

**MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS**

Thursday, July 14, 2022

Note: Due to COVID-19, this meeting was conducted as a teleconference pursuant to the provisions of the AB 361 [Government Code Section 54953(e)]. Directors participated remotely, but the public was welcome to attend the meeting in person, as the General Manager and Office Supervisor were present at the Westborough Water District Office, in addition to participating remotely.

The meeting was called to order at 7:30 p.m.

1. ROLL CALL:

Directors Present:

Don Amuzie
Tom Chambers
Julie Richards
Perry Bautista
Janet Medina

Staff Present:

Patricia Mairena, General Manager
Michael Conneran, Attorney
Wendy Bellinger, Office Supervisor

For the record, General Manager Mairena stated that both, Office Supervisor Bellinger and she were present at the District's Office for any visitors who wished to attend the board meeting in person.

2. PLEDGE OF ALLEGIANCE: Led by Director Chambers.

3. SPECIAL ORDER OF BUSINESS:

A. Consideration of Resolution 654, Declaring that District Meetings will Continue to be Held Via Teleconference.

Attorney Conneran indicated that in accordance with AB 361, once again, we were making the findings required in order for the Board of Directors to participate remotely due to the COVID 19 state of emergency. Attorney Conneran also stated he recommended approval of the attached resolution as the first order of business.

Director Chambers moved to approve Resolution 654, Declaring that District Meetings will Continue to be Held Via Teleconference, seconded by Director Richards.

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Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

4. CONSENT CALENDAR:

President Bautista asked the Board if there was any discussion; otherwise, he would entertain a motion to accept the consent calendar.

Director Chambers moved to approve the Consent Calendar, seconded by Director Medina.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

5. PUBLIC COMMENT: None.

6. BUSINESS (OLD):

A. Review/Approve Lease Agreement from Crown Castle for Additional 69 Square Feet of Land at the Skyline Tank Site and Authorize General Manager to Execute Lease Amendment.

General Manager Mairena reminded the Board that the additional 69 square feet of land requested by Crown Castle had already been approved by the Board back on October 14, 2021. Ms. Mairena stated it had taken a while for Crown Castle to send the revised agreement, but once she received it, she forwarded it to Attorney Conneran for his review. General Manager Mairena also stated that Attorney Conneran had recommended to place this item on the agenda for the Board to authorize the General Manager to execute the lease amendment.

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Attorney Conneran commented that he thought we should bring this item back to be more explicit and because he wanted to make the Board aware of a term in the document that would allow them to go back at any time to the old agreement if they were to remove the generator. Attorney Conneran stated he did not think it was a bad term, but it was a little bit different than what had been presented before and also, he wanted to make sure that the General Manager had very clear authority to sign the lease. Attorney Conneran also stated he recommended approval.

Director Chambers moved to approve the lease agreement from Crown Castle for an additional 69 square feet of land at the Skyline Tank Site and authorize General Manager Mairena to execute the lease amendment, seconded by Director Medina.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

7. BUSINESS (NEW):

A. PUBLIC HEARING: Consideration of Increase in Sewer Rates from \$10.30 up to \$11.05, Ordinance No. 74.

President Bautista opened the Public Hearing for Consideration of Increase in Sewer Rates.

General Manager Mairena stated that there was no one from the public present at the District's office and no one had joined remotely.

Attorney Conneran stated the District had received a number of written protests, some of them which included the sewer rate, and none of them rose to the level that would prevent the Board from approving the increase.

Director Chambers confirmed the Board had received copies of these letters. President Bautista inquired as to how many of the letters had been received. General Manager Mairena replied that a total of eight letters had been received: seven of them protested the water and sewer rate increases and one of them, the water rate increase only.

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With no comments from the public, President Bautista closed the Public Hearing and opened up the topic for discussion by the Board.

Director Chambers stated there was never a good time to increase rates, but the District needed to recoup the increase passed by the North San Mateo County Sanitation District (NSMCSD).

General Manager Mairena stated that the increase being presented to the Board was just a pass through of the NSMCSD's seventy-five cents increase to the District.

Director Chambers moved to approve Ordinance No. 74, Consideration of Increase in Sewer Rates from \$10.30 up to \$11.05, seconded by Director Medina.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

B. PUBLIC HEARING: Consideration of Adoption of Report of Sewer Service Charges to be Collected on Tax Rolls and Requesting Their Collection by the County of San Mateo, Resolution No. 655.

President Bautista opened the Public Hearing for Consideration of Increase in Sewer Rates.

General Manager Mairena stated that there was no one from the public present at the District's office and no one had joined remotely.

With no comments from the public, President Bautista closed the Public Hearing and opened up the topic for discussion by the Board.

Director Chambers stated that as part of the Public Hearing, the Board should have read the letters of protest and he thought these should be documented here. Attorney Conneran replied that the letters of protest did not pertain to the adoption of the report.

