

BAYSHORE SANITARY DISTRICT
MINUTES
Meeting of July 22, 2021

Opening of Meeting and Roll Call:

The meeting was called to order at 7:03 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. The information on how to join the meeting was included in the posted agendas.

Present: Constantino, Gallagher, Rizzi, Swanbeck, Tonna
Absent: None
Staff: Maintenance Director Landi, Engineer Yeager, Counsel Hundley and District Clerk Landi

Public Hearing:

The Public Hearing was publicized twice in the San Mateo County Times. The Hearing was opened at 7:05 P.M.

(1) Approval of Sewer Service Charge Report for FY 2021-22; Resolution No. 2021-03
The final amount of sewer service charge to be placed on the tax rolls is \$1,266,906.34. A motion was made by Director Swanbeck to approve the resolution as revised today. The motion was seconded by Director Constantino and passed by the following roll call vote:

Ayes: Constantino, Gallagher, Rizzi, Swanbeck, Tonna
Noes: None
Abstained: None

(2) Approval of Collection of Delinquent Accounts on County Property Tax Roll
There is one delinquency of \$750 for the connection fee for an ADU at 494 Oriente Street. Since the property owner wasn't notified the delinquency cannot be placed on the tax rolls. It is not reasonable to call a special meeting for this matter. We will work with Daly City to either issue a stop notice or delay occupancy until the delinquency is paid in full.

(3) Adoption of FY 2021-2022 Annual Budget; Resolution No. 2021-04
A revised resolution was sent prior to the meeting reflecting the increase in sewer service charge revenue. A motion was made to adopt Resolution 2021-04 by Director Swanbeck, seconded by Director Tonna and passed by the following roll call vote:

Ayes: Constantino, Gallagher, Rizzi, Swanbeck, Tonna
Noes: None
Abstained: None

The Public Hearing was closed at 7:10 PM

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

(4) Communications from members of the public
None

(5) Communications from members of the District Board and Staff
President Gallagher told the Board and Staff that she received notification from the title company that the easement for Midway Village has been recorded. This was a time consuming task and took several attempts at finalizing.

(6) Acknowledgment of recent correspondence to the District
We received a letter from Erin Franks, SFPUC, advising the District that the capacity charge for a ¾" meter is being increased from \$4,773 to \$4,984 depending on the sci number. The increase became effective on July 1.

Consent Agenda: (Any member of the Board or the public can request that an item be removed from the Consent Agenda. If there are no objections all items are voted upon by one motion.)

The Clerk asked for authorization to issue payment of two invoices that were received after the meeting packets were delivered. One is the final payment to Tesco Controls for \$4,975.00 and the other is our annual USA membership fee for \$391.51.

- (7) Minutes of the Regular Meeting June 24, 2021
- (8) Payment authorization for bills and compensation
- (9) Accept June, 2021 report on District's current financial status
- (10) Accept June, 2021 checking account reconciliation

A motion was made by Director Swanbeck, seconded by Director Constantino and passed unanimously by voice vote to approve consent items 7 – 10 including the two additional payments.

Board Reports – consideration of matters relating to:

- (11) President Gallagher
 - (a) LAFCo: No report.
 - (b) CSDA – Local Chapter: The next meeting is August 3. CSDA is having their annual conference at the end of August in Monterey. No Director plans to attend.
- (12) Daly City: Director Rizzi reported that Lawson Hall will tentatively open on August 8.
- (13) Brisbane: Director Swanbeck is keeping an eye on local entities with regard to water rates and allotments.

Staff Reports:

- (14) Maintenance Director – consideration of matters relating to:
 - (a) Monthly report on District operations and maintenance: The SCADA project is pretty much complete. We have had a few glitches recently with the alarms. Tesco worked on the problem and it was resolved remotely. They are also going to provide the option for the Maintenance Director and Engineer to remotely control some features, i.e. silencing a non-

emergency alarm, etc. They have returned the electrical drawings that we loaned them. There are some minor issues to be addressed but Tesco has been very responsive.

Preconstruction video inspection was done for the Midway Village project. It is scheduled to start in early August.

Four properties were final inspected in the Overlook development. Two of those had failed in the past. There are at least 20 yet to be inspected.

There were two service requests during the reporting period. One was at 80 Calgary which was not a District problem. The other was a lateral problem at 1024 Schwerin Street.

