

BAYSHORE SANITARY DISTRICT
MINUTES
Meeting of November 19, 2020

Roll Call:

The meeting was called to order at 7:09 P.M. As permitted per State of California Executive Order N-29-20 the meeting of the Bayshore Sanitary District was conducted via Zoom. Members of the public were invited to join the meeting. However, there were no requests for the meeting information.

Present: Constantino, Gallagher, Rizzi, Swanbeck, Tonna

Absent: None

Also: Maintenance Director Landi, Engineer Yeager, Counsel Hundley and District Clerk Landi

Oral and Written Communications: (Concerning matters not on the Agenda; no action will be taken nor will extended discussion be permitted.)

- (1) Communications from members of the public
None
- (2) Communications from members of the District Board and Staff
None
- (3) Acknowledgment of recent correspondence to the District
None

Oral and Written Communications: (Concerning matters not on the Agenda; no action will be taken nor will extended discussion be permitted.)

- (4) Minutes of the Regular Meeting of October 22, 2020
- (5) Payment authorization for bills and compensation
- (6) Accept October, 2020 report on District's current financial status
- (7) Accept October, 2020 checking account reconciliation

A motion was made by Director Swanbeck, seconded by Director Tonna and passed by roll call vote to approve consent items 4 – 7.

Ayes: Constantino, Gallagher, Rizzi, Swanbeck, Tonna

Noes: None

Board Reports – consideration of matters relating to:

- (8) President Gallagher
 - (a) LAFCo: The bi-monthly meeting was yesterday. No District representative attended.
 - (b) CSDA – Local Chapter: President Gallagher and Maintenance Director Landi attended the October 21st Zoom meeting. Candidates Josh Becker and Alexander Glew vying for the 13th Senatorial District presented their positions on various issues.

Some costs were trimmed on the FY 20-21 LAFCo budget. There was a report on controversy between East Palo Alto and East Palo Alto Sanitary District regarding a proposed development.

The next meeting will be in January, 2021.

(9) Daly City: Director Rizzi said the locks at Lawson Hall have been changed so he had to post the District agenda on the outside of the building. He will eventually be given a new key. He also reported that Ms. Hipona was reelected City Clerk of Daly City.

Director Swanbeck said the Boys & Girls Club has a large auditorium which could potentially be a site for next year's public hearing.

(10) Brisbane: There was a CAG meeting yesterday; however, no Director attended.

Staff Reports:

(11) Maintenance Director – consideration of matters relating to:

(a) Monthly report on District operations and maintenance: The Carlyle Station is functioning properly. There was some activity at 1047 and 1049 Schwerin Street during the reporting period. The owner of 1049 made a claim with her insurance company for damage due to a leak of some kind. The insurer hired American Leak Detection (ALD) to do an inspection. Photos provided to the District indicate damage due to some problem with the internal plumbing. ALD also reported that they performed a video inspection and found an offset and a crack at the property line. Had NSCMSD do a video inspection which detected a minor offset which has nothing to do with the problems inside the home. There is some problem at 1049 which allows wastewater to leak down to 1047; this was confirmed by a dye test conducted in October. No District problem was found.

There was a service request at 502 Alexis Circle. The resident had a backup inside the home which caused damage. No District problem was the cause. Could not find a cleanout in the front property. Checked the District maps and found the location of the cleanout. Provided the owners with the information and they were able to locate the cleanout buried under some landscape. The cleanout to the main is in good condition.

Daly City routed a call at 112 MacDonald Avenue to the District. There was no District problem and the property owner was advised to call plumber.

(12) District Engineer – consideration of matters relating to:

(a) October meter reading data: There was no rainfall in October. The average daily flow was 260,000 gallons.

(b) 2019-20 CIPs - SCADA: A meeting in Sacramento at the Tesco facility scheduled for November 17th was cancelled. Due to Covid19, Engineer Yeager was not comfortable attending. The meeting will be rescheduled. The Engineer and Maintenance Director will go over the screenshots. Also, the District will need to supply some gauges and Engineer Yeager has requested quotes.

(c) Midway Village: We have received a detailed set of plans and the Board was provided with a layout of Phase 1 via email. We have been having problems printing some of the documents because of their size. Phase 1 is where there is currently a field. No existing buildings will be removed. Building A1 is a U shaped building with a parking garage in the center, 3-story units over the garage and a community center. To the right of that is Building A2 which is more housing units and an after school learning center. The plans also lay out the road system. Midway Drive will not be altered. Strangely enough, there is only one entry and exit for the 371 space parking structure. The Engineer and Maintenance Director have reviewed the plans. We requested notes on the drawings

that define who is responsible for the various sanitary lines—what is the District responsibility and what is Midway Village’s responsibility. They need to obtain an industrial discharge permit from the SFPUC and the District for the drainage from the garage structure. Midway Drive will be televised by the District pre and post construction. Engineer Yeager is concerned about constructability since they are putting in a lot of utilities in a narrow corridor. He has asked that the geotech review be included in the report. He has also asked that they review and possibly move some of the lines. Construction will start next year.