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Attorney Conneran provided some history as to when the District first elected to place the sewer charges on the property tax rolls which was permitted by state law. He stated the District was having a hard time with collections thru the water bill, particularly with tenants, who would just leave and not pay the bill, so this was a much better way of collecting these charges and the District had less bad accounts. Attorney Conneran also stated he recommended approval of this resolution.

President Bautista asked Attorney Conneran if most of the agencies billed the sewer charges on the property tax rolls. Attorney Conneran replied that the majority of them did, and it was pretty accepted.

Director Chambers moved to approve Resolution No. 655, Authorizing the Adoption of Report of Sewer Service Charges to be Collected on Tax Rolls and Request their Collection, seconded by Director Richards.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

C. PUBLIC HEARING: Consideration of Water Rate Increase from \$7.28 up to \$8.58, Resolution No. 656.

President Bautista opened the Public Hearing for Consideration of Increase in Water Rates.

General Manager Mairena stated that there was no one from the public present at the District's office and no one had joined remotely.

With no comments from the public, President Bautista closed the Public Hearing and opened up the topic for discussion by the Board.

For the record, General Manager Mairena had reported previously that a total of eight letters had been received; seven of them protested the water and sewer rate increases and one only the water rate increase. The Board had received and reviewed all the letters and Attorney Conneran had stated none of them rose to the level that would prevent the Board from approving the increase.

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Director Chambers commented that the District needed the full increase up to \$8.58. He stated that when looking at the board packet, the District may be about \$247,000 short on “profits” this year, and the District depended on these “profits” to fund the capital improvement program. Director Chambers stated he was glad that the District had slowed down the seismic improvements of the tank so to preserve the cash the District had. Director Chambers also stated that this year had been tough, consumption was down 13%, we had budgeted another 13% decrease for next year due to the drought, San Francisco had passed a mid-year increase, which the District was not doing, and this was one of the reasons why we need to raise the rates so much, so he supported the motion to increase the water rates.

Director Medina moved to approve Resolution No. 656, Consideration of Water Rate Increase from \$7.28 up to \$\$8.58, seconded by Director Chambers.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

D. Consideration to Approve Resolution No. 657, Establishing the Appropriation Limit Applicable to the District During Fiscal Year 2022-2023.

Attorney Conneran gave a brief background on the Gann Limit - Proposition 4 which limits the amount of funds public agencies can spend during a fiscal year, which was passed around the time Prop. 13 was passed. Attorney Conneran reported that each year, the agencies that are subject to this, get some numbers from the State Department of Finance. This limit is adjusted every year using a factor that includes increase in income within the State. Attorney Conneran also reported that those calculations were posted by staff for the public to see if they chose to, and he recommended adoption of this resolution.

Director Chambers moved to approve Resolution No. 657, Establishing the Appropriation Limit Applicable to the District During Fiscal Year 2022-2023, seconded by Director Medina.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye

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Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

E. Review/Approve District Newsletter.

General Manager Mairena reported that she had met with the Public Relations Committee on July 7th, and they had put together the newsletter. The Committee wanted to communicate to customers the importance of water conservation and the different things that they could do to conserve water, including rebates. General Manager Mairena stated that in addition, the newsletter had information to let customers know about the District re-zoning so that customers would be aware of what zone they belonged to. General Manager Mairena also stated that the newsletter contained an update on the rate increases, which if needed to, the Committee could have it removed from the newsletter.

Director Amuzie commented that it would be nice if the re-zoning map had some visible landmarks. General Manager Mairena replied that John Davidson, who would finish the design of the newsletter, had received the map files from Redistricting Partners, and hopefully, he will be able to create a better map than the one shown on the board packet. Ms. Mairena stated that the newsletter contained a link which would allow customers to find out more about the rezoning process and view more maps of each zone.

President Bautista congratulated the Committee for a very informational and colorful newsletter. Director Chambers seconded the comment.

Director Chambers moved to approve the District Newsletter, seconded by Director Medina.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

F. Consideration to Authorize Attendance to ACWA/JPIA 2022 Fall Conference, Indian Wells, California, November 29 thru December 2, 2022.

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President Bautista inquired if any director was interested on attending this conference. Director Amuzie stated he would be interested, but if any other director was interested on going, he did not want to monopolize the event. Director Chambers replied he was definitely not interested on attending, as he was not big on large group gatherings yet, and he had no problem sending Director Amuzie.

General Manager Mairena commented that she had read that there would be no mask requirements or restrictions for this event, and that after the last conference, a lot of people came down with COVID, so everyone should be aware of this. General Manager Mairena stated that for anyone interested, there was still a virtual option to listen to the recordings after the conference had completed.

Director Chambers moved to approve Director Amuzie's attendance to the ACWA/JPIA 2022 Fall Conference, Indian Wells, California, November 29 thru December 2, 2022, seconded by Director Medina.

