

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

**Thursday, April 13, 2023**

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

**1. ROLL CALL:**

Directors Present: Don Amuzie  
Perry Bautista  
Tom Chambers  
Julie Richards  
Janet Medina

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

Visitors Present: None.

**2. PLEDGE OF ALLEGIANCE:** Led by Director Amuzie.

**3. CONSENT CALENDAR:**

President Medina asked the Board if there was any discussion.

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

The motion was carried unanimously.

**4. PUBLIC COMMENT:** None.

**5. BUSINESS (OLD):** None.

**6. BUSINESS (NEW):**

- A. Consideration to Approve Billing Rate Increase for Chavan and Associates, Inc., Effective July 1, 2023.**

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General Manager Mairena reviewed her Staff Report with the Board and highlighted the reasons why Chavan was asking for such a large billing rate increase. General Manager Mairena stated that she had directed Office Supervisor Bellinger to check with neighboring water agencies who also used Chavan's services and inquire about their current and proposed rates, and both agencies monthly fees were almost twice the amount the District was paying for their services. General Manager Mairena pointed out that Chavan has been spending more time during the audits, especially this year, with the new GASB 87 which required a lot of time going back and forth with the auditors.

General Manager Mairena recommended to approve the billing rate increase and continue with the agreement with Chavan at least for the next fiscal year which will give the District an opportunity to get other proposals and train a new CPA on the custom financial software the District used. This was followed by some questions and a discussion by the Board.

Director Chambers moved to approve the billing rate increase for Chavan and Associates, Inc., Effective July 1, 2023, and to rebid the agreement at the end of the year, seconded by Director Bautista.

The motion was carried unanimously.

**B. Review and Approve June 30, 2023, OPEB Actuarial Valuation Proposals and Data Request from Foster and Foster and Actuarial Consulting Group LLC.**

General Manager Mairena reviewed with the Board the two proposals that were submitted for the June 30, 2023, OPEB Actuarial Valuation which the District is obligated to conduct. General Manager Mairena stated that she had confirmed that the proposals covered the same time frame and the proposed fees for services from Actuarial Consulting Group LLC were lower.

General Manager Mairena suggested that the Board give staff an opportunity to try out Actuarial Consulting Group LLC. Attorney Conneran recommended that the Board could try a two-year agreement with an option for a second two-year renewal.

Director Chambers moved to approve the June 30, 2023, OPEB Actuarial Valuation Proposal and Data Request from Actuarial Consulting Group LLC and for the General Manager to negotiate a two-year agreement with an option to renew for a second two-year agreement at the rates stated on the current proposal, seconded by Director Bautista.

The motion was carried unanimously.

**C. LAFCo Special District Regular Member Election 2023: Submit Written Nominations for the Regular LAFCo Member and Authorization to Transmit the LAFCo Special District Member Ballot by Electronic Mail.**

General Manager Mairena reviewed the email she had received and forwarded to President Medina on the LAFCo Special Districts Election. Director Chambers stated that the term that needed to be filled was for the former Special District Member, Ric Lohman, who had recently passed away. Attorney Conneran confirmed that there were two things being asked of the District: nominations and a signed Authorization to Transmit the LAFCo Special District Member Ballot by Electronic Mail. General Manager Mairena confirmed that this needed to be done no later than 5:00pm on May 3, 2023, via mail, fax, or email.

Director Chambers moved to Authorize to Transmit the LAFCo Special District Member Ballot by Electronic Mail to President Medina, seconded by Director Bautista.

The motion was carried unanimously.

**7. WRITTEN COMMUNICATIONS:**

**A. Letter from Tri-Counties Bank (TCB) Regarding the Closure of Silicon Valley Bank and Collateralization Agreement Between the District and TCB.**

General Manager Mairena stated that after the closure of Silicon Valley Bank, Tri-Counties Bank (TCB) had sent the communications on the board packet to reassure the District of the status of funds deposited with them. General Manager Mairena asked Attorney Conneran if he wanted to comment on this. Attorney Conneran stated that there were two things TCB was trying to do. First, provide comfort as to their strong financial condition and second, to remind the District of the arrangement we have with them in which securities are being held pursuant to Government Code section 53653, covering anything over and above the FDIC \$250,000 insurance limit, up to \$2 million dollars.

