



1902 - Serving Our Community for over 110 Years - 2019

**WEST BAY SANITARY DISTRICT
MINUTES OF THE REGULAR MEETING OF THE DISTRICT BOARD
WEDNESDAY, MAY 22, 2019 AT 7:00 P.M.**

1. Call to Order

President Dehn called the meeting to order at 7:02 PM

Roll Call

BOARD MEMBERS PRESENT: Dehn, Otte, Walker, Moritz

BOARD MEMBERS ABSENT: Thiele-Sardiña

STAFF MEMBERS PRESENT: Scott, Loomis

Others Present:

Teresa Herrera & Matt Anderson – SVCW

Robert Porr & Doug Brown – Fieldman Rolapp

Austrus Runģis – IEDA

Melissa Sheck, Joe La Mariana & John Mangini - SBWMA

2. Communications from the Public: None.

3. Consider Adoption of Resolution Authorizing Use of Appendix C of the Preliminary Official Statement In Connection with Issuance and Sale of Silicon Valley Clean Water 2019 Wastewater Revenue Notes, Approve Second Amendment to the Financing Agreement of 2008 to Facilitate the Execution and Delivery of the WIFIA Loan and Notes 2019, Approve the Ninth Supplement to the Joint Powers Agreement, and Approve the Form of a Continuing Disclosure Certificate to be Executed and Delivered By the District in Connection with the 2019 Notes

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

Comments: DM Scott discussed some changes to Appendix C and the Risk Factors section that were given to him on Monday that would help optimize SVCW's debt portfolio. Matt Anderson of SVCW outlined the items needed for the WIFIA loan and notes 2019. Robert Porr explained the percentage change is due to the new loan amount up to \$159M and some of the debt burden will be taken off of the WIFIA loan and allocated to the SRF loan. The WIFIA and SRF loans will be treated with the same parity.

4. Consider to Approve a Resolution of the Board of the West Bay Sanitary District for the Issuance of up to \$64 Million of Solid Waste Enterprise Bonds to Refinance Outstanding Bonds of the South Bayside Waste Management Authority and to Finance Certain Improvements to the Solid Waste Management Facilities of the South Bayside Waste Management Authority

Motion by: Moritz 2nd by: Otte Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: Joe La Mariana of SBWMA stated that if grant monies are acquired any excess funds will be put back into reserves for use on other capital projects. \$15.5M will be used for recycling plant upgrades, \$2.25M will be used for Organics to Energy pilot program and the remainder for a hand full of small projects.

5. Consent Calendar

- A. Approval of Minutes for Special meeting May 8, 2019
- B. Approval of Minutes for Regular meeting May 8, 2019
- C. Approval of the Withdrawal Order Authorizing Payment of Certain Bills and Salaries and Consideration of Other Financial Matters for May 22, 2019
- D. Consider to Ratify and Approve Report on District's Investment Portfolio Including the Transactions of Assets Described Therein as of 4/30/19
- E. Consideration of Resolution Authorizing President and Secretary of the District Board to Enter into Reimbursement Agreement Between TJB Investments LLC and the West Bay Sanitary District
- F. Consideration of Resolution Accepting Deed of Easement Pursuant to Class 3 Sewer Permit No. 1064 for the Construction of Wastewater Facilities for 4111 Alpine Road, Portola Valley, California
- G. Consideration of Resolution Accepting Deed of Easement Pursuant to Class 3 Sewer Permit No. 1081 for the Construction of Wastewater Facilities for 191 Meadowood Drive, Portola Valley, California
- H. Consideration of Accepting Sewer Facilities Constructed Pursuant to Class 3 Sewer Permit No. 1081 for the Construction of Wastewater Facilities for 191 Meadowood Drive, Portola Valley, California
- I. Consider Resolution Authorizing the President and Secretary to Enter into Agreement Creating Covenants Running With the Land for 35 Sioux Way, Portola Valley

Motion by: Walker 2nd by: Otte Vote: AYE: 4 NAY: 0 Abstain: 0

CONSIDERATION OF ITEM(S) REMOVED FROM THE CONSENT CALENDAR

Comments: President Dehn asked for clarification on the withdrawal order line item for Dell Marketing. DM Scott explained this charge is for the routine replacement of computer hardware as part of the IT replacement program.

6. Consideration of Adopting Resolution Honoring the Service of Liz Bahrami to the District

Motion by: Walker 2nd by: Otte Vote: AYE: 4 NAY: 0 Abstain: 0

Comments: None.

7. Consideration of Adopting Resolution Honoring the Service of Peggy Daniels to the District

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

Comments: None.

8. District Manager's Report

Comments

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. Final paving for the project is underway.
- b. **FERRF Metal Storage Building Update:** Modifying design to accommodate for soils report. Submitted to the City.
- c. **Alpine Road Pipeline Replacement Project Update:** Pipeline completed. Began final paving.
- 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.
- e. **University Pump Station Emergency:** DM Scott notified the Board that the generator diesel fuel tank has been breached and must be replaced for approximately \$25,000. DM Scott declared an emergency and it must be replaced immediately.

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. **Block Party:** June 12. Staff will have a booth for public outreach and the water truck will be on exhibit.
- c. **State Water Quality Control Board:** The State is proposing changes to the Waste Discharge Permit for Collection Systems and is looking to require Infrastructure Vulnerability Assessments and Climate Action Plans to be included possibly for 2020.
- d. **Recology:** President Dehn and DM Scott discussed the retirement celebration for Gino Gasparini.

3) **Upcoming Events:**

- a. **Board meetings:** Next mtg: 7 pm, June 12 – the Board would like to discuss the June 12 meeting under Item 15. June 26, cancel?
- b. **Union Negotiations:** Held Second meeting May 16.

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

- a. **SSOs:** Zero SSO for May. 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.

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

Comments: DM Scott reported on the recent meeting and site visit with the State for the Sharon Heights project. Five parties will share the \$8,000 cost of the Sharon Heights project aerial video. DM Scott presented an update on the project at the Sharon Heights Golf and Country Club member's meeting.

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

Comments: None.

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

Comments: Secretary Otte reported on the Commission approval of the WIFIA loan and issuance of 2019 wastewater revenue notes. He reported on a leak in the 63-inch effluent pipe which was patched temporarily until an engineering solution is decided upon. The solution may cost up to approximately \$2M.

12. **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 8:21 p.m. Left closed session at 10:27 p.m.

Reportable action: No Reportable Action.

13. Discussion of FY 2019-20 Proposed Budget

Comments: DM Scott presented a change to the budget in the amount of \$5,000 from the Budget Workshop to include the purchase of a more cost effective flow meter to use as a trial. DM proposed holding some of the transfer of \$8M from general fund to capital fund in order for it be fundable and keep flexibility in cash flow. Board consensus was to proceed with this in the upcoming budget. He was reported there will be a small increase in salaries due to the office re-organization.

14. Consideration to Approve Reorganization of Office Administration and Accept Classification, Compensation and Job Description for Personnel and Accounting Specialist

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

Comments: None.

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

Comments: Board consensus is to hold June 12 Board meeting at the Menlo Park Chamber of Commerce at 7pm. President Dehn asked for an upcoming item on the City of Menlo Park's bike route project and sewer lateral repairs during this project to aid homeowners before the sidewalks are constructed.

16. Adjournment Time: The meeting was adjourned at 10:39 PM

Secretary: /s/ George Otte