

**WEST VALLEY SANITATION DISTRICT
OF SANTA CLARA COUNTY, CALIFORNIA**

**BOARD OF DIRECTORS MEETING
April 11, 2018**

The Board of Directors of West Valley Sanitation District of Santa Clara County, California, convenes this day in regular session at 6:00 p.m. at the district office, 100 East Sunnyoaks Avenue, Campbell, California.

Roll Call

1. Present: Directors – Manny Cappello, Steve Leonardis, Paul Resnikoff, Mike Wasserman, and Rowena Turner, Chairperson.

Absent: Director - None

Staff: Jon Newby, District Manager and Engineer; Edward H. Oyama, Director of Engineering and Operations; John Bakker, District Counsel; and Lesha Luu, Secretary.

Approval of Minutes of Previous Meeting

2. Approve the minutes of the regular meeting of the Board of Directors of March 14, 2018.

Motion by/Second by: Wasserman/Leonardis to approve the minutes of the previous meeting.
Motion passed unanimously.

Oral Communications

3. None.

Written Communications

4. None.

Reports (Items to be taken in one motion)

5. San Jose/Santa Clara Regional Wastewater Facility: Minutes of the February 8, 2018 regular meetings of the Treatment Plant Advisory Committee.
6. Investment of District funds: Report on commingled funds invested by the County of Santa Clara for West Valley Sanitation District, as of February 28, 2018; and report from County Controller as of December 31, 2017.
7. Consolidated Income and Expense Statement of West Valley Sanitation District for the period ended February 28, 2018.

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8. Status report on inflow and infiltration reduction program.

Motion by/Second by: Wasserman/Resnikoff to add the Reports, Items 5-8, to the Consent Calendar and approve Consent Calendar, Items 5-8 and 11-12. Motion passed unanimously.

Unfinished Business

9. None.

Public Hearings

10. First of the two Public Hearings to consider the District's Proposed Budget for Fiscal Year 2018-2019. The second hearing and adoption is scheduled for May 9, 2018. Open the public hearing and receive comments on the West Valley Sanitation District Proposed Budget for Fiscal Year 2018-2019. Continue the public hearing to the Board Meeting of Wednesday, May 9, 2018, to allow for further comments and modifications.

Motion by/Second by: Cappello/Wasserman to close the public hearing and approve the continuation of the second hearing and adoption of the West Valley Sanitation District Proposed Budget for Fiscal Year 2018-2019 at the Board Meeting on Wednesday, May 9, 2018. Motion passed unanimously.

Consent Calendar (Items to be taken in one motion)

11. Approval of payment of invoices, March 15, 2018 – April 11, 2018.
12. Resolution to set a time and place of public hearing to consider placing delinquent fees and charges on the Fiscal Year 2018-2019 Tax Roll. Adopt RESOLUTION NO. 18.04.06, RESOLUTION SETTING A TIME AND PLACE OF PUBLIC HEARING TO CONSIDER PLACING DELINQUENT FEES AND CHARGES FOR FISCAL YEAR 2017-2018 ON THE YEAR 2018-2019 TAX ROLL. The resolution sets June 13, 2018 as the date of hearing.

Motion by/Second by: Refer to motion made under Report section.

New Business

13. Status report on sewer service charge increases and introduction of Ordinance Code No. 148:
A. Introduce Ordinance No. 148 by reading of ordinance title: AN ORDINANCE OF THE WEST VALLEY SANITATION DISTRICT BOARD OF DIRECTORS AMENDING CHAPTERS 1, 4, AND 10 THE DISTRICT'S ORDINANCE CODE RELATING TO THE SEWER SERVICE AND USE CHARGES AND HILLSIDE ZONE ADDITIONAL RATE. B. Conduct second reading of Ordinance No. 148 at the Board meeting on Wednesday, May 9, 2018. C. Proceed with the public hearing schedule for Wednesday, May 9, 2018 to receive and tabulate all valid protests received on the proposed sewer service and use charges and hillside zone additional sewer rate increases. The District

