



1902 - Serving Our Community for over 110 Years - 2017

**WEST BAY SANITARY DISTRICT
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, DECEMBER 13, 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, Bahrami

Others Present: SVCW: Matt Anderson, Dan Child, Robert Porr – Fieldman, Rolap and Associates. Tony Valdiva – Woodard Curran. Gino Gasparini – Recology.

3. Communications from the Public: None.

4. Public Hearing: Consideration of Proposed Solid Waste/Recycling Collection Rates for the Year 2018

Motion to open by: Dehn 2nd by: Walker Vote: AYE: 5 NAY: 0 Abstain: 0

Comments: None.

Motion to open by: Dehn 2nd by: Walker Vote: AYE: 5 NAY: 0 Abstain: 0

5. Consideration of Resolution to Approve Solid Waste/Recycling Collection Rates Effective January 1, 2018

Motion by: Walker 2nd by: Dehn Vote: AYE: 5 NAY: 0 Abstain: 0

Comments: None.

6. Discussion and Presentation by SVCW for CIP Bond Issuance

Comments: Dan Child and Matt Anderson presented and assisted by Robert Porr from Fieldman Relap and Associates. The Board authorized SVCW to issue \$35 million bonds attributable to WBSD for SVCW CIP projects.

Motion by: Thiele-Sardiña 2nd by: Otte Vote: AYE: 5 NAY: 0 Abstain: 0

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

Comments: DM Scott reported meeting with City of Menlo Park staff and receiving traffic permit conditions for Sand Hill Road. Update was presented to the City Council by David Richardson of RMC. Negotiations continuing on Design/Build.

8. Consideration to Approve the Final Post Audit FY2016-17 Internal Financial Statements & Analysis of Financial Position for the Fiscal Year ending June 30, 2017

Comments: President Moritz reported that reserves total \$46M which includes \$1.6M from this year.

Motion by: Thiele-Sardiña 2nd by: Walker Vote: AYE: 5 NAY: 0 Abstain: 0

7. Consideration of Adopting the District's Audited Financial Statements for the Year Ended June 30, 2017

Comments: DM Scott reported no material weaknesses found.

Motion by: Thiele-Sardiña 2nd by: Walker Vote: AYE: 5 NAY: 0 Abstain: 0

9. Consider Approval To Deposit Recycled Water Facility Cash Flow Reserve Maturities into the District's LAIF Account

Comments: Board voted to put up to \$8M in maturities, from the Bank of the West investment portfolio, and transfer to LAIF. DM Scott is authorized to move the first \$8 million.

Motion by: Moritz 2nd by: Dehn Vote: AYE: 5 NAY: 0 Abstain: 0

10. Consider Authorizing the District Manager (Chief Fiscal Office) as to Distribution of Tax Roll Revenues in LAIF and Bank of the West Money Market

Comments: DM Scott proposed moving all the tax roll deposit to LAIF less the cash flow needed for December and January, since LAIF interest rate is significantly higher.

Motion by: Thiele-Sardiña 2nd by: Dehn Vote: AYE: 5 NAY: 0 Abstain: 0

11. Discussion on Finance and Investment Policy, Investment Regulations and Role of District Treasurer

Comments: Treasurer Thiele-Sardiña led the discussion on this item. Board consensus was to have Financial Committee meet with several banks and come back to Board in a future meeting with recommendations for revised District Investment Policy.

12. Consideration of Approving Contract Change Order No. 5 to Ranger Pipelines, Inc. for the Belle Haven II Sewer Rehabilitation Capital Improvement Project in Menlo Park, CA

Comments: DM Scott and PM Kitajima outlined the need for the change order.

Motion by: Otte 2nd by: Thiele-Sardiña Vote: AYE: 5 NAY: 0 Abstain: 0

13. Consideration of Approving Resolution Authorizing the District Manager to Enter Into An Agreement for Construction Inspection Services with Freyer & Laureta, Inc. for the Chilco Sewer Realignment (Facebook) Projects

Comments: DM Scott informed the Board that Facebook will reimburse the District for these additional expenses.

Motion by: Walker 2nd by: Dehn Vote: AYE: 5 NAY: 0 Abstain: 0

14. Report on Hydraulic Modeling Consultant

Comments: DM Scott reported on the project which would include modeling to include small sewer line, updated Master Plan including capacity of CIPs, the model will be loaded into InfoWorks, training for staff and better District control over timelines with developers. The consultant work contract totals \$59,000.00 and \$55,000.00 for the software package.

15. District Manager's Report

Comments:

1) CIP Project:

a) Belle Haven II is approximately 95% complete.

