



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

**WEST BAY SANITARY DISTRICT  
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD  
WEDNESDAY, MAY 10, 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, Dehn, Otte

BOARD MEMBERS ABSENT: Walker

STAFF MEMBERS PRESENT: Scott, Condotti, Kitajima

Others Present: Rick Simonson – HF&H, David Richardson – RMC Water & Environment, Nicole Bowersox – Hydroscience, Dan Child, Matt Anderson- SVCW, Joe La Mariana – SBWMA, Gino Gasparini, Mike Kelly, Tamera Del Bene– Recology

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

**4. Public Hearing: Consideration of Proposed Increase in Sewer Service Charges for Fiscal Year 2017/18**

Motion to Open Public Hearing:

Motion by: Dehn 2<sup>nd</sup> by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: Rick Simonson presented a brief presentation on the final rate study and proposed rate increase for FY 2017-18. Stan Carnohan of 1105 Roseville Way commented on rates and asked if the District does pay as you go on CIPs. Response was yes, but SVCW does not which leads to debt service payments.

Motion to Close Public Hearing:

Motion by: Dehn 2<sup>nd</sup> by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

**5. Consideration of a General Regulation Amending the Code of General Regulations and Establishing Sewer Service Charges for Fiscal Year 2017/18**

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

Comments: None

**6. South Bayside Waste Management Authority (SBWMA) Presentation and Discussion on Solid Waste Franchise Agreement Extension**

Comments: SBWMA Executive Director Joe La Mariana presented an update on the franchise agreement extension negotiations with Recology. SBWMA represents 433,000 solid waste customers and 60% of them are County residents. Under consideration is either a 10 year or 15 year extension, although 15 years is preferred due to the cost savings. The extension includes vehicle replacement of 140 trucks by 2026. SBWMA Board will consider the extension of franchise agreement at June meeting and member agencies will consider by December 31, 2017.

**7. Silicon Valley Clean Water (SVCW) FY 2017-18 Budget and CIP Presentation and Discussion**

Comments: Matt Anderson of SVCW presented the adopted FY 17-18 budget to the Board. Highlights included rebates by PG&E and lower debt service. He reported they have spent \$236M on CIP since 2008, with a projected \$590M to go.

**8. District's Manager Report**

**1) CIP Project:**

- a) Belle Haven II is approximately 58% complete.
- b) Butler Building. Bid open May 3.

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

- a) **CWEA:** District Manager received a President's award and Regulatory Compliance Coordinator received Safety Chair service award at the CWEA Annual Conference in April 2017.
- b) **County:** Discussions are progressing with the County regarding transfer of Solid Waste Franchise.

**3) Upcoming Events:**

- a) Budget FY17-18 approval May 24
- b) No Board meeting for June 14
- c) Annual goals meeting will be scheduled around July 21

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

- a) **SSOs:** 3 SSO's in 2017. 1 in April
- b) Marsh Road Channel Repair has been selected as a top three finalist for the California Transportation Foundation Awards Safety Project of the Year! There were 119 nominations and this project was deemed to be exceptional by the jury. The winner will be announced at the Transportation Awards Luncheon on May 24<sup>th</sup> at the Sacramento Sheraton Grand Hotel

from 11:30 – 1:30. West Bay Sanitary received invitations to the ceremony since our Marsh Road Lining Project was incorporated into the Town's Channel Repair project.

- c) **Recruitment:** Maintenance Worker recruitment for two open positions resulted in only 1 hire. Will re-open recruitment this summer for the last open position.
- d) **Elections:** San Mateo County has approved the District's application for Elections to be held in even years. Next election is 2018.

5) **Resource Sharing:**

- a) **Town of Los Altos Hills:** 1 SSO in 2016. 2 SSO in 2017.
- b) **Town of Woodside:** 0 SSO's in 2017. 1 pump station overflow.

9. **Consent Calendar**

- A. Approval of Minutes for regular meeting April 12, 2017
- B. Approval of Minutes for special meeting May 3, 2017
- C. Approval of the Withdrawal Order Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters for May 10, 2017
- D. Consider to Ratify and Approve Report on District's Investment Portfolio Including the Transactions of Assets Described Therein as of 3-31-17
- E. Consideration of Authorizing the District Manager to Reject Bid for the Design and Construction of New Metal Storage Building Project

Motion by: Otte 2<sup>nd</sup> by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

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

Comments: None

10. **Consider Adoption of Resolution Approving a Long-Term Agreement Between West Bay Sanitary District and Sharon Heights Golf & Country Club For Construction and Operation of Satellite Recycled Water Treatment Facility at Sharon Heights Golf & Country Club and Authorize The District Manager to Execute the Agreement**

Motion by: Moritz 2<sup>nd</sup> by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: DM Scott reported that the main points on the security, quality, quantity, deposits, debt service payments and other termination clauses have been agreed upon. The exhibits are not completed but DM Scott expects no significant issue with them. DM Scott and the Board discussed the cap on long-term agreement legal fees should there be a termination of the agreement. The Board discussed a cap of \$60,000 by May 31 and/or a cap of \$75,000 by June 28 or the SWRCB deadline. Board motion to approve the resolution subject to the modification of the agreement to incorporate the terms on legal fees of \$60,000 by May 31 and \$75,000 by June 28. This approval was subject to the District Manager and the District's legal

counsel agreeing that the final exhibits and details were completed prior to execution and if any substantial changes were needed that those would be brought back to the Board for consideration and possible action.

**11. Consider Approval of Issuance of RFP for Design Build Delivery of West Bay Sanitary District Recycled Water Project – Sharon Heights**

Motion by: \_\_\_\_\_ 2<sup>nd</sup> by: \_\_\_\_\_ Vote: AYE: \_\_\_\_\_ NAY: \_\_\_\_\_ Abstain: \_\_\_\_\_

Comments: Board consensus is to continue item for May 24 meeting.

**12. Third Quarter Internal Financial Statements & Analysis of Financial Position as of Quarter End March 31, 2017**

Motion by: Dehn 2<sup>nd</sup> by: Thiele-Sardiña Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: President Moritz thanked District Accountant for the thorough work on the financial statements.

**13. Discussion and Direction on Recycled Water Project and on Negotiations with Sharon Heights Golf Course on Long-Term Agreement**

Comments: None

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

Comments: Director Dehn clarified to the Board that the consideration of the extension of the franchise agreement with Recology is a re-statement of the agreement and not a new agreement. The SBWMA FAX committee recommends the re-statement of 15 years instead of 10 years. Board consensus was to proceed with a vote for extension of 15 years over 10 years. Director Dehn also reported that the current insurance carrier will not renew the contract due to the MRF fire.

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

Comments: Director Otte reported that SVCW is pursuing \$3M grant from the California Energy Commission and that the replacement of valves on Menlo Park pump station is planned.

**16. Closed Session**

- A. PUBLIC EMPLOYEE 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 9:45 p.m.

Reportable action: None

**17. Consideration of Resolution Authorizing the President and Secretary of the District Board to Enter into “Amendment Four (2017)” To Employment Agreement Between the West Bay Sanitary District And Phil Scott (District Manager**

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

Comments: DC Condotti described the proposed amendment four to the DM employee agreement. Amendment effective June 1, 2017; annual salary of \$213,001; end of year performance payment and auto allowance revised as part of the amendment.

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

Comments: Request for SVCW to give report on cogeneration, digester and the recycled water DPR. Director Dehn announced the new date for the Menlo Park Block Party will be August 16 with a transportation theme.

**19. Adjournment Time:** The meeting was adjourned at 9:52 PM

Fran Dehn  
Secretary pro-tem