

- G. RATIFY APPROVAL OF GENERAL FUND 3409 CHECK NUMBERS 59564 THROUGH 59605 DATED MAY 3, 2022
- H. RATIFY APPROVAL OF CAPITAL OUTLAY FUND 3412 PAYMENT ORDER NUMBERS 3075 THROUGH 3077 DATED APRIL 5, 2022
- I. RATIFY APPROVAL OF CAPITAL OUTLAY FUND 3412 PAYMENT ORDER NUMBER 3078 DATED APRIL 19, 2022
- J. RATIFY APPROVAL OF CAPITAL OUTLAY FUND 3412 PAYMENT ORDER NUMBERS 3079 THROUGH 3080 DATED MAY 3, 2022
- K. CONSIDER ADOPTION OF RESOLUTION NO. 1554-2022 AUTHORIZING THE DISTRICT TO CONTINUE TO CONDUCT VIRTUAL BOARD AND COMMITTEE MEETINGS

Director LaBella advised staff that Item 3G includes an accounts payable item to Central Contra Costa Sanitary District; considering Central Contra Costa Sanitary District is her employer, she views this as a conflict of interest and will abstain on Item 3G. Without Director LaBella, there are an insufficient number of Directors to take action on Item 3G and it was pulled from the Consent Calendar to be acted upon at a future meeting.

It was moved by Director LaBella, seconded by Vice President Danley, to approve Consent Calendar Items 3A to 3K, excluding Item 3G.

Motion carried by the following vote:

AYES:	Directors Caldwell, and LaBella, Vice President Danley
NOES:	None
ABSENT:	Director Pyka, and President Maggi
ABSTAIN:	None

4. PUBLIC HEARING

A. PUBLIC HEARING FOR CONSIDERATION OF ORDINANCE AND GENERAL REGULATION ADOPTING AND ESTABLISHING SCHEDULE OF CHARGES AND FEES FOR THE FISCAL YEAR 2022-2023

1. REPORT FROM STAFF

Administrative Services Manager Denise Gray reported that District Manager Corona is proposing a ten percent (10%) increase to the District's Sewer Service Charges for Fiscal Year 2022-2023 as previously set forth in the 3-

year Revised Final Sewer Service Charges Study prepared by Municipal Financial Services dated April 9, 2020. This increase was adopted by Ordinance 2020-129 on June 11, 2020. The proposed SSC increase is intended to provide sufficient cash flow to fund Operations & Maintenance, the highest priority infrastructure repairs, and bonded debt. Additionally, staff proposes to increase all other charges and fees of the District for direct service to customers by the Board-approved District Inflation Factor for FY22-23 of 3.211%.

2. CONDUCT PUBLIC HEARING

a. OPEN PUBLIC HEARING

Vice President Danley opened the Public Hearing.

b. RECEIVE PUBLIC TESTIMONY

There was no public testimony.

c. CLOSE PUBLIC HEARING

Vice President Danley closed the Public Hearing.

3. CONSIDER ADOPTION OF ORDINANCE NO. 2022-136, PROMULGATING GENERAL REGULATION NO. 136 ADOPTING AND ESTABLISHING a SCHEDULE OF CHARGES AND FEES FOR FISCAL YEAR 2022-2023.

It was moved by Director Caldwell, seconded by Vice President Danley, to adopt ordinance no. 2022-136, promulgating General Regulation No. 136, adopting and establishing a schedule of charges and fees for Fiscal Year 2022-2023.

Motion carried by the following vote:

AYES:	Directors Caldwell, and LaBella, Vice President Danley
NOES:	None
ABSENT:	Director Pyka, and President Maggi
ABSTAIN:	None

5. NEW BUSINESS

A. CALL FOR PUBLIC HEARING FOR COLLECTION OF SEWER SERVICE CHARGES FOR FISCAL YEAR 2022-2023 WITH THE GENERAL TAXES

1. REPORT FROM STAFF

Administrative Services Manager Gray reported Section 7.2.8.1 of the District Code provides, pursuant to Section 5473.5 through 5473.11 of the Health and Safety Code; the District may elect to have SSCs for each fiscal year collected on the County tax roll in the same manner, by the same persons, and at the same time as property taxes, assessments and other charges are collected.

The Contra Costa County Auditor requires that if SSCs are to be collected on the tax roll for the next fiscal year, they must be delivered to his office in the prescribed format on/or before August 10th. Collection of SSCs on the County Property Tax Roll is the most efficient and cost-effective means of collecting these charges from the property owners.

Staff's recommendation is for the Board to adopt a motion declaring the intention of the District to collect Sewer Service Charges (SSC) with the general taxes for Fiscal Year 2022-2023, setting time and place for a public hearing on the preliminary report for June 9, 2022, and directing publication of Notice of the Public Hearing.

