

BAYSHORE SANITARY DISTRICT
MINUTES
Meeting of September 24, 2020

Roll Call:

The meeting was called to order at 7:00 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, no requests for the call-in information were received.

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
The Clerk reported that shortly after the August meeting she was notified by James Hamill, CSDCA, that a new resolution and documents had been released with regard to the Pt. Martin funding mechanism. He was advised that the matter will be taken up by the Board in the next few months. Counsel Hundley will check with her colleagues to determine if we need to notice a Public Hearing to listen to the presentation.
- (3) Acknowledgment of recent correspondence to the District
The audit was received yesterday and transmitted via email. It will be discussed under New Business.

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

Two invoices were received after the meeting packets were distributed. The Clerk would like authorization to pay the final billing of \$1,239 to Fechter & Co. for the FY 2019-20 audit and a payment of \$5,200 to SF Underground for the spot repair at 1023 Schwerin Street approved at the August meeting.

- (4) Minutes of the Regular Meeting of August 27, 2020
- (5) Payment authorization for bills and compensation
- (6) Accept August 31, 2020 report on District's current financial status
- (7) Accept August, 2020 checking account reconciliation

A motion was made by Director Swanbeck, seconded by Director Constantino and passed by voice vote to approve consent items 4 – 7 with #5 being amended to include the two additional payments.

Board Reports – consideration of matters relating to:

(8) President Gallagher

(a) LAFCo: President Gallagher received the ballot for the Special District Commissioner open seat. She submitted the ballot on behalf of the District and voted for the incumbent Ric Lohman.

(b) CSDA – Local Chapter: There was no report. The Maintenance Director asked if the authorized signers on the bank account had been updated. TriCounties Bank requires a resolution to make the changes and current and new signers may have to go to the Pacifica Branch.

(9) Daly City: Director Rizzi said that Daly City did not respond to the Baylands EIR since they don't believe they are impacted by the project. He also mentioned some personnel and council changes with political overtones.

(10) Brisbane: No report.

Staff Reports:

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

(a) Monthly report on District operations and maintenance: The Carlyle Pump Station is operating fine. Some additional work was done during the reporting period. Met with the Chevron Station contractor regarding the meter to be used to measure the ground water discharge. The discharge has actually already been completed and we will ask for meter readings.

A few inspections have been done at 32 – 38 Rio Verde Street where two single family homes are being built. The contractor was provided with the District Specs; however, some non-conforming pipe had to be changed.

A video inspection was done at 220 Accacia Street, an area where the District has a special agreement with 3 homes connected to one lateral. The inspection indicated that only 2 homes are connected to the lateral.

The spot repair at 1023 Schwerin Street is complete. Will discuss permitting issues under the Engineer's report.

There were no service requests during the reporting period.

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

(a) August meter reading data: The average daily flow was 285,161 gallons vs. 277,000 for August, 2019. The flow could be higher because people are home more.

(b) 2019-20 CIPs : The contract with Tesco for the SCADA system has been signed. They have 120 days to complete the project (January 20, 2021). There was a productive kickoff meeting with 1 representative at the District and 5-6 in Sacramento via Webex. Engineer Yeager was very satisfied with the meeting. He and the Maintenance Director will be going to Sacramento to see some of the deliverables. In response to a question from the Clerk, the Engineer said that Tesco will provide a dedicated computer for monitoring the system. The Maintenance Director will need a tablet.

(c) The Overlook: All fees have been paid for 11 additional connections. Mr. Landi reported that 4 homes are now occupied.

(d) 267 Oriente, 271 Oriente and 220 Accacia Street: These are 3 among a significant number of remodels we are receiving. All needed the architect or engineer to make a submittal to

the District. At 220 Accacia Street there are 2 cleanouts in front of the home. One is a 6" that ties into the neighbors and then goes to the main and the other is a 4" cleanout. The contractor needs to verify which cleanout serves the house and then a note is to be placed on the plans.

(e) Industrial discharge permits: Two new industrial discharge permits have been issued. One for the Chevron Station and the other for PG&E. The Chevron Station discharge is complete and the PG&E discharge setup needs to be inspected by the Maintenance Director.

(f) SFPUC estimated annual charge: Engineer Yeager read a memo he received advising that the estimated 2020-21 sewer service charge is \$1,116,443. There is still some budget negotiation going on so this could change. They will provide the final number and supporting documents when the budgeting is complete. We budgeted \$1,100,000 for FY 2020-21.