Director Chambers commented that Director Amuzie may want to go there one day earlier to attend the JPIA portion of the conference.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

G. Consideration to Approve Resolution No. 658, Authorizing Resolution Relative to Amendments to Agreements With Multi-Bank Securities, Inc. Regarding Investment Services.

General Manager Mairena reported that she had received an email from the Multi-Bank Securities, Inc. (MBS) rep, asking to amend the agreement to replace former General Manager Barrow's name with hers.

Attorney Conneran stated the District had received a form resolution, and a similar resolution was done with our regular bank. Attorney Conneran had reviewed it and entered General Manager Mairena's information as the authorized person in addition to other information which severely limits the range of investments that they can do for the District, basically just buy CDs. Attorney Conneran also stated that MBS wanted to see a copy of the

District's Investment Policy which had not been updated for a while, so Attorney Conneran had asked General Manager Mairena to place it on the agenda.

President Bautista asked Attorney Conneran if he recommended approval of this resolution. Attorney Conneran agreed.

Director Medina moved to approve Resolution No. 658, Authorizing Resolution Relative to Amendments to Agreements With Multi-Bank Securities, Inc. Regarding Investment Services, seconded by Director Chambers.

Roll Call

Director Amuzie	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
Director Bautista	Aye

The motion was carried unanimously.

8. WRITTEN COMMUNICATIONS:

A. Update on Excess ERAF Funds by Dane Wadle from the CSDA.

Attorney Conneran reported that this was a confirmation from the CSDA indicating that they had helped in convincing the Controller's Office that their initial stand on the excess ERAF was incorrect. Attorney Conneran added that this issue may come back in the future due to the high property values in San Mateo County as well as Napa and Alpine counties, which create a large pot of money. Attorney Conneran mentioned that although these funds ought to stay in these counties, if the State was to have a need, they may come back and look at these funds.

9. ATTORNEY'S REPORT: None.

10. GENERAL MANAGER'S REPORT:

A. Update on the Skyline Tank No. 3 Exterior Recoating Project.

General Manager Mairena reported that Euro Style Management (ESM) had completed the exterior recoating of Skyline Tank No. 3 with the exception of a small punch list which included minor touchups to the holes on the roof of the tank, the tank was filled per contract, and water samples were sent to the lab. General Manager Mairena stated the lab samples came back fine and since the tank had been filled, it was put back into service. Ms. Mairena

also stated the tank was running parallel with the other two tanks at a level of approximately 20.5 feet. General Manager Mairena also reported that in the process, she had signed a second change order in the amount of \$4,579.87 for the additional work needed on the roof, which included electrical conduit removal of \$398.45 and welding work for the small holes of \$4,181.42. General Manager Mairena mentioned that the engineers were estimating that the project could be brought for acceptance by the Board at the August 11th board meeting. Ms. Mairena added that a third progress payment was made to ESM in the amount of \$49,000.88, which included a retention amount of \$2,578.99, after the Claims Register was prepared.

Attorney Conneran asked General Manager Mairena if the change order was within the authority already granted by the Board to her, and hence, she was only reporting to the Board. General Manager Mairena agreed.

Director Chambers asked if the tank had been filled to the top. General Manager Mairena replied that she believed it was, due to water sampling done twice. Director Chambers inquired about water chemistry and whether the District would have sufficient flow if the tanks levels were at 22.5 feet. Director Chambers calculated we had about a 5-to-6-day water supply in the tanks and to review this with Field Supervisor Kennedy. Mr. Chambers also inquired if there was more roof work to be done to the tank. General Manager Mairena replied that both Supervisor Kennedy and she were going to be meeting with Engineer Joubin Pakpour to discuss that and she would make sure to let him know about postponing the seismic work on the tank.

B. Report on District's Water Conservation for June 2022.

General Manager Mairena reported on the water conservation efforts for June 2022. Ms. Mairena presented worksheets comparing water consumption for the previous two years. Director Chambers asked if this latest bill included the water used for the refilling of tank no. 3. General Manager Mairena replied that it did not and hopefully there was a way to report that to the State with the next bill. Attorney Conneran commented that this bill represented a nice 15% reduction.

General Manager Mairena commented that the plan was to have Field Supervisor Kennedy monitor the master meter to try to keep usage down prior to the next meter reading.

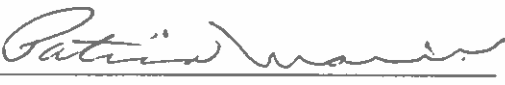
11. ITEMS FROM BOARD OF DIRECTORS: None.

12. CLOSED SESSION: None.

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13. ADJOURNMENT:

Without objection, President Bautista adjourned meeting.
Time 8:14 p.m.



Secretary



President

August 15, 2022
Date