2. CONSIDER ADOPTION OF A MOTION DECLARING THE INTENTION OF THE DISTRICT TO COLLECT SEWER SERVICE CHARGES (SSC) WITH THE GENERAL TAXES FOR FISCAL YEAR 2022-2023, SETTING TIME AND PLACE FOR A PUBLIC HEARING ON THE PRELIMINARY REPORT FOR JUNE 9, 2022, AND DIRECTING PUBLICATION OF NOTICE OF THE PUBLIC HEARING

It was moved by Director LaBella, seconded by Vice President Danley, to adopt a motion declaring the intention of the District to collect Sewer Service Charges (SSC) with the general taxes for Fiscal Year 2022-2023, setting time and place for a public hearing on the preliminary report for June 9, 2022, and directing publication of Notice of the Public Hearing.

Motion carried by the following vote:

AYES:	Directors Caldwell, and LaBella, Vice President Danley
NOES:	None
ABSENT:	Director Pyka, and President Maggi
ABSTAIN:	None

B. FISCAL YEAR 2021-2022 – 3RD QUARTER BUDGET REPORT

1. REPORT FROM STAFF

Administrative Services Manager Gray reported the District's Fiscal Year 2021-2022 3rd Quarter budget review focuses on the District's financial transactions from July 1, 2021, through March 31, 2022.

The O&M Fund is on target. The Facilities Fund has spent half of its allocated budget. Our Capital Fund is behind with almost twenty percent (20%) spent in the third quarter. The Debt Service Fund reflects only interest paid on both the 2018 ISA (Installment Sales Agreement) and the 2021 IPC (Installment Purchase Contract).

Overall, the District's Q3 expenditures are fifty percent (50%) of the remaining budget, or approximately \$6.2M. The O&M budget is meeting its targeted expenditure budget, which should continue through to year-end.

The Q3 Budget Review for FY 2021-2022 reflects a beginning cash balance of \$14.1M, revenues received in Q3 of approximately \$8.5M, and expenditures that equated to roughly \$6M. The District ended this quarter in a Net Position of \$12.1M. This is inclusive of all Funds 3409, 3410, 3412, and 3415.

2. PROVIDE DIRECTION AS NECESSARY

The Board thanked Ms. Gray for her report.

C. DRAFT FISCAL YEAR 2022-2023 BUDGET

1. REPORT FROM STAFF

Administrative Services Manager Gray reported the District's Fiscal Year 2022-2023 (FY23) Draft Budget document is being presented for Fund 3409 (Operations and Maintenance, "O&M"), Fund 3410 (Facilities Rehabilitation, "Facilities Rehab"), Fund 3412 (Capital Outlay, i.e., Capital Improvement Projects or "CIP"), and Fund 3415 (Debt Service Fund, i.e., "Debt").

Fund 3409 - Operations and Maintenance (O & M): The O&M budget reflects an overall decrease in expenditures of \$71,692 (-1%) from the approved FY2021-2022 budgetary expenses of \$7,126,202.

Fund 3410 – Facilities Rehabilitation and Repair: The Facilities Rehabilitation and Repair budget expenditures decreased by approximately 8% or \$371,250 overall. This is a result of an itemized review of the necessary maintenance and repairs identified by the Chief Plant Operator.

Fund 3412 – Capital Outlay: The Capital Outlay FY23 Draft Budget represents an increase in expenditures by approximately 17%, or \$4,945,300 overall. It was recommended that the Capacity Fee revenues be increased to include the new development Traditions at the Meadows. This development includes 65 homes in total. Thus, District Engineer Elliott conservatively estimated that at least half of the homes would be built, and revenues could be realized at approximately \$315,315 (e.g., FY23 Capacity Fee charges of \$10,510.50 x 30 homes).

Fund 3415 – Debt Service Fund: The Debt Service Fund anticipates loan payments of \$449,345 for the 2018 Installment Sales Agreement (2018 ISA) and \$397,458 for the 2021 Installment Purchase Contract (2021 IPC). The combined payments total \$846,803, of which Fund 3415 represents the Interest portion made in the amounts of \$228,985 for the 2018 ISA and \$172,259 for the 2021 IPC.

The draft FY23 budget reflects an overall decrease in planned expenditures in the General Fund (Fund 3409) of 1%, a decrease in the Facilities Rehabilitation Fund (Fund 3410) of 8%, and an increase in planned expenditures in the Capital Outlay Fund (Fund 3412) of 17%. The draft budget results in a projected ending balance of \$3,023,161 without the use of the District's reserves.

2. PROVIDE DIRECTION AS NECESSARY

The Board thanked Ms. Gray for her thorough and detailed summary of the draft FY2022-2023 budget.