General Manager Mairena told the Board that the only time the District's balances at TCB were higher was just before payment was issued for the semi-annual sewer charges payment, but even then, the balance was not close to \$2 million.

Attorney Conneran suggested asking TCB if there was a report they filed for the securities they held, and if so, which agency they filed the report with.

**8. ATTORNEY'S REPORT:**

Attorney Conneran commented that the District was lucky to be able to meet in person,

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as other districts were not finding it as easy, as it was very complicated with the new Brown Act statutes. Attorney Conneran commented that there were five bills being considered that may make meeting remotely easier, but for now, it was just complicated.

**9. GENERAL MANAGER'S REPORT:**

**A. Report on District's Water Conservation for March 2023.**

General Manager Mairena presented the water conservation efforts for March 2023 which showed a decrease in usage. General Manager Mairena asked Director Chambers if he wanted to report. Director Chambers stated that 50 GPCPD was pretty good and BAWSCA would be happy with that.

**B. Update on Proposal for Water and Sewer Rate Study.**

General Manager Mairena reported the document was not yet ready as Pakpour Consulting had recently sent her the slides of the sewer projects with cost estimates. General Manager Mairena stated she hoped to meet with the Capital Improvements Committee soon and prioritize these projects as well, and hopefully, to have the RFP ready for the next board meeting.

General Manager Mairena also stated that she is planning on reviewing those three sewer projects with Sanitation to find out why they are pushing them over other areas that show more urgent work needed on the lines.

**C. Report on BAWSCA FY 2023-2024 Bond Surcharges.**

General Manager Mairena reported that due to the refinancing, the FY 2023-2024 bond surcharges were going to go down again. The District's new bond surcharge as of July 1, 2023, is going to be \$5,377 from the \$7,232 currently being paid. General Manager Mairena also reported that a year ago, the District's bond surcharge was \$13,079.

**D. Report on SFPUC New Rates for FY 2023-2024.**

General Manager Mairena reported that the SFPUC had notified the District that their proposed rate for FY 2023-2024 would be lower than what was introduced at their annual meeting. The proposed new rate is \$5.21 per HC compared to the \$5.30 to \$5.41 previously introduced.

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General Manager Mairena commented that San Francisco Water had repealed part of their Tier 2 restrictions, but everyone was waiting for the State Water Resources Control Board to lift them as they were already set to expire on June 30, 2023. General Manager Mairena commented that other neighboring water agencies general managers were already presenting resolutions to their boards and the District would eventually need to take action.

**10. ITEMS FROM BOARD OF DIRECTORS:**

**A. Report on BAWSCA Meeting of March 16, 2023 (Chambers).**

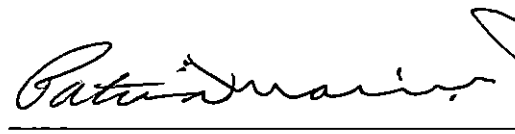
Director Chambers stated that his report for the BAWSCA meeting was on the board packet and asked if there were any questions.

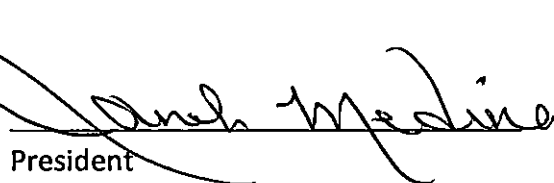
Director Bautista asked about the FDIC insurance for BAWSCA. Director Chambers clarified that LAIF was safe as it was state ran and the only limit was the number of transactions.

**11. CLOSED SESSION: None.**

**12. ADJOURNMENT:**

Without objection, President Medina adjourned the meeting.  
Time 8:17 p.m.

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
President

05-12-2023  
Date