

ERNIE WIPF
CHAIR

CANDACE HORSLEY
VICE-CHAIR

THERESA MCNERLIN
DIRECTOR

DARWIN DICK
DIRECTOR

BRADLEY BEST
DIRECTOR

UKIAH VALLEY SANITATION DISTRICT SPECIAL MEETING
WEDNESDAY May 24, 2023 AT 6:00PM

LOCATION:

DISTRICT'S MEETING ROOM - 151 LAWS AVE., UKIAH, CA 95482

AND

THE PUBLIC MAY ALSO VIEW VIA ZOOM

Call in number: 1-669-900-6833

Meeting ID: 878-6186-1835

Zoom Link: <https://us02web.zoom.us/j/87861861835>

*The Board welcomes participation in the Board meetings. If you are joining the meeting via Zoom and wish to make a comment on an item, press the "raise a hand" button. If you are joining the meeting by phone, press *9 to indicate a desire to make a comment. The chair will call you by name or phone number when it is your turn to comment. Speakers will be limited to 3 minutes. If you choose not to observe the meeting via Zoom and wish to make a comment on a specific agenda item, please submit your comment via email to the Board Secretary at aa@uvsd.org at least one hour before the meeting. All public comments submitted to the Board Secretary will be read verbatim for up to 3 minutes.*

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need disability-related modifications or accommodation to participate in this meeting, then please contact the Board Secretary at 707-462-4429. Requests must be made as early as possible, and at least one-full business day before the start of the meeting. The times indicated for agenda items are estimated and the Board reserves the right to address items either earlier or later than scheduled.

1. CALL TO ORDER

2. NEW BUSINESS

- A. DISCUSSION AND POSSIBLE ACTION RE: 1) Consider Changing Delinquency Threshold from 6 Months to 60 Days for Future Fiscal Years and 2) Consider, by Motion, Waiving the Assessment of Penalties for Delinquent Sewer Service Charges for the Current Fiscal Year

Recommended Action: 1) Provide feedback regarding a change in the definition of "delinquency" and provide direction to staff on whether to bring back and amend Ordinance No. 13 and 2) By motion, waive penalties for delinquent charges for the current fiscal year.

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- B. DISCUSSION AND POSSIBLE ACTION RE: Approve \$2,169,000 in Additional Costs for Pacific Infrastructure to Install Joint City-District Capital Items of Screw Press and Suspended Air Flotation at the Wastewater Treatment Plant

Recommended Action: Approve \$2,169,000 in Additional Costs for Pacific Infrastructure to Install Joint City-District Capital Items of Screw Press and Suspended Air Flotation at the Wastewater Treatment Plant and Direct Staff to Include in the Fiscal Year 2023-24 Capital Budget.

3. **ANNOUNCEMENTS/OTHER BUSINESS/MATTERS FROM STAFF**
 - a) General Counsel Report
4. **ADJOURNMENT**

Ukiah Valley Sanitation District
151 Laws Avenue
Ukiah, CA 95482

STAFF REPORT
May 24, 2023

To: Board of Directors
From: Wing-See Fox
Meeting Date: May 24, 2023

Item #2A: 1) Consider Changing Delinquency Threshold from 6 Months to 60 Days for Future Fiscal Years and 2) Consider, by Motion, Waiving the Assessment of Penalties for Delinquent Sewer Service Charges for the Current Fiscal Year

Background:

Under Health and Safety Code section 5473.11, charges may be placed on the property tax roll if they remain delinquent and unpaid for 60 days. Pursuant to the District's Ordinance No. 13, a "delinquent account" means an account for which charges have not been paid for six months or longer.

Health and Safety Code section 5473.10 permits the District to apply a base penalty of not more than 10% for nonpayment of the delinquent charges and, in addition, it may assess a penalty not exceeding 1.5% per month for nonpayment of the delinquent charges and the base penalty. Annually, in accordance with the District's Ordinance No. 13, and as permitted by Health and Safety Code sections 5473 et seq., delinquent sewer service charges are forwarded to the Mendocino County Auditor for the placement onto the tax roll as an assessment. If penalties for late payments are assessed, they are included as part of the delinquent sewer service charges placed on the property tax rolls.

Discussion:

Defining delinquent charges as those that remain unpaid for six months or longer presents several challenges. If penalties are not assessed until six months or longer, customers may not be incentivized to bring their accounts current until they are six months late. By that time, the customer may find it challenging to pay off a high outstanding balance, the customer may have moved from the property receiving sewer service, the District may be put in a challenging financial position if delinquent accounts grow to a material level, and substantial administrative burden may be placed on the District to pursue resolution of the delinquent accounts. Staff believes that changing the District's definition of delinquency from 6 months to the more standard 60 days will alleviate these challenges.

Staff is asking for feedback from the Board on this matter. If the Board elects to move forward with this change, the District would introduce an amended Ordinance No. 13 at its next Board meeting and then adopt the ordinance at a regular meeting following the introduction. Additionally, given the staff burden of calculating the late penalties prior to forwarding delinquent sewer service charges to the Mendocino County Auditor for the placement onto the tax roll by August 10, 2023, and given the current transition in staffing, it is recommended that the Board waive the assessment of penalties for this current fiscal year.

Ukiah Valley Sanitation District
151 Laws Avenue
Ukiah, CA 95482

Recommended Action:

1. Provide feedback regarding a change in the definition of “delinquency” and provide direction to staff on whether to bring back and amend Ordinance No. 13.
2. By motion, waive penalties for delinquent charges for the current fiscal year.

Respectfully submitted,



WING-SEE FOX
Interim District Manager

Ukiah Valley Sanitation District
151 Laws Avenue
Ukiah, CA 95482

STAFF REPORT
May 24, 2023

To: Board of Directors
From: Wing-See Fox
Meeting Date: May 24, 2023

Item #2B: Approve \$2,169,000 in Additional Costs for Pacific Infrastructure to Install Joint City-District Capital Items of Screw Press and Suspended Air Flotation at the Wastewater Treatment Plant

Background:

All shared capital projects with the City of Ukiah over \$200,000 are required to be approved by the Board. As part of the Fiscal Year 2022-23 Budget, the Board approved a budget of \$1.56 million for the purchase and installation of a screw press and suspended air flotation device at the wastewater treatment plant as joint City-District capital items, with costs to be shared between the City and the District in accordance with the Operating Agreement. In 2022, the City purchased the equipment for a total of approximately \$763,000 which will replace existing failing machinery at the plant that is becoming increasingly expensive to repair given the difficulty of sourcing parts. The two new pieces of equipment will work together in making a more efficient and mechanically less complex system, allowing for easier repair and eventually a non-hazardous byproduct that can be used in making fertilizer.

Discussion:

The City received three construction bids for the installation of the equipment on March 16, 2023. The low bidder (Pacific Infrastructure) bid an amount of \$2.994 million, which would bring the total cost, including purchase of the equipment, to approximately \$3.76 million. The City of Ukiah City Council will be considering a budget amendment of \$2,169,000 at its next Council meeting for these capital items. It is staff's understanding that replacement of this equipment is critical to the sewer system and is expected to increase efficiency as well as allow for future repair.

Recommended Action:

Approve \$2,169,000 in Additional Costs for Pacific Infrastructure to Install Joint City-District Capital Items of Screw Press and Suspended Air Flotation at the Wastewater Treatment Plant and Direct Staff to Include in the Fiscal Year 2023-24 Capital Budget.

Respectfully submitted,



WING-SEE FOX
Interim District Manager