2) Affiliate Agency/Association News:

a) **County:** working on a proposal to develop an RFP for an analysis of impacts and challenges to transferring the Solid Waste Franchise to the County.

b) **City of Menlo Park:** Board President and RMC presented update to CMPK Council on the Recycled Water.

c) **Town of Atherton:** District Staff met with District Counsel to draft an agreement with Town of Atherton to accelerate the District's CIP project to replace the sewer main running through the Town Center. The District will pay for construction costs and the Town will pay for soft costs – engineering and public utility easement acquisition. The main will be relocated toward the south side of the Town campus and will be further away from PD, Town Chambers and the Library.

3) Upcoming Events:

a) January Board meetings: Jan 10 and Jan 24.

b) December 14 – Service Awards, Retirement and Holiday Luncheon

4) Misc./Action Items from Previous Meeting:

a) **SSOs:** 5 SSO's in 2017.

b) **Recruitment:** Filled vacant Maintenance Worker from temp pool. Held Operations Supervisor interviews. Selection announcement December 14. Advertising for Projects & Engineering Technician, and Source Control Inspector.

- c) **Hydraulic Model Work:** VWHA will assist the District with an update to the Hydraulic Model and once updated help export it to the District's modeling software (2017-18 Budget) and provide the necessary training to run modeled scenarios of the District's pipelines.

5) Resource Sharing:

- a) **Town of Los Altos Hills:** 1 SSO in 2016. 3 SSO in 2017. 1 caused by Contractor.
- b) **Town of Woodside:** 0 SSO's in 2016. 1 pump station SSO in 2017 (Pump station maintenance performed by others). The District has commenced to provide pump station maintenance by recent amendment to the Collection System Maintenance agreement. The start date December 1, 2017. Town Center pump station is still experiencing generator problems due to rehab project.

16. Consent Calendar

- A. Approval of Minutes for Regular meeting November 8, 2017
- B. Approval of the Withdrawal Order Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters for December 13, 2017
- C. WBSD Operations and Maintenance Report – November 2017
- D. Town of Los Altos Hills Operations and Maintenance Report for Work Performed by WBSD – November 2017
- E. Consider to Ratify and Approve Report on District's Investment Portfolio Including the Transactions of Assets Described Therein as of 11-30-17
- F. Consideration of a Resolution of Intention to Annex Certain Territory (191 Meadwood Drive, Portola Valley) to the West Bay Sanitary District On-Site Wastewater Disposal Zone and to Establish the Date and Time of Public Hearing

Motion by: Walker 2nd by: Dehn Vote: AYE: 5 NAY: 0 Abstain: 0

CONSIDERATION OF ITEM(S) REMOVED FROM THE CONSENT CALENDAR

Comments: None.

17. Discuss Procedures for Swearing In of Board Members and Installation of Officers

Comments: DM Scott led the discussion on the item that included date of appointments and nominations of officers and newly elected swearing in procedures. DC Condotti suggests appointments in December. District Counsel Condotti may do swearing in of Board members. Board consensus is to have District Counsel to swear in new members and present Certificate of election in January and appointment and nomination of officers in December. Form 700 deadline is April 1. DC Condotti offered to draft a procedure for Board consideration.

19. Report & Discussion on South Bayside Waste Management Authority (SBWMA) and Negotiations for Restated Franchise Agreement

Comments: DM Scott reported that the criteria for RFP for cost analysis for solid waste divestiture has been developed. Secretary Dehn reported that SBWMA has filled the Recycling Outreach Program's Manager position. She further reported that discussion on the re-stated franchise agreement is moving forward and SBWMA's Elected Body Consideration Tracker indicates District consideration of the re-stated agreement January 10 or January 24. She says SBWMA fire claim restoration work is done and paid and discussion now focusing on battery fire mitigation.

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

Comments: Director Otte reported upcoming items including the proposal of increasing the General Managers authority to approve change orders up to \$300,000 on all design and build contracts.

21. Closed Session

- A. LIABILITY CLAIM
(Cal. Govt. Code §54956.9(d)(2))
Claim of Jacobs (25528 Hidden Springs Court, Los Altos Hills)

- B. CONFERENCE WITH LABOR NEGOTIATORS
(Pursuant to Cal. Govt. Code §54957.6)
Agency designated representatives: District Manager, Legal Counsel
Employee Organization: Teamsters Local 350

- C. PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONF. WITH LABOR NEGOTIATORS
Agency designated representatives: Board President/Legal Counsel
Unrepresented employee: District Manager

- D. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Cal. Govt. Code §54956.9(d)(2)
Number of potential cases: one

Entered closed session at 9:42 p.m. Left closed session at 10:02 p.m.

Reportable action: None.

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

Comments: None.

23. **Adjournment Time:** The meeting was adjourned at 10:03 PM

/s/ Fran Dehn

Secretary