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Manager reported staff has proceeded with mailing out nearly 36,000 notices of the proposed rate increases to property owners within the District. To date, the District has received 13 written protest for the monthly sewer service and use charges and 3 for hillside zone additional rate. Staff will continue to monitor and record responses from the property owner for the public hearing in May. The rate increase also requires enabling ordinances to be adopted in parallel with the Prop 218 rate approval process. The report includes Ordinance No. 148 that makes the required changes to the Ordinance to adjust the rates consistent with the property owner rate notifications.

Motion by/Second by: Cappello/Resnikoff to accept the first reading of Ordinance No. 148 and schedule second reading and adoption of Ordinance 148 on May 9, 2018. Motion passed unanimously.

14. District Strategic Plan (FY 2018-2019 to 2022-2023). Adopt the updated District Strategic Plan for Fiscal Years 2018-2019 to 2022-2023. The District Manager reported the Strategic Plan provides staff guidance in its planning, budgeting, and development of work plans. Staff annually plans action items using the 5-year Strategic Plan for the Board's consideration in June and considers any current events and emerging issues to ensure alignment of the annual objectives to long-range strategies. The updated Strategic Plan covers 2018 to 2023 and reflects refinements to the objectives to achieve the Board's adopted Vision, Mission, and Goals. Updates reflect the most current regulatory issues, current challenges in the industry, and the specifics in the region. Upon adoption, staff will use the strategic plan objectives for planning next fiscal year's action items for the Board's consideration in June.

Motion by/Second by: Resnikoff/Leonardis to adopt the updated District Strategic Plan for Fiscal Years 2018-2019 to 2022-2023. Motion passed unanimously.

Closed Session

15. The Board adjourns at 6:08 p.m. to closed session - Conference with Legal Counsel – existing litigation. (Paragraph (1) of subdivision (d) of Section 54956.9) Name of case: *County Sanitation District, West Valley Sanitation District, Cupertino Sanitary District, and The City of Milpitas v. The City of San Jose, The City of Santa Clara, and Does 1 Through 50, Inclusive*, Santa Clara Superior Court Case No. 18CV325480. The following directors were present: Manny Cappello, Steve Leonardis, Paul Resnikoff, Rowena Turner, and Mike Wasserman.

Reconvene in Open Session

16. The Board reconvene in open session at 6:11 p.m. in open session. Nothing to report out.

Directors' Items

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17. Director’s reports, announcements, and questions. Director Wasserman recommends the District to do an annual rate increases each year in small increment for capital improvement and reserve on infrastructure replacement.
18. Manager reported the Board of Directors annually review the District Manager’s performance and compensation. Consistent with the policy adopted in January 2005 titled “Compensation Policy for District Manager and Engineer”, the policy states that “*an ad hoc subcommittee ... shall meet as necessary with the manager to review performance and compensation. The subcommittee will report to the Board of Directors and make recommendations in a timely manner for adjusting the manager’s compensation. The subcommittee shall consist of the Board Chair and Vice-Chair or their designated alternates.*” The District Manager’s employment contract also expires on June 30, 2018. To accommodate the schedule for adoption of the District’s objectives and proposed budget, and in consideration of the employment contract expiration date, the District Manager requested the Board Chair and Vice-Chair, or designated alternates, to meet as a subcommittee with the District Manager to review his performance and compensation and report to the Board of Directors with the subcommittee’s recommendations at the Board Meeting in June. The Board appointed Directors Turner and Cappello as the ad hoc subcommittee.

Adjournment

19. There being no further items of business, the meeting was adjourned at 6:19 p.m. The next Board Meeting is scheduled for May 9, 2018, at 6:00 p.m. at the Campbell City Hall, 70 N. First Street, Campbell, CA 95008.

Signature on File

ROWENA TURNER, CHAIRPERSON

Attest:

Signature on File

Secretary