D. MT. VIEW SANITARY DISTRICT MISSION STATEMENT, VISION, AND CORE VALUES

1. REPORT FROM STAFF

District Manager Corona reported that the Mission Statement, Vision, and Core Values are presented for the Board's review and consideration. An organization's Mission Statement is a declaration of the organization's purpose and why the organization exists. It serves as a guide for all of the organization's decision-making. It should help employees within the organization know what decisions and tasks best align with the mission of the company. A mission

statement offers insight into what the Board of Directors views as the primary purpose for being in business. Ideally, all activities of the District should be in support of the Mission Statement.

A Vision Statement is a Board crafted and adopted statement of the ideal future condition. It asks the Board to project what it would like to say about the District at the term of the strategic plan, in this case, 4 years . At the highest level, it outlines the key changes that the Strategic Plan must achieve. The Vision should reflect a high-level summary of the journey to be undertaken, with a clear destination. It should reflect performance expectations and address problems and obstacles likely to be faced. And finally, it should reflect the Board's concept of success.

2. CONSIDER REVISIONS TO THE MT. VIEW SANITARY DISTRICT MISSION STATEMENT, VISION, AND VALUES
3. DIRECT THE DISTRICT MANAGER TO AMEND AND REDISTRIBUTE THE DISTRICT STRATEGIC PLAN WITH THE REVISED MISSION STATEMENT, VISION, AND OR VALUES, DISTRIBUTE TO STAFF, AND UPDATE THE DISTRICT WEBSITE

Director LaBella thanked staff for bringing this item to the Board for discussion and recommended that this item be presented at a later date when the full Board is in attendance. Director LaBella also requested that District Manager Corona present a suggested Vision Statement to the Board.

6. REPORTS

R-1. DISTRICT MANAGER

District Manager Corona reported the District was not selected for Congressman Mike Thompson's earmarked funds of \$1.6M for the Digester Component Study and Improvement Project.

Ms. Corona advised the 3rd quarter performance metrics included with her staff report have been updated.

R-2. DISTRICT ENGINEER

Director Caldwell asked for an update on the 888 Howe Road item. District Counsel Adams advised the Board this item will be presented to the Board in a closed session at the June 9 meeting.

R-3. CFO/ADMINISTRATIVE SERVICES MANAGER

Vice President Danley stated he was pleased to see additional applicants for the Sewer Service Charges Rebate Assistance Program.

R-4. ENVIRONMENTAL SERVICES MANAGER

Her written report was referenced, and there were no questions.

R-5. WASTEWATER OPERATIONS MANAGER

His written report was referenced, and there were no questions.

R-6. DISTRICT LEGAL COUNSEL

District Legal Counsel Adams advised the Board that after Item 9A is addressed, all staff should be dismissed except for himself and District Manager Corona for the Closed Session Item.

R-7. BOARD SECRETARY

None

R-8. DIRECTORS

R 8.01 DIRECTOR BRIAN A. DANLEY

None

R 8.02 DIRECTOR DAVID P. MAGGI

Absent

R 8.03 DIRECTOR GREGORY T. PYKA

Absent

R 8.04 DIRECTOR STANLEY R. CALDWELL

Director Caldwell reported the CCC Board of Supervisors held its May meeting in person, and LAFCO intends to do the same for their June meeting.

R 8.05 DIRECTOR MELODY LABELLA

Director LaBella reported Central San suffered a Covid outbreak, so the facility and the Recycled Water Fill Station are closed through Monday the 16th for staff Covid testing.

7. COMMUNICATIONS

- A. BANK OF THE WEST MONTHLY STATEMENT
- B. LAIF QUARTERLY STATEMENT
- C. CORRESPONDENCE FROM HOUSE REPRESENTATIVE MIKE THOMPSON
- D. NOTICE OF PROPOSED CIVIL PENALTY FOR NOTICE OF VIOLATION
- E. RESULTS OF INDEPENDENT SPECIAL DISTRICT ELECTION – LAFCO COMMISSION

8. FUTURE BOARD ITEMS

- A. REQUESTS AND DIRECTIVES FOR FUTURE MEETINGS

None

9. CLOSED SESSION

Vice President Danley announced the below closed session and dismissed Administrative Services Manager Gray, Secretary Christopher, and District Engineer Elliott from the meeting.

- A. PERSONNEL MATTERS – PUBLIC EMPLOYMENT– GOVERNMENT CODE SECTION 54957 - TITLE: DISTRICT LEGAL COUNSEL – ANNUAL REVIEW

The Board came out of closed session at 7:26 pm, and Vice President Danley reported that the Board received the District Manager's review of District Legal Counsel and wishes to retain him for the coming year.

10. ADJOURNMENT

A. THE NEXT SCHEDULED BOARD MEETING IS REGULAR MEETING ON THURSDAY, JUNE 9, 2022 AT 6:30 P.M. THE NEXT SCHEDULED MEETING IS A PERSONNEL COMMITTEE MEETING ON MAY 18, 2022 AT 1:00 P.M.

Vice President Danley adjourned the meeting at 7:27 pm.


Stephanie Seregin, Board Secretary