(g) 1023 Schwerin Street – service request charge from Daly City: This was an afterhours emergency response. We were billed \$1,427.40 for 4 hours of labor (the after hour minimum) and 4 hours for equipment. The equipment should have billed for actual time which was 2 hours. North San Mateo County Sanitation District agreed and the invoice was amended reducing the charge to \$1,117.74.

(h) 1023 Schwerin Street – Daly City permit: SF underground went to Daly City on September 16 to obtain the encroachment permit. The City would not allow them to sign the permit. The Engineer called Daly City on September 17 and asked if we could have SF Underground act as the District's agent. They first said yes and then reversed that decision. The contractor had the crew in place and was ready to patch the street; the patching was done on September 18. Engineer Yeager found the permit on line, completed it and discussed it with the Maintenance Director on September 22. He secured a signature from SF Underground and he signed as the District Engineer. The permit was submitted today, the City was advised the work is done and photos were provided. They were advised that the Maintenance Director inspected the work however; they requested more documentation on how the patch was done.

There is an issue with the permit language which the Engineer read. The City wants the District to assume liability for the repair. In this case we authorized SF Underground to proceed with no contract. The Maintenance Director explained how the pavement work was done. The Engineer said that going forward the District should have a contract so the liability is on the contractor. Our protocol agreement is for a no cost permit—it does not address the mechanics of that. They are not charging for the permit. President Gallagher suggested setting up a meeting with Richard Chiu to see what we can do to streamline the process. The City will be provided additional photos to demonstrate how the work was done.

(i) Amendment #2 – North San Mateo County Sanitation District agreement: There is an 8.5% increase on the labor component and 1.6% on the equipment portion. Last year's sewer cleaning charge was \$62,089. This year it will be \$59,000 because there is an inspection element only done every 3 years. Some language changes have been made regarding notification prior to cleaning, District notification when requests are made directly to the City, and timely overflow reports. A little more work needs to be done to tighten up the language regarding spill reporting timing.

(13) District Counsel – consideration of matters relating to:

(a) Acknowledge Rachel Hundley as designated District Counsel: It was the consensus of the Board to accept Rachel Hundley as our District Counsel.

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

(a) Anti-sexual harassment training: Just a reminder that the one hour training must be taken by January 1, 2021. The Clerk will provide the information on the company used by Directors Rizzi and Constantino.

Old Business:

(15) Sewer Service and Capacity/Connection Charge increase discussion

President Gallagher reviewed the audit and directed the Board's attention to Page 8. It shows operating revenues and operating expenses. The expenses exceeded operating revenues by \$387,000. We had non-operating revenue which offset the deficit. She said it is alarming and indicates that the District needs to do something. The Engineer said he has been waiting to get final numbers from the SFPUC and now that he has a preliminary number he can put together a spreadsheet laying out what the needs are and start planning the implementation. The goal is to go through the Prop 218 process and be able to increase the sewer service charge effective FY 2021-22. Counsel Hundley said that public hearings can be held using Zoom. There was discussion on how to go about the mass mailing required for the Prop 218 hearing. The Clerk will post a request for information on the CSDA Forum.

New Business:

(16) Draft Fiscal Year 2019-20 Audit

The audit was provided via email prior to the meeting. Engineer Yeager has had discussions with the CPA regarding depreciation. Fechter & Co. and the Engineer will meet in early November to coordinate the fixed asset inventory since the one being used is out of date. The Engineer had created a new listing which was provided to the previous auditor. Apparently this information was not passed on to Fechter & Co. The depreciated value won't change much but it will be accurate. President Gallagher said our balance sheet will have to be updated so that everything is in sync. President Gallagher said she reviewed the report and it seems okay. Director Swanbeck also reviewed the audit. Acceptance was deferred to the October meeting so that all Directors have an opportunity to review.

(17) Reports on other matters: no action will be taken
None

Adjournment:

A motion was made by Director Swanbeck, seconded by Director Tonna and passed to adjourn the meeting at 8:12 P.M. The next meeting is October 22, 2020 at 7:00 P.M.

Submitted by, Joann Landi

/s/ Iris Gallagher
President

/s/ Norman Rizzi
Secretary