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

(a) June meter reading data: The average daily flow was 254,856 gallons.

(b) 2019-20 CIP – SCADA system: The system is functional and both the Engineer and Maintenance Director can view/monitor the operation remotely. Until we figure out how to use the reporting functions we will continue using our standard reports.

(c) Midway Village: Construction is scheduled to begin August 2; we need the sequence of construction. One issue to be resolved is how they are going to install several utilities along the west side of building one. The contractor has not yet provided that submittal; the Engineer will follow up. There are also issues regarding ground water.

(d) Point Martin: A new set of utility plans have been sent to Daly City. We will comment after Daly City submits their comments so we can see how those may impact the sewer. The architectural plans are not yet complete and they will include the cleanout locations. Construction will not start until sometime in October. They are doing some preliminary grading.

(e) SFPUC annual charge: District Counsel sent a letter to John Roddy. We have not yet received a response.

(f) Daly City/NSMCSD O&M Contract: Engineer Yeager will work on an amendment for consideration at the August meeting.

(g) 2021 Sewer Service Charges: A lot of things happened at the end of the planning process resulting in an increase of about \$20,000 to sewer service revenues. At the June meeting we were lacking some information, i.e. discharge numbers from Kinder Morgan, etc. Typically it is zero but this year they had a significant discharge. One more unique event was parcels in the Overlook development that went into private ownership. But there was no water usage report from Daly City for those parcels. The City provided water readings for the 3 master meters. Toll Brothers has advised the District that there are meters at the homes but the Homeowners Assn. is in the process of hiring meter readers. The meters were delivered in December, 2019 but no readings were taken until October, 2020 due to Covid. The total water usage from December, 2019 to April, 2021 totals \$13,382.40. Toll Brothers decided they will pay that amount rather than having homeowners billed. That arrangement is fine with the Engineer. This is another reason why the amount of sewer service charge increased since the budget workshop. Resolution 2021-03 reflects this change.

With regard to 494 Orient Street, we are not able to place the connection charge for the ADU on the tax rolls because the property owner wasn't noticed. Engineer Yeager has been in touch with Daly City and was advised that there are property line issues to be resolved. He will continue to work with Daly City regarding issuing a stop notice or make occupancy dependent on

full payment of the connection charge and late penalties. A third invoice will be sent to the property owner.

(h) Connection fee increase: The Board was provided with a memo explaining this year's calculation to start the discussion. The calculation is made each year to determine what the appropriate connection fee should be. The number is based on the depreciated value of the assets plus the CIP reserves divided by the number of equivalent dwelling units. We have been holding the connection fee at \$3,414 since 2008. In 1999 a five year plan was adopted with the maximum charge set at \$3,414. This year's calculation indicates that the charge should be \$4,203. If all contingency funds were included in the calculation the fee would be over \$5,000. If the Board would like to consider increasing the connection fee it can be discussed at a future meeting. One significant future capital project is construction of a second force main. The Engineer will develop an estimate.

District Counsel said that no public hearing or newspaper publication is required. The District must provide 10 day prior notice of a proposed increase to anyone who has asked to be notified. An increase can be adopted by resolution. This matter will be placed on the August agenda.

(i) Rate increase request: The Engineer is requesting a \$5 per hour increase. A motion was made by Director Swanbeck approving the increase request. The motion was seconded by Director Rizzi and unanimously passed by voice vote.

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

(17) District Clerk – consideration of matters relating to:
None

Old Business:
None

New Business:

(18) Resolution #2021-05 Allocating Funds to District Reserve, Contingency and Cash Flow Accounts for FY 2021-22

Each year since 2002 the Board has adopted a resolution allocating dedicated sums to various contingency funds. A motion was made by Director Swanbeck to adopt Resolution 2021-05. The motion was seconded by Director Rizzi and passed by the following roll call vote:

Ayes: Constantino, Gallagher, Rizzi, Swanbeck, Tonna
Noes: None
Abstained: None

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

Closed Session:

The Closed Session began at 8:10 P.M.

(20) Significant exposure to litigation pursuant to §54956.9(b): two cases

The Closed Session ended at 8:11 P.M. There is no reportable action.

Adjournment:

The meeting was adjourned at 8:13 P.M. The next regular meeting is August 26, 2021 at 7:00 P.M.

Submitted by, Joann Landi

/s/ Iris Gallagher
President

/s/ Norman Rizzi
Secretary