(d) Industrial discharge permits: Billing has been issued for the completed discharge at the Chevron Station. PG&E has not yet started their discharge and has received an extension from the SFPUC to March 21, 2022.

(e) Amendment #2 to North San Mateo County Sanitation District O&M agreement: The Amendment was signed by President Gallagher and transmitted to NSMCS D.

(f) Daly City Protocol Agreement: Reached out to Richard Chiu via email but have not received a response; will follow up.

(g) Rate increase: A memo discussing the loading factor for non-residential customers was provided to the Board. The District adjusts rates for commercial accounts by using loading factors which compensate for the costs of treatment vs. a single family residence. The loading factors are different depending on the type of commercial/retail establishment. The Engineer has no idea where these rates came from but date back to at least 1987. He has reviewed what other local agencies do with regard to commercial rates. There is a lot of inconsistency. Daly City has no commercial rate, the SFPUC uses the Standard Industrial Code, and others are based on the type of business. Tables included in the monthly report illustrate some fees charged to single family residences and commercial accounts by other agencies. Mr. Yeager reviewed the average rates for a family of 3 and the current loading factors for various types of businesses. He likes the SFPUC system because they have a description for all the categories. The only establishments charged more are restaurants and laundromats. It is a very comprehensive system. Union Sanitary provides definitions with enough examples within the categories that you could easily develop a system. That would be easier to administer vs. what we currently have which is more judgment based. Engineer Yeager recommends that when we go through the Prop 218 rate increase process we also simplify the commercial rates. The District would use the detailed classifications but arrive at our own loading factors. He believes that should we use the SFPUC loading factor criteria, the total of the commercial account revenue will decrease.

(h) SFPUC annual sewer service charge: This year the billing has been more complicated than in prior years. We received a preliminary bill in September for \$1,116,433. We recently received the final billing and that is \$1,269,262. The District budgeted \$1,116,000 for FY 2020-21. The Engineer has looked at this in a variety of ways. It is a puzzle as to why there is such a large increase when the allocated cost rose very little. The Maintenance Director pointed out that there is a requirement in our contract that the SFPUC have their meter validated annually. The Engineer will request that information from his SFPUC contact. Mr. Yeager believes that low rainfall and Covid19 have reduced the SFPUC discharge volume. He has requested and is going to analyze the SFPUC discharge volume during the dry months this year compared to the prior year. There are still some budget items that need to be reconciled. He also remarked that if this data is correct, the SFPUC commercial revenue will be down. How will they recover that loss? President Gallagher complimented Engineer Yeager on his analysis and his dedication in trying to figure this all out.

(13) District Counsel – consideration of matters relating to:
None

(14) District Clerk – consideration of matters relating to:

(a) Grand Jury report re ransomware – draft response: The Clerk drafted a response to the recommendations which have been reviewed by Counsel Hundley and were distributed to the Board. After brief discussion a motion was made by Director Swanbeck to approve the draft response. The motion was seconded by Director Tonna and passed by the following roll call vote:

Ayes: Constantino, Gallagher, Rizzi, Swanbeck, Tonna

Noes: None

Old Business:

(15) Sewer Service and Capacity/Connection Charge increase discussion: As instructed at the October meeting, the Clerk checked with the City of Daly City regarding the availability of Lawson Hall to conduct a public hearing in February or March. The City advised that they are not booking at this time and suggested we call in early January. As mentioned above the Girls & Boys Club might be another possible site for the public hearing. The Clerk will call and ask about usage.

Counsel Hundley said that she has done some investigation into Prop 218 virtual hearings. There are many variations among the entities and right now there is a lot of uncertainty.

The Engineer secured a copy of the West Bay Sanitary District detailed report supporting their rate increase. They are a larger entity and have many more line items.

New Business:

(16) Reports on other matters: no action will be taken

The Maintenance Director told the Board that Sergio Ramirez who once performed work at the District under the CSMS contract has worked his way up the ranks in the industry and was recently named the District Manager of West Bay Sanitary District.

Adjournment:

The meeting was adjourned at 8:19 P.M. The next meeting is December 17, 2020 at 7:00 P.M.

Submitted by, Joann Landi

/s/ Iris Gallagher
President

/s/ Norman Rizzi
Secretary