA Loan and the Second Amendment to the Finance Agreement and potential need to amend the District's Finance Agreement with the State Water Resources Control Board for the Sharon Heights Recycled Water Project SRF Loan. The Board may need to consider approval of an amendment to SRF loan agreement at an upcoming meeting.

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

Comments: Secretary Otte reported the next Commission meeting will be on May 13.

13. Closed Session

- A. CONFERENCE WITH LABOR NEGOTIATORS
(Pursuant to Cal. Govt. Code §54957.6) Agency designated representatives: District Manager, Legal Counsel, IEDA
Employee Organization: Exempt Employees, Unrepresented Employees, & Teamsters Local 350
- 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. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION
Initiation of litigation pursuant to Section 54956.9(d)(4): (1 potential case)

Entered closed session at 9:12 p.m. Left closed session at 9:35 p.m.

Reportable action: No Reportable Action.

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

Comments: None.

- 15. Adjournment Time:** The meeting was adjourned at 9:35 PM

/s/ George Otte
Secretary